Statistics of Income Studies of International Income and Taxes

by Melissa Costa and Nuria E. McGrath

The United States generally taxes U.S. persons on their worldwide income and foreign persons on their U.S.-source income or the portion of their income that, by definition, is considered to be connected with a U.S. source. A U.S. person is any citizen or resident of the United States, a domestic partnership or corporation, or any estate or trust that is not considered foreign. Any person who does not fit the definition of a U.S. person is considered a foreign person.[1]

The Statistics of Income (SOI) Division of the IRS conducts 15 studies of international income and taxes. These studies provide data on the foreign activity of U.S. persons, as well as the U.S. activity of foreign persons. Table 1 lists the data sources for each of the studies mentioned in this article, as well as the current frequency of each study. Data for recent study years can be found on SOI's Web pages (www.irs.gov/taxstats).

Foreign Activities of U.S. Persons

Corporate Foreign Tax Credit

In 1918, Congress designed the corporate foreign tax credit provisions Federal tax law to prevent potential double taxation on the foreign-source income of U.S. corporations, as U.S. corporations are taxed on their worldwide income. Double taxation occurs when an item of income is taxed by both the United States, as a corporation's country of residence, as well as by the country from which the income originates. The current provisions allow U.S. businesses to credit their foreign taxes paid, accrued, or deemed paid against their U.S. income tax liability. Currently, the credit is limited to the amount of U.S. tax a corporation would have otherwise paid on foreign-source taxable income. This limitation prevents taxpayers from using taxes paid at higher tax rates than the U.S. rate to offset their tax liability on other U.S. income. Taxes that exceed the limitation can be carried back for 1 year or carried forward for 10 years.

Corporations are required to calculate the credit separately for different income categories to prevent taxpayers from shifting nonbusiness, lower-taxed income (for example, investment income) overseas. Typically, these investments generate additional foreign income, but incur minimal tax liability, effectively increasing the limitation on the foreign tax credit. Segregation of this low-taxed, nonbusiness income from other foreign income limits U.S. corporations from arranging foreign investments at the expense of U.S. tax revenue.[2]

In recent years, both foreign-source taxable income and worldwide income have increased significantly among corporations that claimed a foreign tax credit. Between Tax Years 2002 and 2004, real foreign-source taxable income rose from $180 billion to $258 billion, or 43 percent, for corporations that claimed a foreign tax credit (Figure A).[3] Much of the 61-percent increase in real foreign-source taxable income from Tax Year 2004 to 2005 for corporations that claimed a foreign tax credit can be attributed to the one-time repatriation tax holiday. This tax holiday allowed taxpayers to deduct 85 percent of qualifying dividends received from their controlled foreign corporations (CFCs) from their U.S. taxable income. Most claimed the tax holiday for 2005. The result of the holiday was a real increase in foreign-source taxable income for corporations that claimed a foreign tax credit, from $258 billion in Tax Year 2004 to $415 billion in Tax Year 2005. The one-time repatriation tax holiday also influenced worldwide taxable income as there was a 44-percent increase from Tax Year 2004 to 2005 for corporations that claimed a foreign tax credit. Conversely, since most corporations claimed the tax holiday for 2005, there was a mere 3.5-percent increase in real worldwide taxable income from Tax Year 2005 to 2006.

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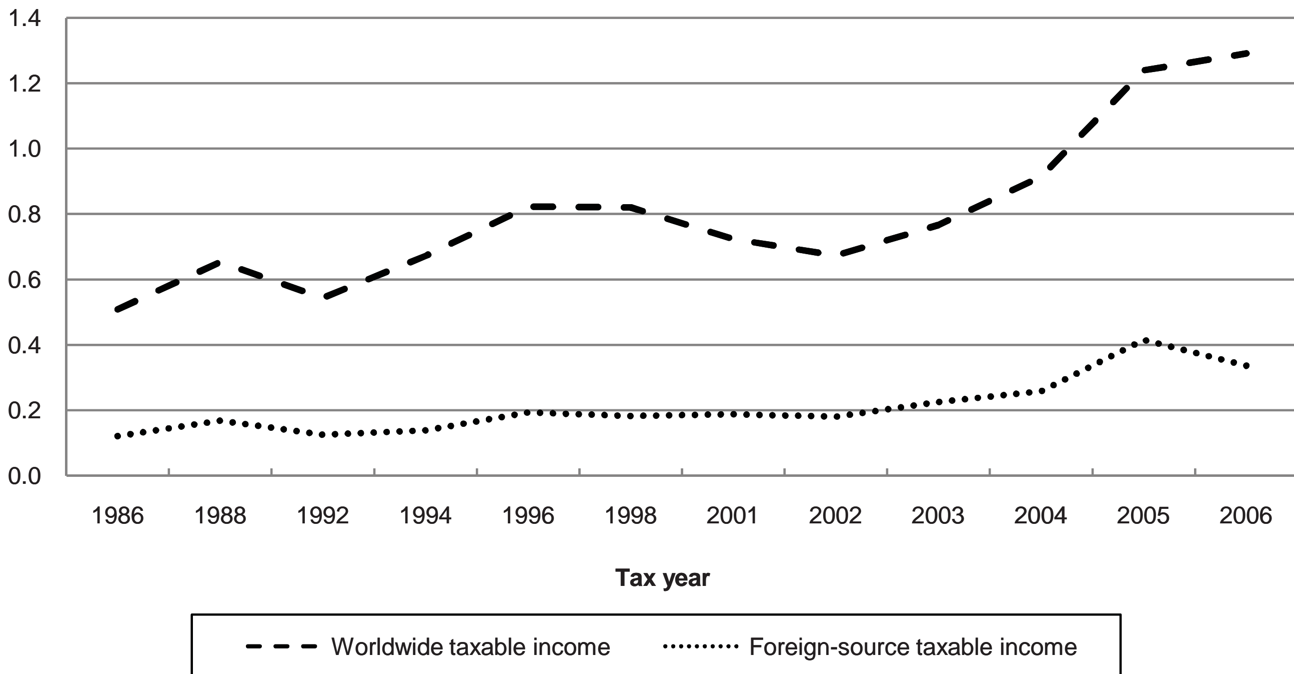
[1] For more complete definitions of U.S. persons and foreign persons, see Internal Revenue Code Section 7701.

[2] The American Jobs Creation Act of 2004 eliminated six income categories (high withholding tax interest, financial services income, shipping income, dividends from a DISC or former DISC, certain distributions from a FSC or former FSC, taxable income attributable to foreign trade income). This provision took full effect in Tax Year 2007. The four remaining income categories are: general limitation income, passive income, income re-sourced by treaty, and Section 901 (j) income.

[3] For comparability purposes, money amounts in this article are adjusted to 2006 constant dollars. The Consumer Price Index was the mechanism utilized in determining these adjustments. The word "real" indicates that money amounts have been adjusted.

Figure A

Foreign-Source Taxable Income of Corporations with a Foreign Tax Credit, Compared to Worldwide Taxable Income for All Corporations, for Selected Tax Years, 1986–2006



Traditionally, corporations in the manufacturing industry and the finance, insurance, real estate, and rental and leasing industry have composed the two largest percentages of foreign-source taxable income for corporations that claimed a foreign tax credit. However, Figure B demonstrates that, for corporations in the manufacturing industry, which traditionally has composed the largest percentage, this percentage, although still the highest, has decreased during the past 20 years, from 74 percent of foreign-source taxable income in Tax Year 1986 to 60 percent of foreign-source taxable income in Tax Year 2006. During the past 20 years, corporations in the finance, insurance, real estate, and rental and leasing industry had the second largest proportion of foreign-source taxable income, from 16 percent in Tax Year 1986 to 13 percent in Tax Year 2006.

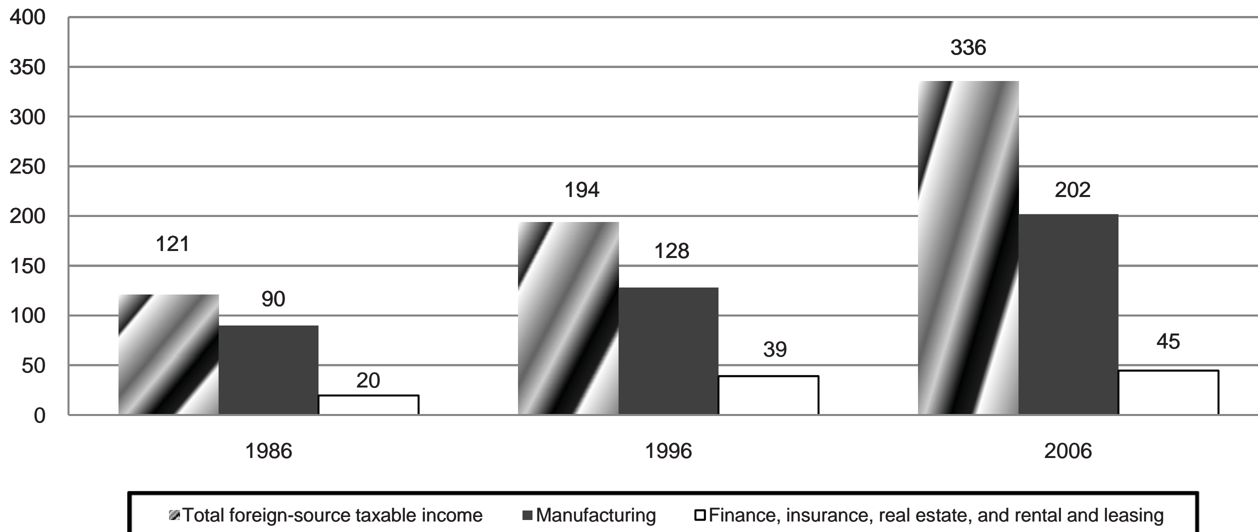
Six countries that traditionally account for large percentages of the foreign-source taxable income from corporations with a foreign tax credit are shown in Figure C. In Tax Year 2006, the largest percentage (14.9 percent) of foreign-source taxable income was earned by corporations with operations in the United Kingdom, an increase from 12.6 in Tax Year 1986. Although the percentage of foreign-source taxable income for corporations with operations in Canada has steadily decreased over the years (a high of 16 percent in Tax Year 1986), it was still responsible for the second largest percentage in Tax Years 1996 and 2006, 10 percent and 9 percent respectively. The percentage from corporations with operations in Japan increased from 1.8 percent for Tax Year 1996 to 4.2 percent for Tax Year 2006.

Controlled Foreign Corporations

For U.S. income tax purposes, a foreign corporation is “controlled” if U.S. shareholders own more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock (directly, indirectly, or constructively) on any day during the foreign corporation’s tax year. To facilitate data collection, SOI defines a corporation as

Figure B

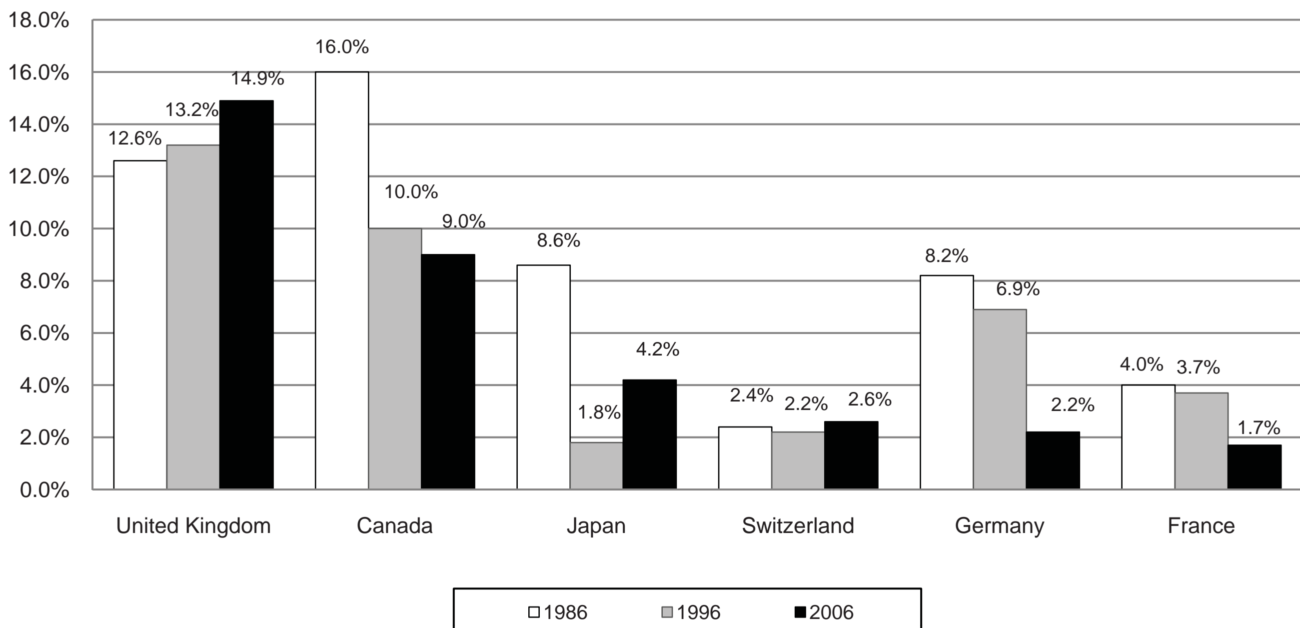
Foreign-Source Taxable Income of Manufacturing and Finance Industry Corporations Compared to Total Foreign-Source Taxable Income, Selected Tax Years, 1986–2006



NOTE: For comparability, amounts have been adjusted for inflation to 2006 constant dollars.

Figure C

Percent of Foreign-Source Taxable Income, by Selected Country, for Selected Tax Years, 1986–2006



controlled only if one U.S. corporation satisfies either of the above 50-percent ownership requirements for a minimum of 30 consecutive days during the foreign corporation's tax year.

In general, U.S. shareholders of a foreign corporation are not taxed on its foreign-source income until such income is repatriated. In 1962, Congress created the Subpart F provisions of the Internal Revenue Code that deny this deferral of current U.S. taxation on certain types of income earned by CFCs, including types of passive income that are highly mobile and can be easily transferred to low-tax jurisdictions, and payments between related parties, which can be used to shift income for tax advantage. CFC income subject to Subpart F rules is treated as if it were a dividend repatriated to U.S. shareholders and, thus, becomes subject to current U.S. tax.[4]

Figure D depicts selected items from the major industrial sectors reported by all controlled foreign corporations for Tax Years 2004 and 2006. In particular, real total receipts of all CFCs increased 19 percent from $4.05 trillion in 2004 to $4.82 trillion in 2006. This is consistent with an 11.5-percent increase in real total receipts of all active corporations from Tax Year 2004 to 2006.[5] Controlled foreign corporations engaged in goods production, which includes manufacturing and construction, accounted for the largest percentage of total receipts (43 percent) for 2004. However, the percentage decreased to 39 percent for Tax Year 2006. Corporations in this industry accounted for 25.4 percent of total Subpart F income in 2004 and 16.0 percent in 2006. Although corporations engaged in the finance, insurance, real estate, and rental and leasing industry accounted for a relatively small amount of total receipts (9.4 percent in 2004 and 10.7 percent in 2006), they accounted for the largest percentage of Subpart F income, having 28 percent of the total for Tax Year 2004 and 33 percent for Tax Year 2006. This outcome can be attributed to the fact that a large amount of this industry's total receipts is made up of interest and dividend income.

Figure E compares selected items of income by CFC country of incorporation for Tax Years 2004 and 2006. Together, these eight countries accounted for 53 percent of the total receipts reported by CFCs for Tax Year 2004 and 50 percent of the total for Tax Year 2006. Of these, receipts

Figure D

Selected Items From Controlled Foreign Corporations, by Major Industrial Sector, for Tax Years 2004 and 2006

[Money amounts are in millions of dollars]

Major industrial sector	Number of foreign corporations		Total receipts		Dividends paid to controlling U.S. corporation		Current earnings and profits (less deficit) before income taxes		Total Subpart F income	
	2004	2006	2004	2006	2004	2006	2004	2006	2004	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries	**74,676**	**78,249**	**4,051,051**	**4,819,871**	**49,774**	**61,556**	**386,550**	**509,528**	**51,008**	**60,028**
Raw materials and energy production	2,744	2,502	135,795	231,754	8,976	11,514	35,408	64,077	995	1,372
Goods production	19,359	19,917	1,742,915	1,878,080	18,788	16,648	133,560	142,387	12,698	9,621
Distribution and transportation of goods	16,215	16,191	1,031,604	1,264,350	4,302	8,102	56,034	69,134	9,291	8,630
Information	3,740	4,551	101,569	109,640	4,595	3,062	8,616	9,210	724	961
Finance, insurance, real estate, and rental and leasing	8,743	9,828	379,981	513,378	3,541	6,099	61,761	94,022	14,414	19,868
Services	23,418	25,039	657,792	822,330	9,573	16,120	91,209	130,730	12,879	19,576

NOTES: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars. Detail may not add to totals because of rounding.

[4] Currently, a U.S. shareholder of a CFC may be required to include in gross income the shareholder's ratable share of the CFCs: (1) subpart F income; (2) increase in earnings invested in U.S. property; (3) previously excluded subpart F income withdrawn from "qualified investments" in less developed countries and in "foreign base company" shipping operations; (4) previously excluded export trade income withdrawn from investment in export trade assets; and (5) factoring income (income derived from the acquisition of a trade or service receivable).

[5] For more information on total receipts of all active corporations, see the *Corporation Source Book,* Publication 1053.

Figure E

Selected Items From Controlled Foreign Corporations, by Selected Country, for Tax Years 2004 and 2006

[Money amounts are in millions of dollars]

Selected country	Number of foreign corporations		Total receipts		Dividends paid to controlling U.S. corporation		Current earnings and profits (less deficit) before income taxes		Total Subpart F income	
	2004	2006	2004	2006	2004	2006	2004	2006	2004	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All countries	**74,676**	**78,249**	**4,051,051**	**4,819,871**	**49,774**	**61,556**	**386,550**	**509,528**	**51,008**	**60,028**
Mexico	4,618	4,701	163,684	203,605	807	2,010	13,094	19,073	401	491
Canada	8,227	8,688	564,303	644,482	4,706	3,510	43,397	42,247	4,825	8,244
United Kingdom	6,559	6,935	449,491	580,653	14,364	11,404	40,077	47,747	4,340	2,284
France	3,857	3,381	163,317	140,198	1,216	950	10,034	10,308	899	1,168
Germany	4,121	4,160	239,017	225,492	846	1,608	8,865	14,042	1,085	1,572
Netherlands	3,151	3,123	307,759	305,678	2,696	5,901	44,478	36,779	6,322	4,304
China	2,264	3,426	51,354	82,098	617	488	4,626	6,093	145	307
Japan	2,265	2,554	212,688	211,533	1,375	1,616	16,121	15,476	2,334	1,866

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

from corporations in France, Germany, the Netherlands, and Japan experienced an overall decrease of real total receipts between 2004 and 2006. Conversely, those incorporated in Canada, the United Kingdom, China, and Mexico realized an overall increase in real total receipts.

Foreign Partnerships Controlled by U.S. Partners

A controlled foreign partnership is a partnership in which five or fewer U.S. persons each own a 10 percent or greater interest and whose combined interest in the partnership exceeds 50 percent. U.S. persons with an interest in a controlled foreign partnership must report to the IRS income and balance sheet items of the partnership as well as certain transactions between U.S. partners and the partnership.

U.S. corporations or partnerships account for the majority of U.S. persons with control of foreign partnerships. For Tax Tear 2004, U.S. corporations reported 4,647 controlled foreign partnerships with $1.3 trillion in assets and $418 billion in total receipts. Corporation-owned partnerships in Luxembourg earned almost one-fifth of the total receipts; followed by Canada (14.6 percent) and the United Kingdom (10.2 percent). Moreover, U.S. partnerships reported 1,990 controlled foreign partnerships with $186 billion in assets and $36 billion in total receipts for Tax Year 2004. Partnerships in France, the Cayman Islands, and Germany had the largest portion of total receipts for this group (15.5, 15.4 and 13.5 percent, respectively).

The One-Time Received Dividend Deduction

Congress created the one-time dividend received deduction in the Homeland Investment Act, incorporated into the American Jobs Creation Act of 2004, to encourage U.S. corporations to repatriate their foreign earnings and place them in investments that would promote U.S. job growth. The provision allowed a one-time deduction from their U.S. taxable incomes of 85 percent of the extraordinary dividends received from their CFCs, subject to certain limitations, provided that the repatriated earnings were used to fund allowable domestic investments.[6] Allowing the 85-percent deduction lowered the effective tax rate on qualifying dividends for corporations taxed at the highest rate from 35 percent to 5.25 percent.

From Tax Year 2004 to 2006, 843 corporations repatriated almost $362 billion. Of that, $312 billion qualified for the deduction, creating a total deduction of $265 billion. Corporations in the manufacturing industry accounted for just more than half the total corporations, but 81 percent of the total qualifying dividends (Figure F). Corporations in the pharmaceutical and medicine manufacturing industry brought home roughly 29 percent of the repatriated dividends. Another 19 percent was brought home by

[6] For more information on the provisions of this deduction, see Internal Revenue Code section 965 and Notice 2005–20, Notice 2005–35, and Notice 2005–64.

Figure F

Repatriated Dividends: Selected Items, by Selected Major and Minor Industry of Parent Corporation, Tax Years 2004–2006

[Money amounts are in billions of dollars]

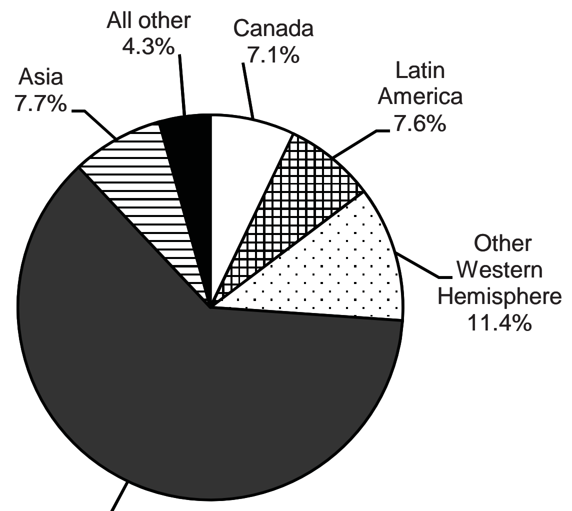
Selected industry	Returns		Cash dividends		Qualifying dividends	
	Number	Percent of total	Amount	Percent of total	Amount	Percent of total
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	**843**	**100.0**	**361.9**	**100.0**	**312.3**	**100.0**
Manufacturing	465	55.2	289.4	80.0	252.2	80.8
Computer and electronic equipment	85	10.1	68.6	18.9	57.5	18.4
Pharmaceutical and medicine	29	3.4	105.5	29.2	98.8	31.6
Wholesale and retail trade	133	15.8	14.7	4.1	12.9	4.1
Information	49	5.8	14.6	4.0	13.2	4.2
Finance, insurance, real estate, and rental and leasing	49	5.8	13.3	3.7	11.9	3.8
All other industries	147	17.4	29.8	8.2	22.1	7.1

corporations in the computer and electronic equipment industry. Most corporations, 86 percent, reported the deduction for Tax Year 2005, while 7.7 percent reported it for Tax Year 2004, and the remaining 6.8 percent reported it for Tax Year 2006.

Figure G shows that CFCs incorporated in Europe were responsible for 62 percent of the total repatriated cash dividends. CFCs incorporated in the Western Hemisphere, excluding Canada and Latin America, accounted for 11.4 percent, as this country group includes many small Caribbean nations known to have favorable tax policies. Figure H displays the percentage of CFCs and the percentage of cash dividends repatriated, distributed by country of incorporation for the seven countries with the largest percentages of cash dividends. The Netherlands tops the list, with about 6 percent of the CFCs, but more than 26 percent of the cash dividends.

Figure G

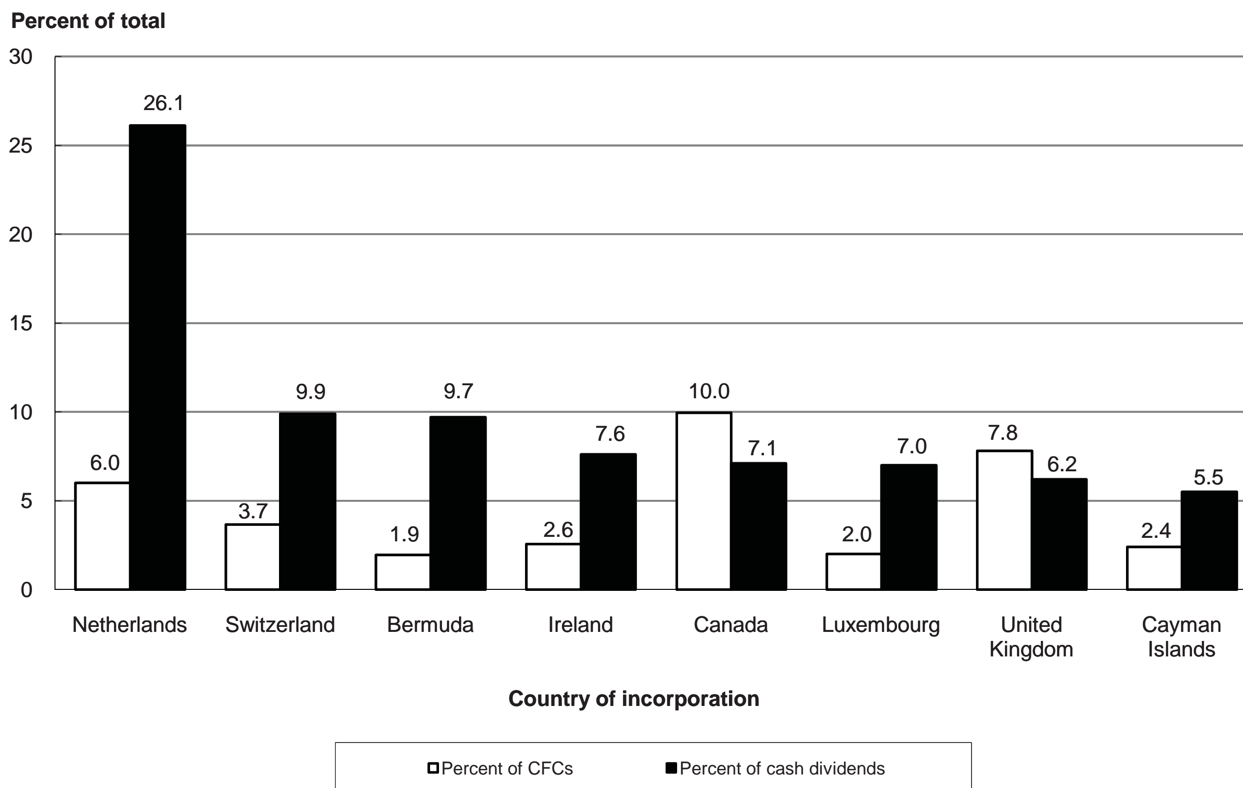
Cash Dividends from Controlled Foreign Corporations, by Geographic Area of Incorporation, Tax Years 2004–2006



Interest Charge Domestic International Sales Corporations

In 1984, Congress created Interest Charge Domestic International Sales Corporations (IC–DISCs). To elect IC–DISC status, a domestic corporation must be able to classify at least 95 percent of its assets as “qualified export assets” and must have “qualified export receipts” that constitute at least 95 percent of its gross receipts. Qualified export assets consist of property related to exporting. Qualified export receipts are gross receipts from the sale of qualified export assets and other types of income related to exporting. The benefit of an IC–DISC is that it allows companies a tax deferral on some of their export related income. While a small portion of the income of an IC–DISC is deemed distributed to the shareholder, the rest is not taxed until it is actually distributed, although the interest accrued on the tax deferred income must be paid annually.

Figure H



Now that exporters can no longer claim the benefits of Foreign Sales Corporations (FSCs) or the Extraterritorial Income Exclusion, IC–DISC activity is on the rise.[7] After falling from 1,185 for Tax Year 1987 to 727 for Tax Year 2000, the total number of IC–DISCs filed rose to 1,209 for Tax Year 2006 (Figure I). Likewise, taxable income of IC–DISCs, in constant 2006 dollars, fell from $458 million for Tax Year 1987 to $382 million for Tax Year 2000, a drop of 16.7 percent, but jumped more than 350% to $1.7 billion for Tax Year 2006. However, tax deferred income reported to shareholders dropped from about $827 million for Tax Year 2000 to $520 million for Tax Year 2006, a decrease of 37 percent.

Figure I

Selected Items from IC-DISC Returns, Selected Tax Years 1987–2006

[Money amounts are in thousands of dollars]

Tax year	Number of returns	Taxable income	Tax deferred income reported to shareholders
	(1)	(2)	(3)
1987	1,185	458,090	474,402
1991	980	329,102	784,162
1996	773	412,247	689,521
2000	727	381,739	827,374
2006	1,209	1,729,897	519,557

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

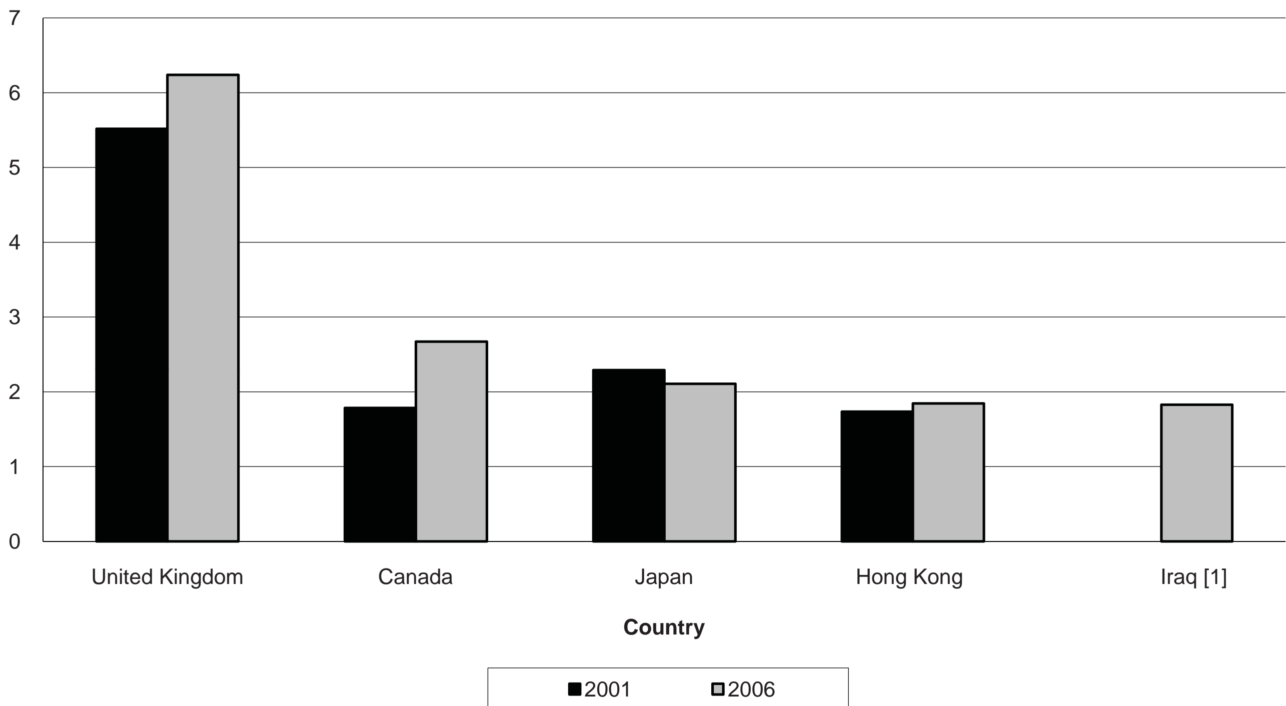
[7] Congress enacted a repeal of the FSC in 2000, when it introduced the Extraterritorial Income Exclusion. That was repealed in 2004. However, the provisions of both repeals permitted exceptions for corporations with binding contracts. Congress subsequently removed these exceptions for all tax years beginning after May 17, 2006.

Individual Foreign Tax Credit and Foreign Earned Income
Currently, qualifying U.S. individuals living abroad can exclude up to a certain amount of foreign income ($91,500 for 2010, indexed to inflation in subsequent years) earned while performing a service (primarily wages, salaries, commissions, and fees) and exclude or deduct a certain amount of excess foreign housing costs when calculating their U.S. income tax liability. Foreign income earned by individuals living abroad rose substantially between Tax Years 2001 and 2006. For 2001, about 295,000 taxpayers reported $27.4 billion of foreign earned income (in constant 2006 dollars), while for 2006, about 335,000 taxpayers reported almost $37 billion, an increase of about 18 percent.

U.S. individuals living in the United Kingdom historically have accounted for the largest percentages of the reported total foreign earned income. Of the total number of U.S. individuals reporting foreign earned income for 2006, 8.4 percent lived in the United Kingdom and earned 17 percent of the total foreign earned income reported. One noticeable shift, however, is the growth of foreign income earned in Iraq. While no taxpayers listed Iraq as a tax home for 2001, 18,325 did so for 2006, reporting a total of $1.8 billion of foreign earned income (Figure J). Other countries with large increases in foreign earned income include China, with a real increase of 110.2 percent, and the United Arab Emirates, with a real increase of 80.2 percent. However, foreign earned income from taxpayers with a tax home in China or the United Arab Emirates accounts for less than 7 percent of the total.

U.S. taxpayers, regardless of their residency, can also claim a foreign tax credit for foreign taxes paid, as long as the taxes were not paid on income

Figure J



[1] No data was reported for Iraq in 2001.

NOTE: For comparability, money amounts adjusted for inflation to 2006 constant dollars.

excluded under the foreign earned income provisions described above. Also, like the corporate foreign tax credit, this credit is subject to a limitation computed separately for different categories of income.

In recent years, foreign-source income for individuals has outpaced the growth of worldwide income. Inflation-adjusted foreign-source gross income reported by all U.S. individuals on Form 1116, used to compute the foreign tax credit, rose from $64 billion for 2001 to $120 billion for 2006 (an 86.6 percent increase), while real worldwide income grew just 14.3 percent during the same period. As expected, the United Kingdom and Canada together accounted for the largest percentage of foreign-source gross income for 2006, 10 percent and 8 percent, respectively. The amount of real foreign tax credit claimed by individuals, not surprisingly, also grew substantially. For 2006, U.S individual taxpayers paid $13.9 billion in foreign taxes and were able to credit nearly $11.0 billion of that amount against their U.S. tax liability, a real increase of 53.9 percent from the amount claimed for Tax Year 2001. Nevertheless, this credit remained a small fraction, just 1 percent, of the total U.S. income tax before credits for 2006.

International Boycotts

The international boycott provisions require U.S. persons to report their business operations in countries known to participate in a boycott of a foreign country not sanctioned by the U.S. The U.S. Department of Treasury maintains a list, published quarterly, of those countries known to participate in unsanctioned boycotts. Most of these operations are in countries known to participate in the Arab League's boycott of Israel. Taxpayers must also report certain types of requests to participate in an international boycott, any agreements to comply with those requests, and any tax consequences. Per Internal Revenue Code 999(a), taxpayers report these operations on Form 5713, *International Boycott Report,* filed annually with their Federal income tax returns. Those taxpayers who participate in such boycotts lose a portion of certain tax benefits related to the boycott income. These benefits include the foreign tax credit, the benefits for FSCs, the exclusion of extraterritorial income, and the tax-deferral available to U.S. shareholders of CFCs or IC–DISCs.[8, 9]

From Calendar Years 1997 to 2006, as shown in Figure K, there was a significant decrease in boycott participation. During this period, the number of persons receiving requests to participate in boycotts decreased from 193 in 1997 to 112 in 2006. The most significant decrease came from persons receiving requests from the United Arab Emirates, with 109 in 1997 and 58 in 2006. In addition, the number of boycott requests decreased from 6,055 to 2,270, more than 60 percent, during the same period, with the most significant decrease also coming from the United Arab Emirates. The number of agreements to participate in, or cooperate with, an international boycott decreased 70 percent, from 1,438 in 1997 to 421 in 2006. The number of boycott agreements with the United Arab Emirates decreased more than 80 percent during this same period. The removal of Bahrain, Iraq, and Oman from the Treasury list between 2004 and 2006 also contributed to the decline of received boycott requests and participation.

Foreign Persons with U.S. Income

Foreign-Controlled Domestic Corporations

During the past few decades, the portion of total receipts earned by all U.S. corporations attributable to domestic corporations controlled by foreign persons has increased from about 2 percent for Tax Year 1971 to 14 percent for Tax Year 2006 (Figure L). (For SOI purposes, a company incorporated in the United States is foreign controlled if one foreign person owns 50 percent or more of the corporation's voting stock or 50 percent or more of the value of all of the corporation's stock at any time during the accounting period.) The percent of U.S corporations controlled by foreign persons, however, has remained relatively constant; around 1 percent since Tax Year 1990. For Tax Year 2006, 63,951 domestic corporations controlled by foreign persons reported a total of $9.7

[8] The extraterritorial income exclusion allowed businesses to deduct qualifying foreign trade income from their U.S. gross incomes. Qualifying foreign trade income was defined as the greatest of the following income sources, that, when excluded, would reduce taxable income by (1) 1.2 percent of foreign trading gross receipts, or (2) 15 percent of foreign trade income, or (3) 30 percent of foreign sales and leasing income.

[9] On May 21, 2006, Congress repealed all remaining provisions of the FSC and extraterritorial income exclusion.

Figure K

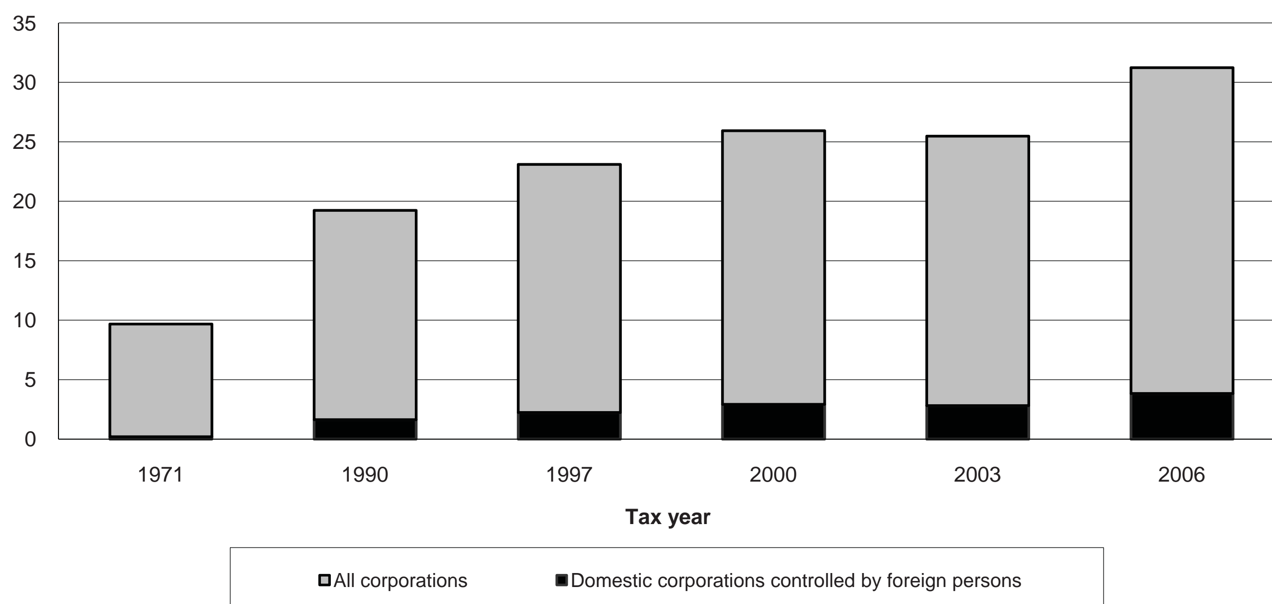
Number of Persons Receiving International Boycott Requests and Agreeing to Participate for Selected Calendar Years, 1997–2006

Country	Number of persons receiving requests [1]			Number of boycott requests received [1]			Number of boycott agreements [1]		
	1997	2002	2006	1997	2002	2006	1997	2002	2006
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All countries	**193**	**116**	**112**	**6,055**	**3,421**	**2,270**	**1,438**	**489**	**421**
Treasury-listed countries	**180**	**107**	**90**	**5,435**	**2,894**	**1,866**	**1,396**	**480**	**381**
Bahrain	44	26	N/A	536	101	N/A	37	3	N/A
Iraq	N/A	10	N/A	N/A	15	N/A	N/A	3	N/A
Kuwait	68	39	31	457	242	226	162	77	48
Lebanon	47	30	29	237	140	98	109	49	31
Libya	27	16	30	289	102	210	141	19	25
Oman	47	26	N/A	795	138	N/A	118	9	N/A
Qatar	44	25	22	505	528	213	71	43	4
Saudi Arabia	56	38	23	876	295	193	290	72	107
Syria	57	32	19	386	566	201	23	25	65
United Arab Emirates	109	65	58	1,145	628	464	408	154	81
Yemen, Republic of	20	16	14	183	139	261	37	26	20
Non-listed countries	60	24	54	620	527	404	42	9	40

[1] Data in these columns do not add to totals because persons could have received requests from, or made agreements with, more than one country.

Figure L

Total Receipts of Domestic Corporations Controlled by Foreign Persons and Total Receipts of All Corporations for Selected Tax Years, 1971–2006



NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

trillion in total assets, $3.8 trillion in receipts, and $172.6 billion in net income (less deficit). Corporations engaged in manufacturing generated 46 percent of the total receipts of these companies, compared to 28 percent of the receipts from all domestic corporations.

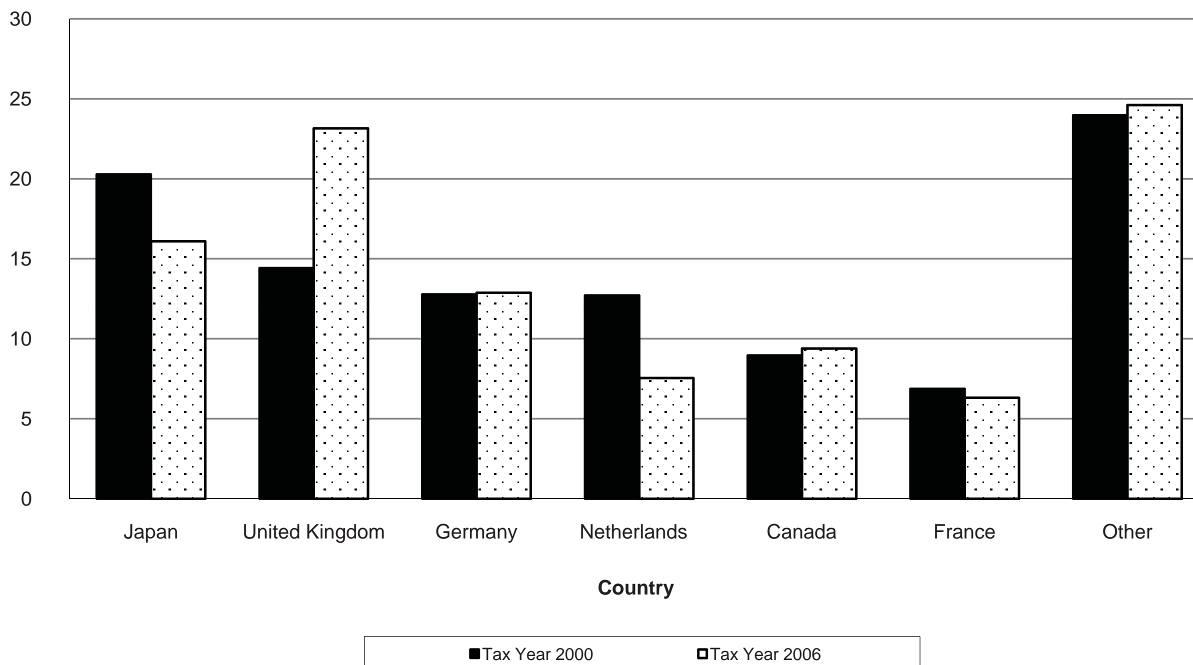
Most of the receipts earned by foreign-controlled corporations were generated by corporations controlled by foreign persons from Japan, the United Kingdom, Germany, the Netherlands, Canada, and France (Figure M). In recent years, the percentage of total receipts from corporations controlled by persons from the United Kingdom has risen, climbing from 14 percent for Tax Year 2000 to more than 23 percent for Tax Year 2006.

Foreign Corporations with U.S. Business Operations

The United States taxes certain income earned by U.S. branches of foreign corporations. A branch is an affiliate operating in the U.S. that is legally part of the foreign firm and, thus, not a separate U.S. entity. Income earned by these U.S. branches that is "effectively connected" with a U.S trade or business, such as rents for the use of intangible property for which income is attributable to a fixed place of business within the United States, is taxed at regular U.S. corporate tax rates.[10] Certain gains, profits, and other income that are not effectively connected are taxed at a flat 30-percent rate, although this rate may be reduced or eliminated pursuant to a bilateral income tax treaty.[11]

Figure M

Share of Total Receipts of Domestic Corporations Controlled by Foreign Persons, by Country, Tax Years 2000 and 2006



[10] For a description of effectively connected income, see Internal Revenue Code sections 864 and 897, as well as the related Internal Revenue Regulations.

[11] Tax treaties generally aim to reduce double taxation and improve trade efficiency.

The number of returns and the amount of total receipts from foreign corporations with effectively connected U.S. income has grown substantially in real terms during the last decade, although the total receipts from these corporations remains less than 1 percent of the total from all corporations (Figure N). For Tax Year 2006, there were 14,897 foreign corporations with effectively connected U.S. income, about 0.3 percent of all active corporations that filed a U.S. tax return. These firms reported approximately $248.8 billion in total receipts and $11.9 billion in income subject to U.S. tax. They paid a total of $3.3 billion in U.S. tax after credits.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) required domestic corporations in which 25 percent or more is owned by a foreign person, as well as foreign corporations engaged in a U.S. trade or business, to report transactions with related foreign persons on IRS Form 5472, which is filed as an attachment to the corporation's U.S. income tax return, Form 1120. For SOI purposes, a domestic corporation is foreign-owned if at least 25 percent of the total voting power of all classes of stock permitted to vote, or 25 percent of the total value of all classes of stock of the corporation, was owned, directly or indirectly, at any time in the tax year by a single foreign shareholder. SOI collects data on these transactions for foreign-controlled domestic corporations with total receipts of $500 million or more. Forms 1120, however, with at least one Form 5472 attached that had been selected for previous SOI studies were also included in these statistics, even if the corporation fell below the $500-million receipts threshold in the current study year. Therefore, to diminish the effect of these cases on longitudinal trends, data presented in this section are averaged across reporting 1120 parent corporations.[12]

These large foreign-owned domestic corporations reported average nonloan transactions of $819 million per return for receipts from related foreign persons and average payments to related foreign persons of $1,154 million for Tax Year 2006 (Figure O). In real terms, these amounts have risen by 163 percent and 87 percent per return, respectively, from Tax Year 1996 to 2006. More specifically, average nonloan transactions by both country and industry saw significant increases, as well. Figure P demonstrates the variability in the makeup of the average amounts of nonloan transactions from related persons in selected countries from Tax Year 1996 to 2006. Domestic Corporations reporting nonloan transactions with related persons in the United Kingdom experienced an increase in the average amounts they received from Tax Year 1996 to 2006 (from $43 million to $1,048 million); the average in 2006 was also significantly larger than that for all other countries. For Tax Years 1996 and 2002, Japanese parties were paid the highest average amount of nonloan transactions from U.S. corporations transacting with them, $492 million and $398 million, respectively. However, related persons in the United Kingdom were paid the highest average amount for 2006, an average of $1,028 million per return. As shown in Figure Q, domestic corporations in the finance and insurance industry group were responsible for the largest share of nonloan transactions in Tax Year 2006, with an average of $10,377 million per return. The wholesale trade industry claimed the second largest share, an average of $1,343 million per return for Tax Year 2006. While there was an overall increase in average nonloan transactions for most industries from Tax Year 1998 to 2006, Figure Q illustrates that the average value of nonloan transactions for the manufacturing industry decreased from $659 million to $248 million during that same period.[13]

Figure N

Foreign Corporations with U.S. Business Operations, Selected Tax Years, 1987–2006

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

Selected items	Tax year		
	1986	1996	2006
	(1)	(2)	(3)
Total returns	11,342	9,933	14,897
Total receipts	80,246	121,314	248,839
Percentage of total receipts from all corporations	0.5	0.5	0.9
Income subject to tax	3,344	3,222	11,877
Income tax after credits	1,048	1,173	3,294

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

[12] For more information on sample selection, see Lowe, Mark R., "Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons," *Statistics of Income Bulletin*, Fall 2009, Volume 29, Number 2.

[13] Industry data for all major industrial sectors was not available for Tax Year 1996.

Figure O

Average Transactions Between Foreign-Owned Domestic Corporations Per Return with Total Receipts of $500 Million or More and Filing Form 5472 and Related Foreign Persons for Selected Tax Years, 1992–2006[1]

[Money amounts are in millions of dollars]

Type of transaction	1992	1994	1996	2002	2004	2006
	(1)	(2)	(3)	(4)	(5)	(6)
From related foreign persons:						
Amounts received	248	344	312	254	605	819
Amounts borrowed, ending balance	267	269	316	759	937	1,021
To related foreign persons:						
Amounts paid	547	674	501	538	959	1,154
Amounts loaned, ending balance	75	87	72	288	424	277

[1] Form 5472 is entitled "Information Return of a 25-Percent Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business."
NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

Figure P

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons: Average Nonloan Transactions Per Return by Country of Selected Related Foreign Persons, Tax Years 1996–2006

[Money amounts are in millions of dollars]

Country	Average amount received per return (excluding loan balances)			Average amount paid per return (excluding loan balances)		
	1996	2002	2006	1996	2002	2006
	(1)	(2)	(3)	(4)	(5)	(6)
All countries	**312**	**253**	**819**	**501**	**538**	**1,154**
United Kingdom	43	155	1,048	61	113	1,028
Japan	382	71	81	492	398	437
Switzerland	44	92	80	31	150	234
Canada	42	51	79	85	98	132
Germany	29	40	73	102	7	191

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

Foreign Recipients of U.S. Income

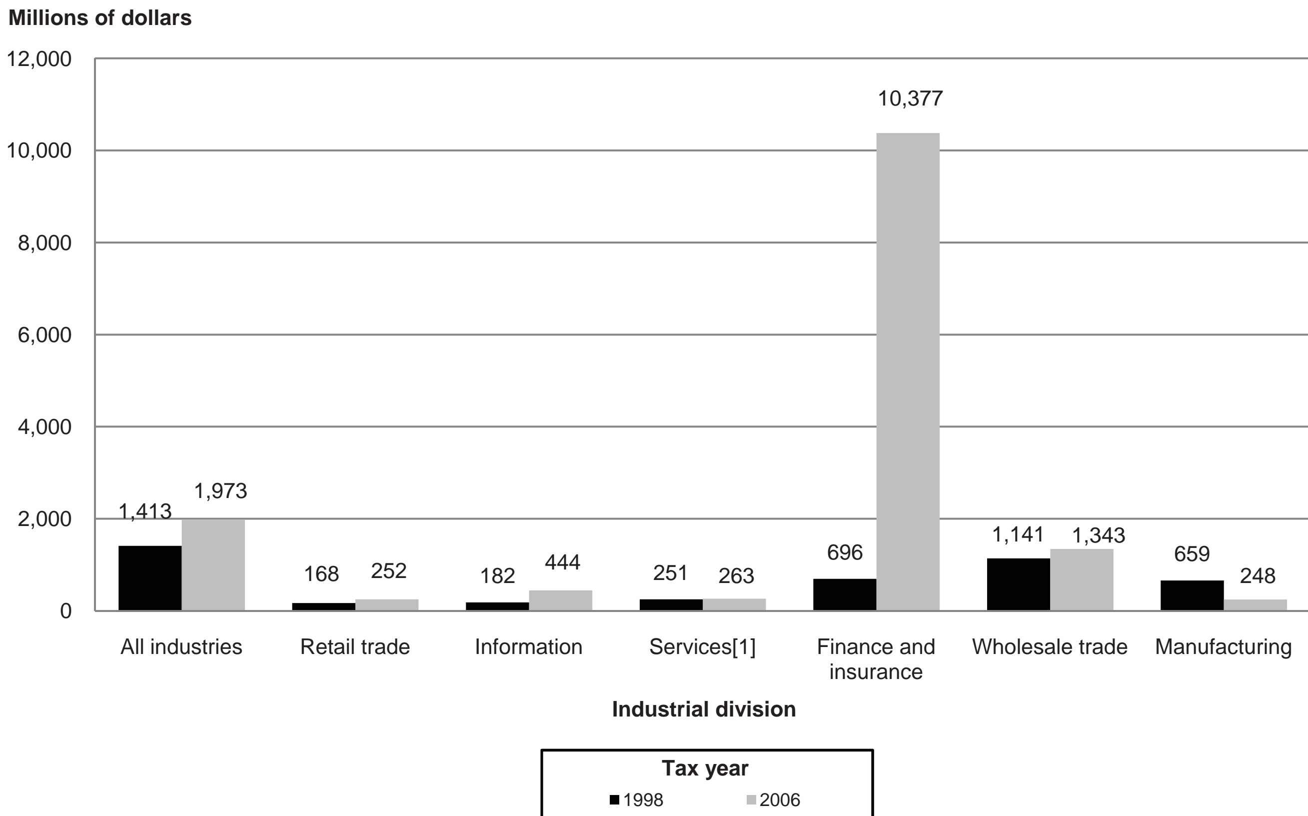
U.S. payors are required to report and withhold taxes on U.S.-source income distributed to foreign persons. The statutory tax rate for this income is a flat 30 percent, but bilateral income tax treaties or statutory exemptions reduce or eliminate this tax for the majority of recipients.[14]

Both the real amount of U.S.-source income distributed to foreign persons and the number of payments made has grown substantially. Inflation-adjusted distributions rose from about $16 billion in 1980 to almost $545 billion for Tax Year 2006 (Figure R). The number of payments rose from roughly 600,000 to 3.7 million during the same period. Almost 70 percent of the payments made for 2006 were paid to corporations. Most of these payments (87 percent) were exempt from withholding tax because of treaty arrangements. The total amount of withholding tax, in real terms, has also increased dramatically, from $1.7 billion in 1980 to $8.4 billion in 2006.

[14] For more information on the withholding requirements for foreign recipients of U.S.-source income, see Luttrell, Andrew S., "Foreign Recipients of U.S. Income," *Statistics of Income Bulletin*, Winter 2009, Volume 28, Number 3.

Figure Q

Foreign-Owned Domestic Corporations with Total Receipts of $500 Million or More Filing Form 5472: Average Amount of Nonloan Transactions Per Return by Industrial Division, Tax Years 1998 and 2006



[1] Services include professional, scientific and technical services.
NOTES: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars. Form 5472 is entitled "Information Return of a 25-Percent Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business."

Almost 60 percent of the income paid to foreign recipients in 2006 was in the form of interest, while dividends accounted for 18.1 percent. Notional principal contract income made up the third largest percentage, 13.7 percent of the total.[15]

Figure S displays the percentage of income payments, by recipient's country. The largest percentage of income payments flow to recipients in the United Kingdom, now and historically. For 2006, Japan, Germany, the Netherlands, and Switzerland accounted for large percentages, as well. Most of the income payments, 77 percent in 2006, go to recipients in treaty countries.

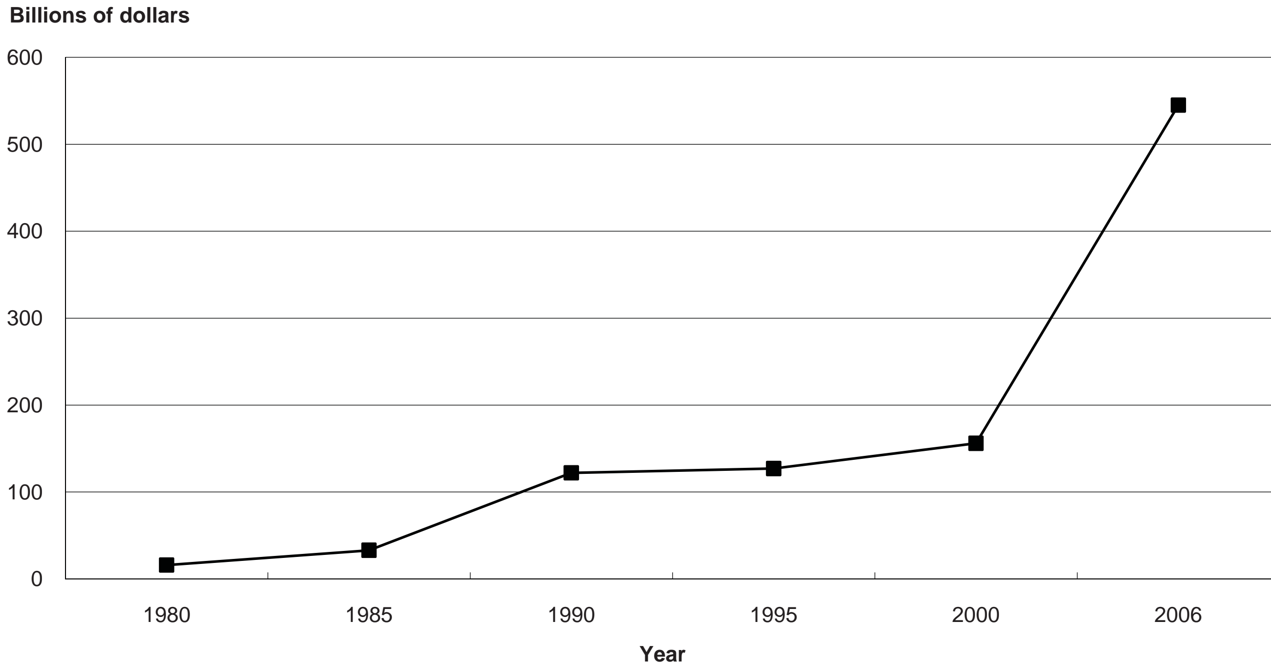
Foreign Recipients of U.S. Partnership Income

After the Tax Reform Act of 1986, U.S. partnerships were required to withhold tax on effectively connected taxable income deemed allocable to foreign partners. Foreign partners can claim a withholding tax credit for their share of tax withheld by the partnership.

[15] Notional principal contracts involve two parties who agree contractually to pay each other amounts at specified times. The notional amount is an amount, specified in the contract, on which certain calculations are made. Generally, when amounts are due under the contract at the same time, they are netted, and only one payment is made.

Figure R

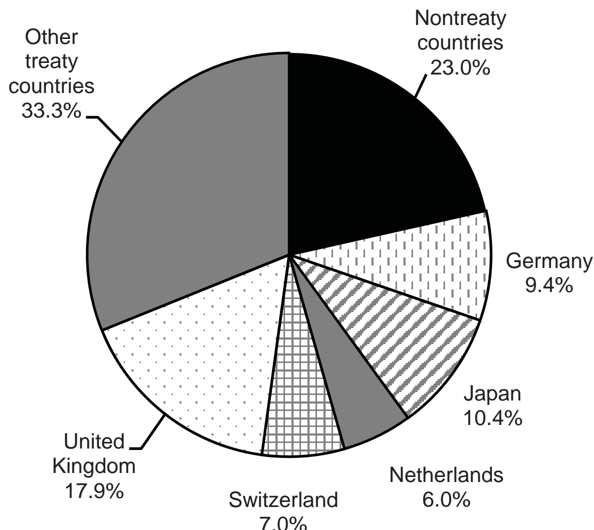
Income Paid to Foreign Persons for Selected Years, 1980–2006



NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

Figure S

Percentage of Income Paid to Foreign Persons in Selected Countries, 2006



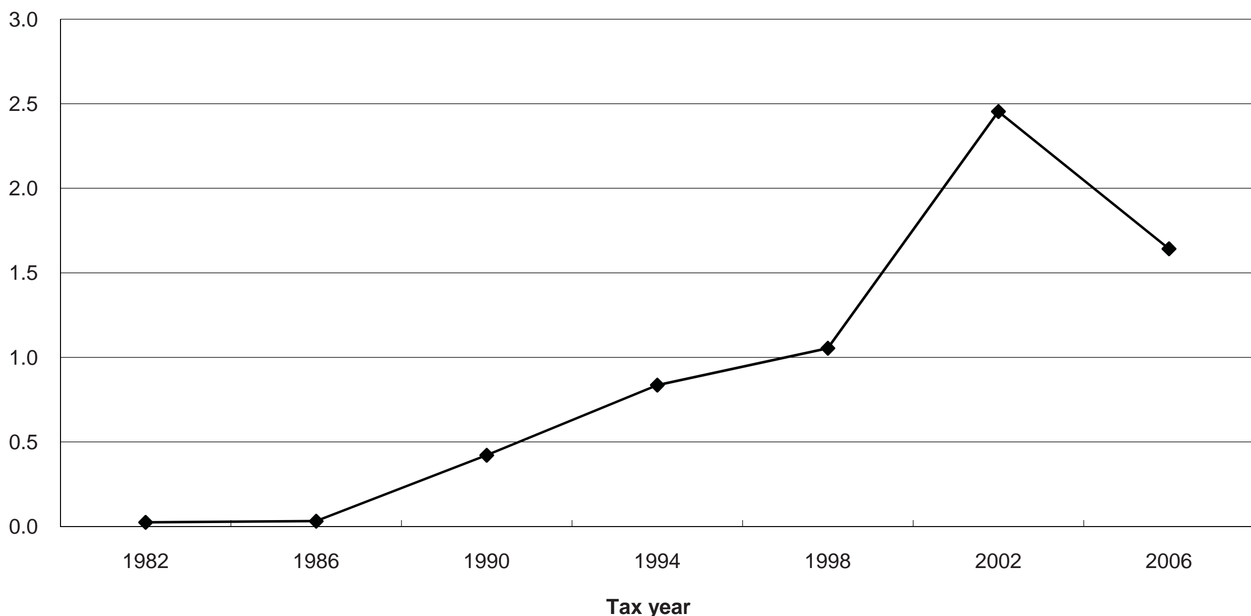
For 2007, U.S. partnerships reported almost $9 billion in taxable income allocated to about 275,000 foreign partners. The United States withheld nearly $5 billion of tax on $15.5 billion of taxable income (excluding losses). Much of the income (37.3 percent) was allocated to partners in Germany, while 7.4 percent was allocated to partners in the United Kingdom and 6.4 percent to partners in France. It should be noted, however, that the country of residence for foreign partners is not reported on many returns. Partners for whom a country of residence was unknown accounted for almost 20 percent of the partnership taxable income allocated to foreign partners.

Entity Classification Elections

SOI also collects data on foreign entities electing a classification of their business form for U.S. tax purposes. Entities eligible to choose their classification status generally include limited liability companies, partnerships, and foreign entities that do not meet the definition of a corporation as outlined in Regulations section 301.7701–2(b)(8). An eligible entity can choose to be regarded as a corporation,

Figure T

Value of Total Transferred Property Reported on Forms 3520 for Selected Tax Years, 1982–2006



NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

partnership, or, if it has a single owner, to be disregarded as a separate entity.

Since 1997, SOI has processed data from about 83,000 new foreign entities electing a classification and from approximately 55,000 entities filing to change their existing status. The majority, 69 percent, elected to be disregarded as a separate entity, in which case entity income is combined with that of its U.S. owner for tax purposes.

Trusts and Estates

Foreign Trusts

U.S. persons who transfer property to, or receive a distribution from, a foreign trust or who receive certain foreign gifts must report these transactions to the Internal Revenue Service. In addition, all foreign trusts with at least one U.S. owner must annually report an income statement and certain balance sheet items. In 1996, Congress included additional reporting requirements for all types of foreign trusts in the Small Business Job Protection Act. As a consequence, reported foreign trust transactions rose dramatically. In recent years, increases in foreign trust transactions reflect an overall increase in foreign investment.

After steadily rising in real terms since 1983, the value of gratuitously transferred property from U.S. persons to foreign trusts dropped from almost $2.5 billion in 2002 to $1.6 billion in 2006 (Figure T).[16] The property transferred continues to be received mostly by trusts located in countries known to have favorable tax policies. Trusts in Jersey, the Cook Islands, and Liechtenstein together received about 40 percent of the transferred property value for 2006.

Foreign nongrantor trusts reported $2.9 billion in distributions to U.S. persons for 2006, a 726-percent increase, after adjusting for inflation, from Tax Year 2002.[17] More than two-thirds of the nongrantor trust distributions in 2006 were from trusts located in Switzerland, a noticeable shift from Tax Year 2002, in which the majority of distributions were from

[16] Gratuitously transferred property refers to property transferred to a foreign trust for less than the fair market value.

[17] In a grantor trust, the grantor has certain elements of control over the use of the trust property or income.

trusts in the Cayman Islands (22 percent), Jersey (17 percent), and the Bahamas (17 percent).

The number of foreign trusts with at least one U.S. owner has risen steadily, from 291 for 1990 to 2,550 for 2002 and 3,819 for 2006. Assets for those trusts almost doubled in real terms from 2002 to 2006, to almost $32 billion, while real net income jumped from $401 million to $1.9 billion, an astonishing 383 percent, during the same period. Trusts in the Cayman Islands accounted for one-third of the net income for 2006.

Nonresident Alien Estates

The Federal tax system includes taxes for the right to transfer tangible and intangible property whether through lifetime gifts or bequests at death. The U.S. taxes estates of nonresident aliens with more than $60,000 in U.S. gross assets when such property is transferred at death. These assets include tangible or real property physically located in the United States and intangible property, like stocks or debt obligations, for which characteristics define it as U.S. property.[18] While the estate tax filing threshold for these assets is lower than the threshold for U.S. citizens and residents, the tax is applied using the same progressive tax rate structure.

The United States has estate tax treaties with 17 nations. These treaties provide mutual administration assistance between the U.S. and each country and provisions to prevent double taxation. Estate tax treaties in some cases also modify the reporting requirements under U.S. domestic law. Accordingly, data for treaty status returns and non-treaty status returns are presented separately in Figure U.

Figure U

Selected Items from Nonresident Alien Estate Tax Returns, Filing Years 2005–2006

[Money amounts are in whole dollars]

Treaty and taxable status, items	Year			
	2005		2006	
	Number	Amount	Number	Amount
	(1)	(2)	(3)	(4)
Nontreaty status, all returns:				
Total U.S. gross estate	167	113,524,988	188	105,367,749
Total gross estate, outside the U.S.	167	222,211,337	188	861,124,975
Total gross estate, worldwide	167	335,736,313	188	966,492,727
Nontreaty status, taxable returns:				
Total U.S. gross estate	152	85,864,123	151	84,851,482
Total gross estate, outside the U.S.	152	160,946,403	151	622,552,270
Total gross estate, worldwide	152	246,810,514	151	707,403,755
Nontreaty status, nontaxable returns:				
Total U.S. gross estate	15	27,660,865	37	20,516,267
Total gross estate, outside the U.S.	15	61,264,934	37	238,572,705
Total gross estate, worldwide	15	88,925,799	37	259,088,972
Treaty status, all returns:				
Total U.S. gross estate	563	301,868,536	614	231,159,104
Total gross estate, outside the U.S.	563	663,088,808	614	1,122,835,123
Total gross estate, worldwide	563	964,957,337	614	1,353,994,220
Treaty status, taxable returns:				
Total U.S. gross estate	226	190,852,370	285	142,058,546
Total gross estate, outside the U.S.	226	481,257,956	285	818,073,200
Total gross estate, worldwide	226	672,110,318	285	960,131,737
Treaty status, nontaxable returns:				
Total U.S. gross estate	337	111,016,166	329	89,100,558
Total gross estate, outside the U.S.	337	181,830,851	329	304,761,923
Total gross estate, worldwide	337	292,847,019	329	393,862,483

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

[18] Stock is considered to be U.S. property if it is issued by a domestic corporation. Debt obligations are deemed U.S. property if the obligor is a U.S. citizen or resident, domestic corporation, partnership, or governmental unit.

For 2006, some 188 nonresident alien non-treaty estate tax returns reported a total gross estate in the United States of $105.4 million. Taxable returns accounted for 151 of these filings and $84.9 million of total U.S. gross estate for 2006, while there were 37 non-taxable returns that accounted for $20.5 million of total U.S. gross estate. For 2005, 167 non-treaty returns reported a total U.S. gross estate of $113.5 million. Taxable returns accounted for 152 of these 2005 filings and $85.9 million of total U.S. gross estate, while there were just 15 non-taxable returns that reported $27.7 million of total U.S. gross estate.

For 2006, there were 614 estate returns filed for nonresident alien decedents who resided in tax treaty countries. The total U.S. gross estate associated with those returns was $231.2 million. Of those returns, 285 were taxable returns, and 329 were non-taxable, and they reported total U.S. gross estate of $142.1 million and $89.1 million, respectively. For 2005, 226 taxable returns reported $190.9 million of total U.S. gross estate, and 337 nontaxable returns reported $111 million for nonresident alien decedents who resided in tax treaty countries. As seen in Figure V, Canada, Germany, and the United Kingdom were sources of the largest number of returns filed in Tax Year 2006. However, decedents in Germany, Canada, and Japan had the highest total U.S. gross estate, while Australia had the highest average U.S. gross estate, $1.66 million for 2006.

Summary

Many of the trends noted in this article show an increase in the amount of foreign activity of U.S. persons and the amount of U.S. activity of foreign persons. Real foreign-source taxable income for corporations with a foreign tax credit, for example, rose 43 percent from Tax Year 2002 to 2004. It increased another 61 percent between Tax Year 2004 and 2005, due primarily to the one-time dividend received deduction. Likewise, real total receipts of controlled foreign corporations grew 19 percent between Tax Year 2004 and 2006, compared to an 11.5-percent increase in total receipts for U.S. corporations. The portion of total

Figure V

Selected Items from Nonresident Alient Estate Tax Returns with Treaty Status by Country, Filing Years 2005–2006

[Money amounts are in whole dollars]

Country	2005				2006			
	Number	Total U.S. gross estate	Total gross estate, outside the U.S.	Total gross estate, worldwide	Number	Total U.S. gross estate	Total gross estate, outside the U.S.	Total gross estate, worldwide
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All countries	**563**	**301,868,536**	**663,088,808**	**964,957,337**	**614**	**231,159,104**	**1,122,835,123**	**1,353,994,220**
Canada	224	171,309,565	304,341,649	475,651,205	223	76,191,995	496,730,869	572,922,868
Germany	144	43,789,975	137,953,389	181,743,365	166	61,014,375	212,630,955	273,645,330
United Kingdom	80	28,169,629	52,978,170	81,147,799	96	19,914,002	109,901,329	129,815,329
Japan	27	17,341,952	100,039,172	117,381,123	44	24,671,459	210,241,900	234,913,349
Switzerland	14	13,046,186	19,283,515	32,329,701	16	11,872,677	52,387,403	64,260,080
France	21	11,697,170	6,460,315	18,157,484	16	14,804,451	3,770,315	18,574,766
Italy	12	3,881,386	5,373,492	9,254,879	7	3,113,988	34,477	3,148,465
Australia	8	2,339,221	4,996,249	7,335,469	6	9,944,147	17,555,675	27,499,822
Other countries [1]	33	10,293,452	31,662,858	41,956,311	40	9,632,010	19,582,200	29,214,211

[1] For 2005 and 2006, other countries includes Austria, Denmark, Greece, Ireland, Netherlands, Norway, South Africa and Sweden.

NOTE: For comparability, money amounts have been adjusted for inflation to 2006 constant dollars.

receipts from all U.S. corporations earned by those controlled by foreign persons grew from 2 percent for Tax Year 1971 to nearly 14 percent for Tax Year 2006. The real amount of average receipts earned by foreign persons related to large domestic foreign-owned corporations jumped 69 percent between Tax Years 2002 and 2006. Individual foreign-source income and foreign earned income have also risen faster than individual worldwide income in recent years, while the real amount of payments distributed to foreign persons continues its historical climb. However, the real value of gratuitously transferred property for U.S. persons to foreign trusts dropped from $2.5 billion for 2002 to $1.6 billion for 2006.

Data Limitations

These statistics do not include adjustments made during audit or on amended returns. Many of the studies are based on samples and, thus, are subject to sampling error. A description of data limitations for each study can be found in the *SOI Bulletin*, available at http://www.irs.gov/taxstats/index.html.

Table 1. Summary of Current Sources of Data and Available Data for International Studies

Study	Frequency [1]	Sources of Data	Classified by	Latest SOI Bulletin Issue with Article
Foreign Tax Credit-Corporations	Annually	Form 1118—*Foreign Tax Credit Corporations*	Industry, country to which tax was paid, size of total assets	Summer 2009, Vol. 29, No. 1
Controlled Foreign Corporations	Biannually	Form 5471—*Information Return of U.S. Persons with Respect to Certain Foreign Corporations* and Form 8858—*Information Return of U.S. Persons with Respect to Foreign Disregarded Entities*	Industry, country, size of total assets	Summer 2008, Vol. 28, No. 1
Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons	Biannually	Form 5472—*Information Return of a 25% Foreign-owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*	Industry	Fall 2009, Vol. 29, No. 2
One-Time Dividend Received Deduction	Once	Form 8895—*One-Time Dividends Received Deduction for Certain Cash Dividends from Controlled Foreign Corporations*	Industry, country of incorporation	Spring 2008, Vol. 27, No. 4
Interest Charge Domestic International Sales Corporation	Every fourth year	Form 1120—IC-DISC–*Interest Charge Domestic International Sales-Corporation Return*	Product or service	Winter 2010, Vol. 29, No. 3
Entity Classification	Continuous	Form 8832—*Entity Classification Election*	Data available upon request only	Not Applicable
Foreign Partnerships Controlled by U.S. Partners	Every fourth year	Form 8865—*Return of U.S. Persons with Respect to Certain Foreign Partnerships*	Data available upon request only	Not Applicable
Individual Foreign Tax Credit and Foreign Earned Income	Every fifth year	Form 1040—*U.S. Individual Income Tax Return*, Form 1116—*Foreign Tax Credit*, and Form 2555—*Foreign Earned Income*	Country, size of adjusted gross income	Spring 2009, Vol. 28, No. 4
International Boycotts	Annually	Form 5713—*International Boycott Report*	Country making the boycott request, type of request	Spring 2009, Vol. 28, No. 4
Domestic Corporations Controlled by Foreign Persons	Annually	Forms 1120—*Corporate Income Tax Return*	Industry, country of residence of foreign owner, age of corporation	Summer 2009, Vol. 29, No. 1

Footnotes at end of table.

Table 1. Summary of Current Sources of Data and Available Data for International Studies—Continued

Study	Frequency [1]	Sources of Data	Classified by	Latest SOI Bulletin Issue with Article
Foreign Corporations with U.S Business Operations	Annually	Form 1120—F *U.S. Income Tax Return of a Foreign Corporation*	Industry, country of residence of foreign owner	Not Applicable
Foreign Recipients of U.S. Income	Annually	Form 1042S—*Foreign Person's U.S. Source Income Subject to Withholding*	Country of residence, principal type of income, and recipient type	Winter 2009, Vol. 28, No. 3
Foreign Investment and Real Property Tax Study	Planned	Form 8288—*U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests*	Data not yet available	Not applicable
Foreign Recipients of U.S. Partnership Income and Form 8288 U.S. Withholding Tax Return for Dispositions by Foreign Persons of U.S. Real Property Interests	Annually	Form 8805—*Foreign Partner's Information Statement of Section 1446 Withholding Tax*	Country of foreign recipient	Not Applicable
Foreign Trusts	Every fourth year	Form 3520—*Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts* and Form 3520-A–*Annual Information Return of a Foreign Trust with a U.S. Owner*	Country of foreign trust, size of net income or deficit	Fall 2009, Vol. 29, No. 2
Nonresident Alien Estates	Biannually	Form 706NA—*United States Estate (and Generation-skipping Transfer) Tax Return: Estate of Nonresident Not a Citizen of the United States*	Tax status, size of U.S. gross estate	Summer 2006, Vol. 26, No. 1

[1] Frequency refers to current frequency of study and may not reflect the frequency in prior years.