1986 Corporation Foreign Tax Credit, A Geographic Focus

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In the 1980's for the first time, Canada surpassed the United Kingdom as the country which accounted for more corporate foreign-source U.S. taxable (net) income than any other country (Definitions section). Canadian-source taxable income for 1986 was $10.5 billion, 16 percent of total foreign-source taxable income. In addition, more of the foreign taxes paid by U.S. corporations ($4.7 billion) were paid to Canada than to any other country (Definitions section). United Kingdom-source income declined sharply, by 30.6 percent, during the 1984-1986 period.

The foreign tax credit claimed by U.S. corporations increased by nearly 4 percent, from $21.4 billion for 1984 to $22.3 billion for 1986; while foreign-source taxable income increased by nearly 8 percent, from $61.1 billion to $65.8 billion. Since much of this income was subject to foreign taxation, $23.1 billion of income taxes (nearly 35 percent of taxable income) were paid to foreign governments. Of the 4,506 active U.S. companies claiming a foreign tax credit for 1986, 764 (17 percent) were "giant" corporations with total assets of $250 million or more. This small group of companies accounted for nearly all of the foreign tax credit claimed by U.S. corporations [1].

The U.S. economic recovery that started in late 1983 seemed to have continued and may have affected the business operations of U.S. corporations overseas in 1986 [2]. In five of the countries listed, (including countries where U.S. corporations earned at least $1 billion of foreign-source taxable income for either 1984 or 1986) U.S. corporations showed significant increases in taxable income (Figure A). The largest income increases were registered in Italy, West Germany, Japan, Switzerland and France, the main reason being a noticeable rise in net capital gains income for each country.

Despite the overall increase in foreign-source taxable income from 1984 to 1986, in general, the use of offshore financial centers in the Caribbean and in Central America appeared to have decreased markedly. Taxable income from the Netherlands Antilles and the Bahamas declined by 30.3 percent and 62.2 percent, respectively. Panama also showed a slight decline of 3.4 percent. These decreases were mostly due to a sizable drop in services income for all three countries.

Figure A.—Foreign-Source Taxable Income, by Selected Country, 1984 and 1986

[Millions of dollars]

Country	1984	1986	Percentage increase
	(1)	(2)	(3)
All countries	**$61,097**	**$65,809**	**7.7%**
Selected countries, total	**47,221**	**49,659**	**5.2**
Italy	989	2,651	168.0
West Germany	2,323	5,428	133.7
Japan	2,884	5,670	96.6
Switzerland	860	1,549	80.1
France	1,458	2,616	79.4
Canada	7,539	10,508	39.4
Brazil	1,695	1,977	16.6
Panama	819	791	-3.4
Mexico	1,146	1,041	-9.2
Netherlands	2,588	2,035	-21.4
Australia	2,319	1,642	-29.2
Netherlands Antilles	1,290	899	-30.3
United Kingdom	11,913	8,263	-30.6
Indonesia	2,938	1,671	-43.1
Norway	3,279	1,791	-45.4
Bahamas	2,115	800	-62.2
Egypt	1,066	327	-69.3

Foreign-source taxable income of U.S. corporations doing business in countries which were members of the Organization of Petroleum Exporting Countries (OPEC) continued to drop, to $3.1 billion for 1986, a reduction of almost 41 percent from 1984 (Definitions section). This continued the declining trend of income from OPEC countries (76 percent) through the first half of the 1980's. Taxes paid by U.S. corporations claiming a foreign tax credit to OPEC countries also fell but by less (40 percent) to $1.7 billion from 1980 to 1986.

BACKGROUND

U.S. tax law allows corporations a credit against their U.S. income tax for income taxes paid to foreign govern-

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ments. U.S. corporations are taxed on their worldwide taxable income. Therefore, the foreign tax credit serves to eliminate double taxation on foreign-source income, which is typically subject to tax by the country in which it was earned.

The ability of some corporations to offset the U.S. tax on domestic income with the credit for foreign income taxes led to the first limitation on the foreign tax credit in 1921. The credit limitation remains as a fundamental principle of the current U.S. foreign tax credit provisions.

The limitation restricts the amount of credit for foreign income taxes to the lesser of (1) the U.S. tax on foreign-source taxable income, or (2) the actual foreign income taxes paid. This calculation results in a zero limitation (no credit) if a corporation has an overall foreign loss or a worldwide loss. However, credits in excess of the limitation may be carried back two years and forward five years.

For 1986, the limitation was separately calculated for five categories of income: (1) section 904(d) (generally portfolio) interest income, (2) dividends from an Interest Charge Domestic International Sales Corporation (IC-DISC) or former DISC, (3) foreign trade income of a Foreign Sales Corporation (FSC), (4) distributions from a FSC or former FSC, and (5) all other income from sources outside of the United States. (IC-DISC's and FSC's were domestic corporations created to promote U.S. exports).

The total foreign tax credit for 1986 was the sum of the amounts computed, using these five separate limitations. In some instances, the total credit was reduced for participation in, or for cooperation with, international boycotts.

To claim a foreign tax credit, a U.S. corporation must have foreign-source taxable income, pay a foreign income tax, and have a U.S. income tax liability. Only certain taxes can be claimed as a foreign tax credit. They include income taxes imposed by U.S. possessions or the national government of a foreign country, as well as its cities, states, and other subdivisions.

Corporations can deduct all foreign income taxes in lieu of claiming a foreign tax credit for all such taxes. However, most corporations obtain a greater tax benefit by electing to credit these taxes against U.S. income tax. Taxes such as excise, franchise, sales, and certain other taxes, do not qualify as creditable foreign taxes, but can be deducted in calculating worldwide taxable income, even when the foreign tax credit is elected for foreign income taxes.

GEOGRAPHIC SOURCES OF FOREIGN INCOME AND TAXES

Of the principal countries or areas of origin of 1986 foreign-source taxable income of U.S. corporations with foreign tax credits, (Figure B) those with the highest percentage of the total foreign-source income for 1986 were: Canada (16 percent), the United Kingdom (13 percent), Japan (9 percent) and West Germany (8 percent). The largest amounts of current-year foreign taxes were paid to these same four countries (Figure C). The remaining 54 percent of income was widely distributed.

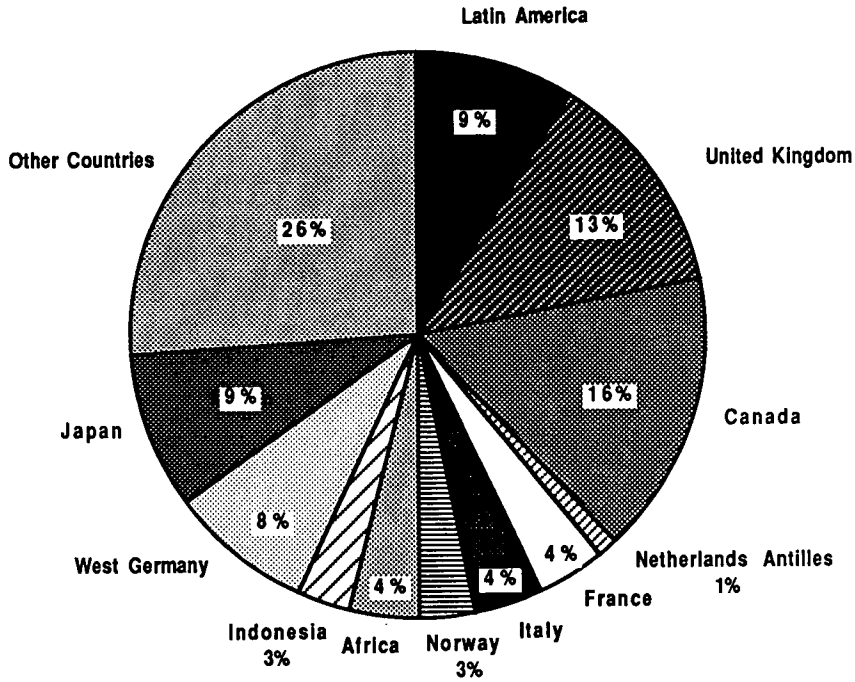
Canada generated the most foreign-source taxable income ($10.5 billion) for 1986, replacing the 1984 leader, the United Kingdom. Nearly 81 percent ($8.5 billion) of the Canadian income was accounted for by U.S. manufacturers. Of the foreign taxes paid by U.S. corporations ($4.7 billion) more were paid to Canada than to any other country.

Almost half (46.4 percent) of the Canadian-source income from manufacturing originated in the petroleum industry (Definitions section) [3]. For 1984, only $1.6 billion (21.7 percent) of Canadian income was earned by U.S. corporations in the petroleum industry. With the deregulation of Canada's oil industry starting in late 1984, and the general expansion of Canada's economy, almost $4.0 billion in profits were reaped by U.S. petroleum corporations for 1986 from Canadian operations. This was an increase of nearly 143 percent from 1984 [4]. Petroleum subsidiaries accounted for 48.2 percent of total 1986 foreign taxes paid by U.S. manufacturers in Canada, due to the high taxes imposed by Canada on the industry at that time. For 1986, these corporations paid a high average tax rate (over 56 percent) on Canadian income earned by the petroleum industry. This increased percentage reflected Canada's top corporate statutory tax rate of 54 percent for 1986 [5].

Other gains in Canadian-source income were indicated by a 35.4 percent increase over 1984 in finance, insurance, and real estate, as well as a 71.4 percent rise in wholesale and retail trade. The increase in finance, insurance, and real estate was due mainly to the dismantling of restrictive regulations imposed by prior Canadian governments on the country's financial markets. The advent of free trade talks between the United States and Canada spurred the increases in wholesale and retail trade [6].

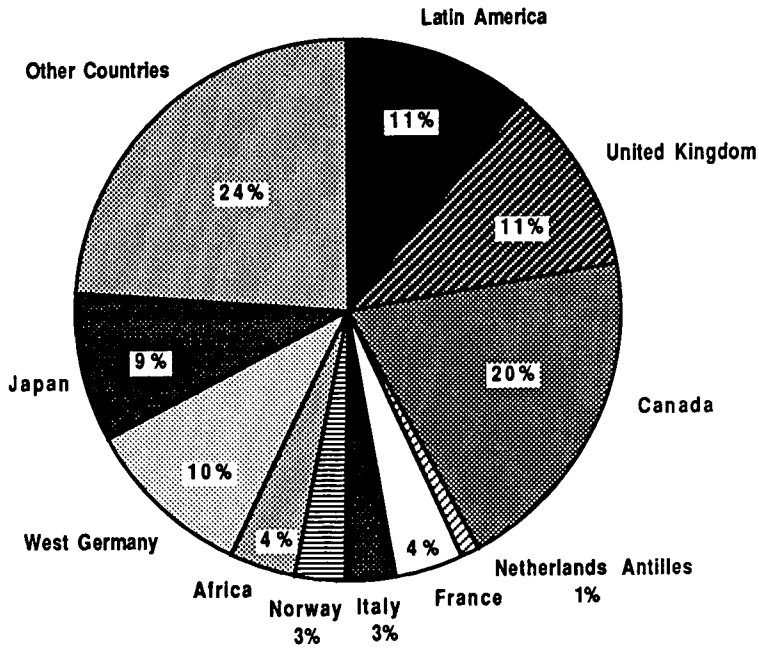
By comparison, the U.K.-source income of U.S. companies declined sharply, by 30.6 percent. This decline

Figure B
Percentage of Total Foreign-Source Taxable Income, by Country or Area, 1986



Total: $65.8 billion

Figure C
Percentage of Total Current-Year Foreign Taxes, by Country or Area, 1986



Total: $23.1 billion

was due largely to decreases in manufacturing, especially of petroleum; and in finance, insurance, and real estate, down 26.5 and 41.5 percent, respectively.

Economic Recovery

The U.S. economic recovery that started in late 1983 seems to have continued and spread to much of the rest of the world by 1986. Less expensive oil, tax cuts, low inflation rates, and wage increases overseas all contributed to the economic recovery [7]. With the fall of the dollar against most major foreign currencies in 1985, foreign stocks became more profitable. This resulted in an astounding 424.8 percent leap (from $742 million to $3.9 billion) in net capital gains income between 1984 and 1986 [8]. These gains contributed to large overall foreign income increases registered by Italy (168.0 percent), West Germany (133.7 percent), Japan (96.6 percent), Switzerland (80.1 percent), and France (79.4 percent). U.S. parent companies with operations in these countries saw a currency-exchange windfall when the dollar declined [9].

U.S. oil corporations with operations in the United Kingdom felt the economic crunch caused by less expensive oil in the mid-1980's. A decline in income from the United Kingdom was reported by U.S. manufacturers (almost half of which was accounted for by the 45.0 percent decrease in foreign income earned by the petroleum industry). The fall in oil prices weakened the British pound, which cut into the capital gains U.S. investors could earn on British stocks [10]. U.S. banks suffered a 54.6 percent decrease in U.S.-source foreign income earned from the United Kingdom during the 1984-1986 period.

At the same time, the economies of both West Germany and Japan continued to expand and U.S. corporations earned a combined total of almost $11.1 billion (nearly 17 percent of the total for all countries) in foreign-source taxable income from these countries for 1986. Approximately 85 percent ($9.4 billion) of this amount can be attributed to operations of U.S. manufacturers in both countries. Specifically, the boom in West Germany was fed by such consumer-goods industries as electronics, household appliances, and apparel, with the electrical industry's income up 913 percent from 1984 [11]. The West German income of U.S. corporations accounted for 28 percent of the total income of U.S. manufacturers claiming a foreign tax credit. U.S. manufacturers were also responsible for 81 percent of the total U.S. corporate income earned from Japan ($4.6 billion of the $5.7 billion total for Japan). Income from food and kindred products and the electrical manufacturing industry rose, up 160.6 and 133.3 percent, respectively, from 1984.

U.S. corporations benefitted from the European recovery in Italy as well, where foreign-source taxable income increased 168 percent from 1984. Again, due to the sagging dollar against other foreign currencies and low interest rates, and through the sale of Italian corporate stocks, U.S. companies saw net capital gains income increase by an astounding 2,160 percent [12]. Detailed data on the type and amount of income generated in most foreign countries is provided (Table 1).

Despite the continued economic recovery, U.S. corporations doing business in OPEC countries and in the principal North Sea oil nations (the United Kingdom and Norway) saw foreign-source taxable income and current-year foreign taxes further decline during the 1984-1986 period. Foreign-source taxable income and foreign taxes for OPEC countries decreased almost by half (Figure D). OPEC countries also show a disproportionately high percentage of the total foreign taxes for both years, which can be attributed to the high foreign tax rates on oil income. Data for North Sea oil-producing countries reflect the severe drop in oil prices in 1986 and their effect on foreign-source income and taxes. Foreign income of U.S. companies with operations in Norway was reduced by 45.4 percent, mostly due to falling oil prices. Similarly, U.S. oil companies with British operations had a decline of 30.6 percent in their total foreign taxable income between 1984 and 1986.

Figure D.—Foreign-Source Taxable Income and Current-Year Foreign Taxes, by Selected Oil-Producing Area, 1984 and 1986

[Millions of dollars]

Country	1984		1986	
	Income	Tax	Income	Tax
	(1)	(2)	(3)	(4)
Total	**$61,097**	**$22,540**	**$65,809**	**$23,103**
OPEC countries	5,320	2,784	3,150	1,670
Norway plus United Kingdom	15,192	6,359	10,054	3,329
Percentage of total:				
Total	100.0%	100.0%	100.0%	100.0%
OPEC countries	8.7	12.4	4.8	7.2
Norway plus United Kingdom	24.9	28.2	15.3	14.4

Type of Income by Country

The type of foreign gross income (excluding income from foreign branch operations) U.S. corporations received varied considerably by country (income-type

detail is not available for branch income) (Figure E). Certain country trends are noted:

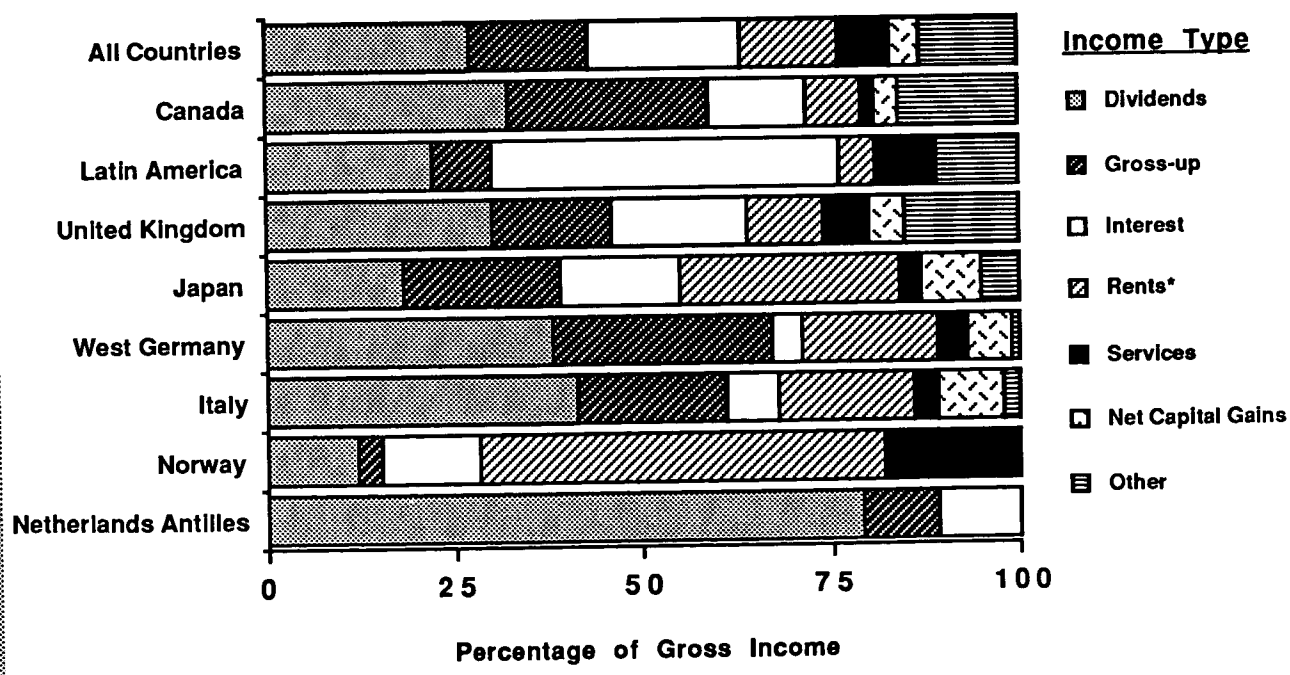
- most U.S. investment in Canada, West Germany, and Italy was in corporate stock, as evidenced by the fact that the majority of income was dividends and the associated tax on dividends (dividend gross-up - Definitions section);
- the United Kingdom, the second largest source of non-branch gross income, had a distribution of income similar to that for "all countries";
- almost all income from the Netherlands Antilles was dividends;
- over half of the gross income from Norway was made up of rents, royalties, and licensing fees, virtually all from the petroleum industry; and
- for Japan and Norway, there is a relatively low percentage (18 and 12 percent, respectively) of dividend income as compared to the other major industrialized nations included in the chart.

Type of income generalizations can be made for geographic areas as well as for specific countries. Interest represented a higher proportion of income from Latin America (46 percent of the total) than from countries in general (20 percent). This shows the considerable debt burden of industrializing Latin American countries. In addition, almost 72 percent of the total taxes paid or accrued on interest were paid by U.S. corporations to Latin America. Rents, royalties, and licensing fees were less likely than average to be received from Latin America (5 percent of total gross income as compared to an overall percentage of 13 percent). This was also the case with other less-industrialized areas, such as Africa (4 percent). No dividend income was received from any Eastern European Soviet-bloc country because only a handful of companies incorporated in these countries were owned even partially by U.S. corporations [13]. Over half of the gross income from these countries was interest (63 percent) while a quarter was from rents, royalties, and licensing fees.

Average Foreign Tax Rates

Because foreign tax rates vary considerably by country

Figure E
Percentage of Non-Branch Gross Income, by Income Type, by Selected Country or Area, 1986



*Includes royalties and licensing fees.

(and by type of income within countries), the 1986 average foreign tax rates of countries ranged from roughly 64 percent down to almost 4 percent (Figure F). (The average foreign tax rate is the ratio of current-year foreign taxes to foreign-source taxable income expressed as a percentage. The average U.S. tax is the ratio of U.S. income tax liability to the U.S. income subject to tax after all credits except the foreign tax credit.) Thirteen of the 23 countries shown fall within 10 percentage points above or below the all country average. For "all countries," the average foreign rate of 35 percent was considerably less than the 46 percent U.S. corporate statutory rate for 1986.

Most of the countries with the highest average tax rates were oil-producing nations. Among the reasons for the relatively high average foreign tax rates were: (1) extraordinary or "supplemental" oil taxes that were payable in addition to the normal corporate income tax (i.e., Trinidad and Tobago, and Norway), (2) relatively high income tax rates that applied to oil companies only (i.e., Nigeria) and (3) taxable income bases that were larger under foreign tax law than under U.S. tax law (i.e., depreciation methods under some foreign tax laws are less favorable than under U.S. tax law) [14].

Brazil and Spain were the only countries that were not major oil-producing nations with an average foreign tax rate above 50 percent. Brazil's rate was 62 percent, chiefly because interest from Brazil (nearly 52 percent of non-branch gross income) was generally subject to a 25-percent withholding tax on the gross amount. The deductions attributable to this income reduced taxable income (on which the average tax rate is based), and thereby increased the average rate. Spain's rate was 58 percent because U.S. corporations deriving dividends from Spanish subsidiaries were generally subject to a withholding tax on the dividends in addition to the standard Spanish corporate rate of 35 percent [15].

Organizational Structure of Foreign Operations

There are several different organizational structures available to U.S. corporations seeking to expand their market or business activities abroad. Most corporations wanting to establish a permanent presence overseas elect to do so by using an unincorporated foreign branch operation, investing in an existing foreign corporation, or forming a subsidiary under the laws of the foreign country. Some business activities, i.e., certain loans and exports, can also be transacted without a substantial foreign presence.

Foreign branch taxable income is shown as a percentage of total foreign-source taxable income by country

Figure F.—Current-Year Foreign Taxes and Foreign Branch Taxable Income as Percentages of Foreign-Source Taxable Income, by Selected Country, 1986

[Millions of dollars]

Country	Current-year foreign taxes as a percentage of foreign-source taxable income			Foreign-source taxable income	Foreign branch taxable income as a percentage of foreign-source taxable income		
	Rank	Percent	Taxes		Rank	Percent	Foreign branch taxable income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All countries	—	**35.1%**	**$23,103**	**$65,809**	—	**14.4%**	**$9,497**
Saudi Arabia	1	64.1	143	223	(1)	(1)	-75
Trinidad and Tobago	2	62.8	145	231	(1)	(1)	-18
Brazil	3	62.2	1,229	1,977	8	17.3	342
Spain	4	57.6	297	516	7	20.3	105
Indonesia	5	56.1	938	1,671	4	49.0	819
Egypt	6	52.6	172	327	(1)	(1)	-17
Mexico	7	52.4	545	1,041	11	9.8	102
Nigeria	8	45.0	260	578	3	55.5	321
Canada	9	44.3	4,659	10,508	16	4.9	516
Norway	10	43.4	778	1,791	1	64.4	1,153
West Germany	11	41.3	2,244	5,428	18	3.1	168
Australia	12	40.7	669	1,642	6	30.9	507
Venezuela	13	39.4	86	218	15	6.0	13
Japan	14	36.5	2,071	5,670	14	6.5	366
Switzerland	15	33.4	518	1,549	(1)	(1)	-63
Libya	16	31.2	25	80	2	56.2	45
France	17	31.0	811	2,616	9	12.3	323
United Kingdom	18	30.9	2,552	8,263	10	11.1	916
Netherlands	19	30.6	622	2,035	12	8.4	170
Italy	20	29.0	769	2,651	13	8.0	211
Panama	21	22.1	175	791	19	1.8	14
Netherlands Antilles	22	17.0	153	899	17	3.3	30
Bahamas	23	3.6	29	800	5	44.6	357

[1] Not calculated due to foreign branch loss.

(Figure F). Branch taxable income as a percentage of all foreign taxable income fell from 24 percent for 1984 to about 14 percent for 1986. Generally, the petroleum and banking industries are more likely than any other industries to operate through the establishment of foreign overseas branches. This is evident in those countries with the highest proportion of income from foreign branches, all of them either oil-producing nations or an offshore financial center; namely, Norway (64 percent), Libya (56 percent), Nigeria (56 percent), Indonesia (49 percent), and the Bahamas (45 percent).

SUMMARY

The foreign tax credit claimed by U.S. corporations increased only 4 percent from $21.4 billion for 1984 to $22.3 billion for 1986. Foreign-source U.S. taxable income from all countries increased by nearly 8 percent, from $61.1 billion to $65.8 billion. Almost 35 percent of foreign-source income was paid as taxes to foreign governments ($23.1 billion), although not all of it could be claimed as a foreign tax credit for 1986.

U.S. corporations earned more foreign-source taxable income ($10.5 billion) in Canada than in any other nation. Accordingly, these corporations paid most of their foreign taxes ($4.7 billion) to Canada. This was the first time in the 1980's any country had surpassed the United Kingdom as the country from which U.S. companies earned the most income.

Strong U.S. activity was registered in Italy, West Germany, France, Switzerland and Japan. Declining energy prices, low inflation, and a weak dollar enabled U.S. companies to reap big capital gains overseas. The big losers were U.S. corporations (primarily oil companies) with activities in countries that were members of OPEC and in the principal North Sea oil-producing nations (the United Kingdom and Norway), whose economies suffered due to lower oil prices.

Generally, the type of non-branch foreign income U.S. corporations received varied by country. A substantial portion of U.S. investment abroad was in corporate stock with over 40 percent of foreign gross income (of $93.5 billion) composed of dividends ($25.8 billion) and the foreign taxes paid on them, the so-called dividend gross-up ($14.6 billion).

DATA SOURCES AND LIMITATIONS

Sample Selection and Variability

The statistics presented in this article for the 1986 Tax Year were estimated from a stratified probability sample of approximately 85,100 corporate income tax returns selected after revenue processing, but before audit. The accounting periods of corporations with a foreign tax credit included in the data were those ending between July 1986 and June 1987, although most of the activities reported reflected activities in Calender Year 1986.

While all returns in the Statistics of Income sample with a foreign tax credit were used for the 1986 data, some differences exist between the 1986 foreign tax credit data presented here and those previously published in *Statistics of Income--1986, Corporation Income Tax Returns.* These differences are the result of the different weighting methods used for returns sampled at less than the 100-percent rate. In addition, the statistics presented herein include certain returns with foreign tax credits prescribed for inclusion in the 100-percent sample class. These returns were received too late to be included in the regular corporate statistics and no adjustment for them was made for the overall corporate statistics.

Sampling variability arises only in strata in which returns were prescribed for selection at a rate of less than 100 percent. For this article, returns selected at the 100-percent rate accounted for the largest part of the estimated amounts. For example, for 1986, those corporations with $250 million or more in total assets (which were selected at the 100-percent rate) accounted for a major portion of the total assets (98.3 percent), foreign tax credit claimed (95.6 percent), and foreign-source taxable income (95.1 percent) of all corporations claiming a foreign tax credit. Because of the predominance of these large corporations, sampling variability is not considered a major limitation of the statistics.

General Limitations

The foreign tax credit is claimed under section 901 of the Internal Revenue Code. Corporations claiming a foreign tax credit generally provide supporting foreign income and tax data on Form 1118, Computation of Foreign Tax Credit - Corporations, attached to their U.S. corporation income tax return. Form 1118 is the source of the foreign income and tax data for this article. The statistics do not reflect any adjustments that were made during audit examination, which finally determines the acceptability of the foreign income and taxes reported. Nor do they reflect foreign tax carrybacks which also determine the final credit. Also, some corporations provide only preliminary foreign income and tax data with their U.S. tax returns as filed because not all the informa-

tion about their foreign operations is available at the time their U.S. income tax returns are filed.

Foreign income and taxes are underreported in this article to the extent that data were not provided on Form 1118. Some corporations with foreign income and taxes operated at a deficit and had no U.S. tax liability against which a foreign tax credit could be claimed and were, therefore, not required to file the Form 1118. Some corporations may have chosen to deduct their foreign taxes from gross income rather than credit them against their U.S. tax liability. For these particular returns, it is believed that the foreign income and tax amounts were insignificant. In both instances, these returns were excluded from this study.

DEFINITIONS

The term "*country*" as used in this article includes not only countries, but also other separate taxation authorities, such as Puerto Rico and U.S. possessions. For certain tables and figures, data for these taxation authorites are presented together with data by country.

Foreign taxes (unless otherwise stated) refers to current-year foreign taxes, which are withholding taxes on dividends, interest, rents, royalties and license fees, as well as taxes directly paid or accrued on partnership, services or other income or on foreign branch profits. It also includes taxes deemed paid, which are a proportion of the taxes paid on the profits of a foreign corporation (including all levels of subsidiaries) out of which the dividends to the U.S. corporation were paid.

The Organization of Petroleum Exporting Countries (OPEC) is an oil cartel which includes Algeria, Ecuador, Gabon, Indonesia, Iran, Iraq, Kuwait, Libya, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

Petroleum industry (unless otherwise stated) refers to the integrated petroleum industry, i.e., all corporations primarily engaged in extraction, refining, and marketing of crude petroleum.

Dividend gross-up is income associated with dividends received or constructively received from a controlled foreign corporation and is equivalent to the tax deemed paid.

NOTES AND REFERENCES

[1] There were 3,428,515 corporation income tax returns filed for Tax Year 1986.

[2] "'Eurogloom' Fades as the Recovery Takes Hold," *Business Week*, May 14, 1984, p. 54.

[3] Data pertaining to income and tax amounts classified by both industry and country are available from the Statistics of Income Division but were not published with this article due to the voluminous nature of the statistics.

[4] Finn, Edwin A., Jr. and Morais, Richard C., "Good Neighbors Again," *Forbes,* May 19, 1986, p. 130.

[5] Templeman, John, et al., "Europe and Japan are Catching Tax-Reform Fever," *Business Week*, September 1, 1986, p. 65.

[6] Ibid.

[7] Templeman, John, et al., "Europe's Businessmen Are All Speaking the Same Language: Boom," *Business Week,* May 5, 1986, pp. 42-43.

[8] See Redmiles, Lissa, "Corporation Foreign Tax Credit, 1986: An Industry Focus," *Statistics of Income Bulletin*, Fall 1990, Vol. 10, No. 2.

[9] Pearson, John, "Strong Dollar or No, There's Money to be Made Abroad," *Business Week,* March 22, 1985, p. 155.

[10] Templeman, John, et al., "Now West Germany's Economy is Carrying the Ball," *Business Week,* January 20, 1986, pp. 40-41.

[11] Templeman, "Europe's Businessmen...", ibid., p. 42.

[12] Templeman, John, et al., "Cheaper Money is Pouring into European Industry," *Business Week*, March 17, 1986, p. 63.

[13] See *Statistics of Income Bulletin,* Spring 1990, Vol. 9, No. 4, for an article on Controlled Foreign Corporations by country or geographic area. Data for 1986 will be included in a future issue of the *Bulletin.*

[14] For additional information on the tax laws of foreign countries, see *Corporate Taxes, A Worldwide Summary,* Price Waterhouse, 1985.

[15] Ibid.

EXPLANATORY TABLE NOTES

The data for the following tables are tabulated from the Forms 1120 and 1118 (Data Sources and Limitations).

For Table 1, the rows are the specific geographic area or country to which foreign income and taxes were paid (see the definition of "country" in the definition section above). Columns 3 through 13 reveal income and taxes from all sources while columns 14 through 58 represent income and taxes from specific geographic areas or countries.

Columns 1 through 13 are amounts reported on the Corporation Tax Return Form 1120 while the remaining columns are amounts reported on the Form 1118. The data by geographic areas for columns 1 through 13 are not additive to the all geographic areas total. The data in columns 14 through 58 are amounts for the specific country. However, the data by geographic area for columns 14 through 58 are additive to the all geographic areas total. Data for specific geographic areas are not always additive as data are present for only selected countries.

Columns 15 through 22 contain gross income excluding branch operations and specially allocable income (less loss) and sum to column 14. Foreign oil and gas extraction gross income appears in columns 24 through 28 and sum to column 23. These amounts are also included in the foreign gross income in columns 14 though 22.

Columns 29 through 38 contain deductions other than from branch operations and specially allocable income. They are divided into; allocable deductions, columns 30 through 34: and not directly allocable deductions, columns 35 through 38. Columns 30 and 35 are the totals, respectively, and sum to column 29. Columns 39 through 41 are the deductions from oil and gas extraction income and are included in columns 29 through 38.

Columns 42 through 45 reveal taxable income before loss recapture which includes foreign branch income (column 43), specially allocable income or Section 863(B) (column 44), and foreign income other than from branch operations and specially allocable income (column 45). Column 42, the total foreign-source taxable income also equals column 14 minus column 29 plus columns 43 and 44.

Columns 46 through 55 contain foreign taxes paid or accrued and deemed paid before reduction for international boycott operations. Total foreign taxes paid or accrued are divided into taxes withheld at source on dividends (column 48), interest (column 49), and rents, royalties, and licensing fees (column 50), as well as, taxes paid or accrued on branch income (column 51), service income (column 52), partnership income (column 53), and other income (column 54), all of which sum to column 47. Deemed paid foreign taxes are included in column 55. In some instances, small amounts of taxes were attributed to the country of incorporation of a foreign subsidiary rather than the actual country of taxation. Columns 47 and 55 sum to column 46 which is total foreign taxes.

Columns 56 through 58 represent income and taxes of related foreign corporations.

NOTE: Columns and rows may not sum exactly due to rounding.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid

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

Country and IC-DISC and FSC dividends	Number of returns	Total assets	Income and taxes from all sources: Net income (less deficit)	Income subject to U.S. tax	Regular and alternative tax	Foreign tax credit claimed	Taxable income (less loss) from foreign sources before loss recapture	Foreign taxes paid or accrued	Foreign taxes deemed paid	Reduction for certain foreign taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All geographic areas, total	**4,409**	**5,404,718,817**	**140,430,545**	**130,506,344**	**53,347,108**	**22,258,235**	**65,809,314**	**8,467,889**	**14,635,173**	**1,059,505**
Canada	**2,090**	**4,663,310,239**	**122,330,156**	**113,438,162**	**46,180,856**	**21,253,601**	**61,782,294**	**7,788,753**	**14,247,734**	**931,961**
Latin America, total	**944**	**4,465,283,211**	**108,350,369**	**100,688,743**	**41,273,247**	**20,954,104**	**61,550,866**	**7,527,812**	**14,095,109**	**883,242**
Mexico	688	4,065,535,944	96,571,277	89,842,011	36,742,807	19,982,965	57,450,531	7,266,867	13,365,122	837,105
Central America, total	287	3,212,563,020	79,694,777	74,624,944	30,669,001	18,506,177	53,179,091	6,703,196	12,468,161	859,804
Costa Rica	120	1,929,951,705	50,760,625	47,727,994	20,287,314	15,044,596	41,765,573	4,993,942	10,513,029	178,502
Guatemala	121	2,107,600,453	56,864,854	53,091,315	22,640,649	15,904,527	43,482,203	5,633,624	10,841,434	282,144
Honduras	95	1,918,366,383	44,004,015	41,877,721	17,582,176	12,867,304	34,793,634	4,704,517	8,748,693	178,502
Panama (including Canal Zone)	208	2,908,477,412	67,143,083	63,418,582	25,877,703	15,907,025	45,107,787	5,776,947	10,750,359	750,814
Caribbean countries, total	278	3,160,382,462	76,859,359	71,573,027	29,553,858	18,111,396	52,266,411	6,615,550	12,229,573	874,074
Cayman Islands (British)	133	2,481,627,459	50,161,996	46,774,509	19,003,654	13,416,597	38,203,932	5,056,810	9,031,726	708,111
Dominican Republic	128	2,133,504,358	51,137,409	47,589,064	20,303,849	13,588,585	39,261,673	4,861,683	9,136,445	178,502
Trinidad and Tobago	105	1,876,394,572	46,992,352	44,255,916	18,074,282	13,703,616	37,043,096	5,482,746	9,090,041	845,468
South America, total	598	4,094,090,282	97,806,510	91,305,034	37,468,939	20,468,735	59,895,361	7,368,600	13,802,827	882,199
Argentina	317	3,277,295,761	74,176,207	70,510,650	28,820,949	18,062,732	50,771,512	6,820,238	12,117,724	837,462
Brazil	376	3,717,854,967	83,335,196	78,723,560	31,990,206	18,549,095	53,227,484	6,999,118	12,385,730	864,693
Chile	202	2,760,243,700	64,929,713	60,272,371	25,181,016	16,606,188	47,458,969	5,923,780	11,223,176	752,601
Colombia	217	2,663,610,016	68,070,459	64,779,039	26,827,400	16,810,353	47,191,179	6,430,146	11,276,960	866,218
Ecuador	155	2,509,909,404	56,472,680	53,684,826	22,320,054	15,587,458	42,392,195	6,130,902	10,192,749	814,628
Peru	180	2,566,356,157	60,731,581	56,950,665	24,015,771	15,831,583	45,115,945	6,095,268	10,300,976	861,309
Venezuela	310	3,194,988,242	75,943,283	71,281,972	29,869,333	18,312,507	52,391,338	6,812,011	12,211,347	864,693
Other Western Hemisphere, total	**344**	**3,859,345,664**	**89,655,904**	**83,377,975**	**33,960,790**	**19,193,449**	**55,902,052**	**6,739,125**	**13,056,156**	**868,327**
The Bahamas	134	2,619,157,750	51,580,352	47,978,513	19,933,766	14,404,638	41,554,666	5,139,469	9,804,460	759,919
Netherlands Antilles	186	3,083,825,293	71,201,860	66,631,978	27,379,274	16,965,907	48,905,669	5,897,649	11,470,288	735,064
Europe, total	**1,853**	**4,736,860,328**	**117,936,037**	**109,676,776**	**44,672,266**	**21,691,512**	**63,786,936**	**7,990,375**	**14,478,405**	**1,001,376**
Common Market countries, total	1,705	4,642,141,116	115,730,736	107,744,361	43,869,417	21,475,469	63,204,016	7,717,344	14,461,837	913,082
Belgium	344	3,187,453,257	81,980,591	76,300,420	31,341,583	18,913,001	54,471,565	6,874,001	12,712,745	814,675
France (including Andorra)	539	3,679,059,339	92,740,797	86,411,759	35,273,176	19,703,407	57,464,840	6,729,895	13,539,551	774,354
Greece	132	2,603,783,309	61,546,736	58,995,054	24,132,425	15,362,245	42,858,233	5,884,137	10,271,780	275,856
Ireland	150	2,405,032,739	59,970,704	56,967,811	23,332,436	15,499,765	43,529,914	5,880,070	10,363,062	830,314
Italy (including San Marino)	412	3,496,457,314	86,670,113	80,607,972	32,991,648	19,512,669	56,469,852	6,945,961	13,286,969	880,671
Luxembourg	65	1,975,271,335	28,182,661	26,015,918	10,029,791	6,238,325	17,678,154	2,921,837	3,872,065	157,849
Netherlands	674	3,659,503,468	87,923,583	81,700,287	33,015,301	19,073,890	55,453,430	6,902,857	12,853,495	858,522
Spain	316	3,327,211,118	79,231,017	74,760,409	30,481,887	18,206,758	51,669,643	6,862,645	12,258,718	843,302
United Kingdom	989	4,134,238,204	102,792,506	95,142,016	38,885,149	20,860,067	61,139,743	7,482,712	14,087,687	906,624
West Germany	643	3,645,213,737	92,992,643	86,808,727	35,503,177	20,361,405	58,616,561	7,239,714	13,805,019	864,736
Other West European countries, total	689	3,824,368,832	93,737,995	87,005,731	35,627,113	20,240,023	58,422,337	7,535,609	13,542,459	993,655
Austria	182	2,526,768,981	63,464,168	59,568,034	24,524,772	16,172,143	47,230,807	5,530,088	11,190,112	673,602
Finland	156	2,418,807,640	62,334,473	58,492,662	24,227,005	15,613,195	45,416,423	5,372,966	10,762,555	713,884
Norway	194	2,351,832,358	59,543,462	55,703,436	22,903,994	16,101,217	46,217,982	6,096,526	10,874,403	915,525
Sweden	297	3,134,047,712	76,160,390	71,217,372	29,125,786	17,963,706	51,959,000	6,190,035	12,325,368	736,962
Switzerland	444	3,417,257,738	83,656,587	77,806,766	31,931,216	18,919,837	54,405,414	6,907,249	12,664,419	813,770
Turkey	117	2,049,457,009	52,511,088	49,266,391	21,224,480	15,700,328	43,960,313	5,966,988	10,384,793	882,540
East European countries, total	115	2,003,249,495	46,016,277	43,892,692	18,573,653	14,072,556	39,129,310	5,611,234	9,379,115	805,322
Africa, total	**681**	**3,643,235,940**	**89,104,304**	**82,991,940**	**33,889,096**	**19,697,337**	**56,978,188**	**7,359,998**	**13,061,497**	**928,537**
North Africa, total	148	2,521,709,075	58,820,967	55,860,629	23,336,954	15,810,742	43,691,611	6,455,989	10,359,920	927,667
Egypt	121	2,344,783,158	52,889,850	50,273,694	21,088,624	14,817,239	40,872,735	6,001,481	9,665,235	864,428
Libya	18	525,642,231	22,300,693	21,565,983	9,413,891	8,826,618	22,424,322	3,118,139	6,037,558	206,593
East Africa, total	83	1,798,610,133	47,370,916	44,939,397	18,862,158	14,051,599	37,507,076	5,491,933	9,387,022	815,311
West and Central African countries, total	116	2,226,847,831	54,313,265	51,460,035	21,302,409	15,266,169	41,522,244	6,029,036	10,109,057	864,692
Gabon	25	918,369,114	21,270,641	20,193,951	8,432,470	6,799,963	16,765,829	3,275,884	3,797,783	827,636
Nigeria	63	1,641,708,539	40,973,111	39,085,201	16,503,132	12,671,962	33,635,830	5,095,797	8,071,927	813,911
Zaire	28	1,301,089,512	28,371,857	26,901,822	11,650,416	9,516,170	25,946,119	4,230,290	6,412,851	785,821
Southern Africa, total	607	3,182,386,374	81,111,529	75,724,086	31,064,640	18,248,367	52,056,182	6,289,999	12,371,117	737,807
South Africa (includes Namibia)	588	3,020,452,243	79,168,353	73,850,471	30,327,286	17,765,821	50,656,760	6,122,407	12,127,101	737,807
Zimbabwe	49	1,159,433,256	28,884,297	27,330,396	11,399,350	8,247,326	23,092,450	3,167,214	5,796,816	100,110
Asia, total	**1,338**	**4,556,729,870**	**115,329,768**	**107,785,978**	**44,074,207**	**21,247,303**	**62,406,601**	**7,742,975**	**14,204,257**	**958,319**
Middle East, total	413	3,112,990,708	78,576,531	72,869,467	30,419,250	18,353,397	52,874,647	6,854,774	12,208,500	906,026
Iran	39	1,243,998,202	34,864,659	33,526,198	14,378,765	11,744,284	31,301,365	4,785,749	7,541,467	833,409
Israel	285	2,237,777,092	48,171,469	44,743,818	18,542,001	11,177,662	33,488,198	4,202,594	7,482,021	99,229
Kuwait	72	1,591,044,689	34,555,444	33,047,045	14,127,092	10,801,466	30,580,307	3,908,446	7,546,201	156,330
Qatar	20	952,356,955	26,815,416	25,985,578	11,248,402	10,335,075	26,155,849	3,979,403	6,862,216	234,040
Saudi Arabia	145	2,047,320,914	51,262,291	47,749,085	20,223,015	14,655,248	41,723,076	5,253,323	9,930,418	762,275
United Arab Emirates	59	1,642,536,708	37,278,710	35,430,608	14,896,248	12,298,603	33,068,021	4,798,889	8,383,529	325,348
Southern and Southeastern Asia, total	432	3,763,576,114	91,559,255	84,964,300	34,636,129	20,057,841	58,066,771	7,342,622	13,457,073	932,820
India	172	2,226,235,881	59,072,942	56,135,125	23,540,202	15,875,985	43,433,398	6,090,736	10,567,146	813,769
Indonesia	154	2,654,975,824	59,395,950	56,816,187	23,397,497	16,134,683	44,004,930	6,415,473	10,573,432	924,370
Malaysia	140	2,265,764,493	56,669,256	53,489,750	22,399,952	14,977,705	41,748,100	5,329,200	10,316,057	182,485
Philippines	228	3,121,594,247	78,574,205	73,446,411	29,834,893	18,132,013	51,406,878	6,697,849	11,775,651	865,574
Singapore	242	3,214,759,920	74,478,994	70,156,431	28,334,041	17,858,671	50,616,652	6,807,800	11,974,090	908,417
Thailand	171	2,549,570,613	64,398,937	60,456,909	25,484,242	16,712,304	47,257,107	6,297,692	11,095,534	836,967
Eastern Asia, total	1,140	4,338,414,835	109,736,048	102,672,027	41,958,987	20,727,429	60,619,282	7,492,977	13,859,248	867,254
China	110	2,107,377,387	56,713,947	53,145,000	22,277,888	16,085,892	45,901,840	5,894,230	10,861,598	836,126
Hong Kong	295	3,203,640,939	75,940,371	71,249,486	29,296,260	17,799,766	51,642,601	6,133,873	12,082,873	731,171
Japan (Okinawa, Ryukyu)	1,051	4,186,465,716	105,900,364	98,947,500	40,412,578	20,522,862	59,719,620	7,413,001	13,751,903	865,725
South Korea	239	3,281,144,543	73,576,437	68,868,590	28,625,889	17,510,030	50,690,254	6,679,012	11,516,659	836,083
Taiwan	230	2,858,797,046	70,812,567	66,243,639	27,849,791	17,630,738	50,009,952	6,573,377	11,820,967	832,725
Oceania, total	**831**	**4,006,752,783**	**99,940,837**	**93,125,304**	**37,982,853**	**20,430,651**	**59,720,690**	**7,336,332**	**13,729,842**	**838,563**
Australia	784	3,961,341,200	98,854,679	92,321,860	37,648,618	20,359,858	59,419,429	7,318,003	13,680,241	838,563
New Zealand	295	2,851,630,676	75,626,816	71,141,902	29,047,596	17,558,421	48,891,326	6,581,182	11,765,661	837,011
Puerto Rico and U.S. Possessions, total	**472**	**3,378,361,025**	**88,322,768**	**82,126,135**	**33,261,173**	**18,134,818**	**51,191,327**	**6,256,252**	**12,318,540**	**759,425**
Puerto Rico	376	3,165,876,341	85,932,058	79,817,707	32,453,402	17,964,476	50,303,935	6,149,356	12,278,802	759,425
U.S. possessions, total	176	2,224,709,829	57,140,923	53,122,225	21,840,873	13,854,406	38,474,387	4,798,132	9,213,839	750,789
Country not stated	**705**	**4,040,803,027**	**93,582,007**	**86,850,120**	**35,566,586**	**18,749,489**	**54,806,186**	**6,682,447**	**12,615,698**	**280,281**
IC-DISC dividends	**33**	**136,465,568**	**9,533,888**	**9,127,404**	**3,944,417**	**2,106,694**	**5,086,635**	**481,033**	**1,754,092**	**—**
FSC dividends	**27**	**241,886,593**	**11,282,812**	**10,698,376**	**4,561,008**	**3,331,794**	**7,986,561**	**1,284,961**	**1,943,122**	**96,551**
OPEC countries, total (included above)	**418**	**3,610,683,006**	**84,451,902**	**78,925,349**	**32,948,509**	**19,563,831**	**56,514,404**	**7,390,024**	**12,913,642**	**958,155**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from all sources—Continued			Income and taxes from specific geographic area or country					
		Foreign tax credit computed		Gross income excluding branch operations and specially allocable income (less loss)					
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	Total	Dividends	Dividend gross-up	Interest	Rents, royalties and license fees	Service income
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)
All geographic areas, total	**5,364,349**	**22,260,336**	**727**	**93,530,645**	**25,789,233**	**14,635,179**	**18,670,536**	**11,901,161**	**6,372,908**
Canada	**4,798,438**	**21,255,656**	**727**	**13,448,196**	**4,275,093**	**3,616,591**	**1,761,155**	**957,009**	**304,472**
Latin America, total	**4,651,162**	**20,956,159**	**727**	**11,696,986**	**2,567,420**	**925,428**	**5,427,483**	**533,602**	**976,717**
Mexico	4,382,766	19,985,010	717	2,508,573	302,032	119,825	1,610,230	198,165	137,439
Central America, total	4,140,285	18,508,175	670	1,475,256	701,420	176,083	113,669	80,468	344,276
Costa Rica	2,253,794	15,046,468	544	74,439	17,502	10,271	11,412	8,884	18,569
Guatemala	2,373,667	15,906,517	663	32,205	11,695	3,976	5,576	3,682	1,051
Honduras	1,973,345	12,868,968	336	200,706	7,585	2,293	4,367	2,095	164,023
Panama (including Canal Zone)	3,832,279	15,908,906	553	1,134,055	657,622	158,868	83,153	59,847	153,925
Caribbean countries, total	4,120,515	18,113,397	673	1,555,500	215,328	58,371	461,672	22,300	289,902
Cayman Islands (British)	3,677,519	13,418,135	210	555,877	125,458	5,665	414,149	801	4,163
Dominican Republic	2,075,794	13,590,257	344	61,768	6,514	281	5,338	6,499	37,868
Trinidad and Tobago	3,583,371	13,705,284	340	640,189	72,706	49,660	12,248	9,686	2,602
South America, total	4,551,544	20,470,789	727	5,958,112	1,348,352	571,133	3,059,542	229,520	204,536
Argentina	4,036,551	18,064,761	702	1,118,111	109,381	19,353	724,399	69,443	27,758
Brazil	4,224,122	18,551,130	708	3,130,819	856,034	458,976	1,623,371	72,655	32,191
Chile	3,943,242	16,608,101	585	290,700	32,596	4,321	211,291	19,610	6,006
Colombia	3,968,048	16,812,252	572	358,714	103,506	37,683	82,948	15,219	71,730
Ecuador	3,848,753	15,589,348	562	250,037	161,462	3,455	41,770	11,116	7,087
Peru	4,095,349	15,833,457	547	129,594	7,676	3,858	48,175	7,675	4,080
Venezuela	4,190,615	18,314,557	722	546,533	70,486	41,881	301,533	25,862	54,033
Other Western Hemisphere, total	**4,489,269**	**19,195,466**	**689**	**3,456,283**	**1,694,421**	**186,702**	**1,556,129**	**17,920**	**17,241**
The Bahamas	3,773,540	14,406,305	339	1,013,642	117,145	28,114	849,727	6,321	2,154
Netherlands Antilles	4,012,716	16,967,460	225	1,277,261	1,008,693	133,924	135,241	3,791	2,221
Europe, total	**4,963,180**	**21,693,567**	**727**	**37,369,261**	**12,118,935**	**7,139,991**	**4,267,646**	**6,383,548**	**2,162,957**
Common Market countries, total	4,655,625	21,477,524	727	31,137,421	10,370,281	6,378,729	3,398,554	5,052,018	1,521,507
Belgium	4,208,144	18,914,921	592	2,191,116	909,970	488,260	153,758	274,107	229,887
France (including Andorra)	4,243,201	19,705,461	727	3,364,266	842,500	687,406	305,492	953,865	121,012
Greece	2,189,392	15,364,117	544	82,486	3,052	1,080	38,492	14,763	20,900
Ireland	3,799,799	15,501,663	569	206,508	43,443	9,915	21,807	71,355	33,731
Italy (including San Marino)	4,323,457	19,514,588	592	3,107,587	1,227,311	636,144	218,267	572,714	105,709
Luxembourg	587,534	6,238,533	208	153,369	55,427	46,245	30,441	3,734	10,096
Netherlands	4,263,470	19,075,828	610	2,460,402	811,572	460,678	123,268	431,385	54,720
Spain	3,934,575	18,208,673	587	920,193	313,574	156,235	90,164	254,723	48,535
United Kingdom	4,525,898	20,862,122	727	11,324,729	3,395,517	1,847,374	2,072,254	1,147,567	639,140
West Germany	4,408,175	20,363,440	708	6,631,131	2,527,085	1,919,709	286,210	1,175,000	251,743
Other West European countries, total	4,580,264	20,241,943	592	5,162,992	1,746,727	759,189	716,543	1,288,876	166,770
Austria	3,795,970	16,174,023	553	514,460	248,003	104,010	25,758	74,535	6,051
Finland	3,861,381	15,614,739	216	243,606	78,065	40,682	25,352	80,761	3,996
Norway	3,830,994	16,102,761	216	1,306,166	151,684	45,095	163,528	702,180	10,709
Sweden	4,054,316	17,965,624	591	595,555	158,852	145,496	56,797	166,523	25,797
Switzerland	4,143,799	18,921,756	592	2,284,164	1,066,069	414,072	376,843	249,430	57,323
Turkey	3,896,903	15,702,209	553	133,406	13,424	8,969	43,423	9,013	59,092
East European countries, total	3,429,589	14,074,107	223	146,550	1,222	2,047	93,049	36,137	7,064
Africa, total	**4,678,331**	**19,699,388**	**723**	**3,409,915**	**626,437**	**226,166**	**210,258**	**135,184**	**463,157**
North Africa, total	3,899,466	15,812,433	364	1,059,956	40,310	26,201	39,917	13,104	45,966
Egypt	3,661,395	14,818,930	364	811,043	37,585	25,239	17,596	7,923	29,664
Libya	1,547,744	8,827,948	2	104,901	—	—	16	123	2,392
East Africa, total	3,508,744	14,053,473	547	121,412	23,471	14,894	5,557	3,530	26,541
West and Central African countries, total	3,672,979	15,268,045	547	1,543,317	224,160	99,202	71,868	10,822	374,031
Gabon	2,082,513	6,801,301	11	32,687	2,298	2,056	7,195	80	6,138
Nigeria	3,462,018	12,673,509	219	355,731	141,985	86,509	17,762	3,450	32,593
Zaire	2,099,640	9,517,506	8	13,818	3,325	3,437	727	2,355	2,934
Southern Africa, total	4,205,335	18,250,418	722	675,218	338,374	85,869	84,533	107,635	15,649
South Africa (includes Namibia)	4,012,639	17,767,871	722	626,046	312,246	67,561	81,484	104,637	12,939
Zimbabwe	596,091	8,249,192	538	29,968	14,159	13,315	242	420	1,323
Asia, total	**4,887,279**	**21,249,358**	**727**	**13,933,105**	**2,840,334**	**2,142,884**	**2,199,257**	**2,980,154**	**1,045,775**
Middle East, total	4,205,156	18,355,316	592	2,010,767	151,322	8,855	144,190	322,167	343,002
Iran	3,257,767	11,745,954	342	54,909	—	—	38,021	3,002	10,867
Israel	1,925,630	11,179,374	384	151,273	5,624	3,253	60,526	22,881	24,658
Kuwait	1,720,540	10,803,136	342	371,477	82,300	—	2,405	3,978	59,721
Qatar	1,638,582	10,336,403	—	11,622	3,154	3,333	31	621	897
Saudi Arabia	3,767,603	14,657,147	572	785,263	50,096	762	12,113	276,255	145,094
United Arab Emirates	1,786,253	12,300,267	336	269,218	—	—	8,858	2,643	91,495
Southern and Southeastern Asia, total	4,483,768	20,059,780	611	2,857,444	915,982	486,594	423,856	197,421	307,703
India	3,815,327	15,877,898	585	102,060	9,801	6,692	13,328	33,524	27,886
Indonesia	3,914,087	16,136,351	340	1,398,940	570,792	366,918	25,806	16,679	20,905
Malaysia	2,089,463	14,979,605	572	147,660	42,785	16,423	47,766	14,385	12,842
Philippines	4,193,476	18,133,913	572	355,101	80,484	38,299	143,512	33,561	47,990
Singapore	4,005,736	17,860,595	596	646,097	162,860	37,677	152,665	72,951	137,956
Thailand	3,872,619	16,714,182	550	130,285	43,902	17,427	33,867	22,128	6,135
Eastern Asia, total	4,644,902	20,729,480	723	8,983,168	1,754,029	1,647,435	1,578,871	2,460,566	394,875
China	3,845,424	16,087,462	242	84,109	14	—	7,880	42,746	4,635
Hong Kong	4,194,122	17,801,686	592	639,886	250,185	37,982	172,853	52,986	68,423
Japan (Okinawa, Ryukyu)	4,551,947	20,524,913	723	7,555,946	1,355,946	1,562,754	1,175,881	2,260,312	214,293
South Korea	4,049,380	17,512,044	686	405,903	59,316	28,352	182,235	60,708	46,392
Taiwan	4,001,195	17,632,672	607	289,939	88,532	18,347	37,383	41,081	61,132
Oceania, total	**4,525,847**	**20,432,706**	**727**	**2,146,046**	**459,083**	**348,012**	**368,129**	**421,577**	**150,521**
Australia	4,516,278	20,361,889	704	1,893,059	404,158	300,615	316,079	371,536	122,113
New Zealand	3,976,676	17,560,460	711	226,412	48,428	47,300	50,636	49,144	11,520
Puerto Rico and U.S. Possessions, total	**4,177,760**	**18,136,718**	**572**	**2,134,193**	**612,002**	**38,004**	**161,165**	**85,730**	**136,266**
Puerto Rico	4,149,669	17,966,375	572	1,844,261	529,075	30,424	112,411	69,797	75,723
U.S. possessions, total	3,793,340	13,855,742	8	289,932	82,928	7,580	48,754	15,933	60,543
Country not stated	**2,970,654**	**18,751,454**	**592**	**5,497,027**	**157,196**	**10,083**	**2,719,313**	**386,435**	**1,115,804**
IC-DISC dividends	**37,807**	**2,106,812**	**118**	**114,072**	**113,412**	**660**	**—**	**—**	**—**
FSC dividends	**528,004**	**3,333,329**	**208**	**325,556**	**324,897**	**659**	**—**	**—**	**—**
OPEC countries, total (included above)	**4,546,342**	**19,565,886**	**727**	**4,318,636**	**1,082,573**	**504,914**	**480,564**	**344,453**	**438,844**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from specific geographic area or country—Continued								
	Gross income excluding branch operations and specially allocable income (less loss)—Continued			Oil and gas extraction gross income (less loss)					
	Net capital gain	Partnership income	Other income	Total	From extraction of oil or gas	From sale of business assets	Dividends from foreign corporations	Includable income of Controlled Foreign Corporations	Partnership income
	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
All geographic areas, total	**3,900,464**	**120,416**	**12,140,747**	**18,093,774**	**10,909,143**	**237,186**	**6,827,128**	**123,828**	**-3,511**
Canada	**435,120**	**8,266**	**2,090,491**	**3,162,214**	**650,088**	**499**	**2,511,575**	**52**	**—**
Latin America, total	**30,051**	**26,482**	**1,209,803**	**1,071,883**	**919,239**	**-5,931**	**149,484**	**9,091**	**—**
Mexico	-4,145	-6,685	151,711	—	—	—	—	—	—
Central America, total	350	1,078	57,911	9,409	49	20	249	9,091	—
Costa Rica	727	(1)	7,073	—	—	—	—	—	—
Guatemala	—	—	6,225	212	193	20	—	—	—
Honduras	96	—	20,247	—	—	—	—	—	—
Panama (including Canal Zone)	-901	1,078	20,464	9,196	-143	—	249	9,091	—
Caribbean countries, total	20,406	10	487,509	628,304	507,947	—	120,357	—	—
Cayman Islands (British)	-9,452	—	15,092	—	—	—	—	—	—
Dominican Republic	341	—	4,926	—	—	—	—	—	—
Trinidad and Tobago	29,566	10	463,711	628,304	507,947	—	120,357	—	—
South America, total	13,439	32,079	499,511	434,170	411,242	-5,950	28,878	—	—
Argentina	2,780	179	164,818	185,383	187,933	-2,550	—	—	—
Brazil	8,730	5,611	73,250	57	57	—	—	—	—
Chile	294	2,547	14,035	-3	-3	—	—	—	—
Colombia	-97	4	47,721	178,806	153,323	-3,396	28,878	—	—
Ecuador	1,293	—	23,855	73,043	73,048	-5	—	—	—
Peru	100	3,107	54,924	1	1	—	—	—	—
Venezuela	337	20,631	31,770	-9,306	-9,306	—	—	—	—
Other Western Hemisphere, total	**-3,463**	**9**	**-12,676**	**23,560**	**23,560**	**—**	**—**	**—**	**—**
The Bahamas	-583	—	10,763	—	—	—	—	—	—
Netherlands Antilles	311	—	-6,920	23,517	23,517	—	—	—	—
Europe, total	**1,805,811**	**33,996**	**3,456,378**	**7,075,540**	**3,752,421**	**-4,567**	**3,220,191**	**114,685**	**-7,190**
Common Market countries, total	1,698,238	36,064	2,682,030	4,733,408	1,472,874	-4,534	3,150,922	114,685	-539
Belgium	-5,706	-289	141,129	—	—	—	—	—	—
France (including Andorra)	290,816	13,154	150,021	9,909	-436	—	10,346	—	—
Greece	-1,621	347	5,472	—	—	—	—	—	—
Ireland	10,318	—	15,939	-21	-59	-2	40	—	—
Italy (including San Marino)	295,021	698	51,724	33	33	—	—	—	—
Luxembourg	199	—	7,227	—	—	—	—	—	—
Netherlands	59,327	1,636	517,817	784,176	332,918	1,038	450,220	—	—
Spain	33,654	986	22,321	60,421	60,523	-102	—	—	—
United Kingdom	569,323	7,459	1,646,095	3,420,040	999,987	-5,553	2,311,460	114,685	-539
West Germany	377,555	12,072	81,758	363,062	-15,892	98	378,857	—	—
Other West European countries, total	104,425	-2,069	382,529	2,341,807	2,279,222	-33	69,269	—	-6,651
Austria	48,831	—	7,272	69,269	—	—	69,269	—	—
Finland	677	—	14,073	—	—	—	—	—	—
Norway	3,075	-2,703	232,598	2,270,473	2,273,363	-186	—	—	-2,703
Sweden	11,230	4,406	26,454	—	—	—	—	—	—
Switzerland	40,362	177	79,890	—	—	—	—	—	—
Turkey	283	-3,948	3,149	2,054	5,848	153	—	—	-3,948
East European countries, total	678	—	6,353	324	324	—	—	—	—
Africa, total	**536,861**	**150**	**1,211,701**	**2,747,743**	**2,292,325**	**248,161**	**211,570**	**—**	**-4,313**
North Africa, total	-3,786	-4,412	902,656	729,072	734,915	-1,460	—	—	-4,383
Egypt	-1,098	-39	694,174	679,208	680,460	-1,252	—	—	—
Libya	—	11	102,359	52,407	52,407	—	—	—	—
East Africa, total	24,488	1,345	21,587	700	700	—	—	—	—
West and Central African countries, total	485,355	1,948	275,930	2,017,972	1,556,711	249,621	211,570	—	70
Gabon	90	1,880	12,950	12,888	12,888	—	—	—	—
Nigeria	1	—	73,431	602,311	414,476	—	187,835	—	—
Zaire	250	—	790	40,696	40,696	—	—	—	—
Southern Africa, total	30,805	1,269	11,084	(1)	(1)	—	—	—	—
South Africa (includes Namibia)	30,256	1,269	15,654	(1)	(1)	—	—	—	—
Zimbabwe	548	—	-39	—	—	—	—	—	—
Asia, total	**894,550**	**40,994**	**1,789,158**	**2,756,353**	**2,015,485**	**-479**	**733,452**	**—**	**7,894**
Middle East, total	310,555	28,785	701,891	993,311	984,902	43	6,487	—	1,879
Iran	11	—	3,008	-589	-589	—	—	—	—
Israel	26,801	197	7,334	—	—	—	—	—	—
Kuwait	1	—	223,072	213,450	213,450	—	—	—	—
Qatar	—	—	3,587	6,487	—	—	6,487	—	—
Saudi Arabia	16,206	25,928	258,809	236,229	236,229	—	—	—	—
United Arab Emirates	-78	253	166,046	525,225	525,182	43	—	—	—
Southern and Southeastern Asia, total	1,859	2,179	521,848	1,757,262	1,025,163	-881	726,965	—	6,015
India	4,930	303	5,597	-2	-2	—	—	—	—
Indonesia	-1,212	6,015	393,037	1,361,484	628,976	-471	726,965	—	6,015
Malaysia	-468	—	13,927	378,926	378,926	—	—	—	—
Philippines	-220	-246	11,723	2,325	2,325	—	—	—	—
Singapore	-1,024	-3,155	86,167	-888	-479	-410	—	—	—
Thailand	41	-277	7,063	-4,208	-4,208	—	—	—	—
Eastern Asia, total	581,914	10,030	555,449	5,780	5,420	360	—	—	—
China	1,827	25	26,983	-44	-44	—	—	—	—
Hong Kong	-678	14	58,121	—	—	—	—	—	—
Japan (Okinawa, Ryukyu)	580,456	9,819	396,485	5,790	5,431	360	—	—	—
South Korea	533	171	28,196	34	34	—	—	—	—
Taiwan	-223	—	43,687	—	—	—	—	—	—
Oceania, total	**120,942**	**3,469**	**274,313**	**1,254,459**	**1,254,620**	**-259**	**—**	**—**	**98**
Australia	108,605	3,237	266,715	1,254,462	1,254,623	-259	—	—	98
New Zealand	12,337	233	6,815	-3	-3	—	—	—	—
Puerto Rico and U.S. Possessions, total	**17,321**	**669**	**1,083,036**	**107**	**278**	**-171**	**—**	**—**	**—**
Puerto Rico	2,883	-695	1,024,642	107	278	-171	—	—	—
U.S. possessions, total	14,437	1,364	58,394					—	—
Country not stated	**63,271**	**6,380**	**1,038,544**	**1,916**	**1,128**	**-67**	**855**	**—**	**—**
IC-DISC dividends	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
FSC dividends	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**	**—**
OPEC countries, total (included above)	**16,649**	**50,335**	**1,400,305**	**3,069,247**	**2,146,761**	**-434**	**921,287**	**—**	**1,632**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from specific geographic area or country—Continued									
	Deductions other than from branch operations and specially allocable income									
	Total	Deductions allocable to specific types of income					Deductions not allocable to specific types of income			
		Total	Rental, royalty, and licensing expenses		Service expenses	Other deductions	Total	Research and development	Interest	General and administrative
			Depreciation, depletion and amortization	Other						
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)
All geographic areas, total	**39,118,710**	**23,757,954**	**318,003**	**973,931**	**2,877,092**	**19,588,927**	**15,360,756**	**83,188**	**5,307,304**	**1,926,676**
Canada	**4,060,050**	**2,807,308**	**15,708**	**49,947**	**114,018**	**2,627,635**	**1,252,741**	**7,649**	**253,547**	**197,892**
Latin America, total	**6,799,751**	**3,031,212**	**70,960**	**44,065**	**380,568**	**2,535,619**	**3,768,540**	**12,016**	**1,849,849**	**310,151**
Mexico	1,606,580	491,965	28,850	27,462	73,101	362,553	1,114,614	1,002	712,358	78,008
Central America, total	689,040	552,947	51	1,699	3,194	548,003	136,093	1,278	59,659	23,733
Costa Rica	45,912	35,771	14	81	49	35,629	10,140	613	4,996	1,831
Guatemala	14,872	10,025	2	71	169	9,783	4,847	125	1,804	1,276
Honduras	246,251	242,857	13	87	1,349	241,409	3,394	13	793	1,838
Panama (including Canal Zone)	358,239	247,234	23	1,413	1,476	244,323	111,005	518	51,643	18,222
Caribbean countries, total	965,629	726,827	12,175	1,656	232,006	480,990	238,802	3,761	81,901	27,177
Cayman Islands (British)	267,944	82,647	158	243	5,569	76,677	185,297	3,661	77,414	11,078
Dominican Republic	35,546	25,981	394	111	9,108	16,368	9,565	22	1,068	1,326
Trinidad and Tobago	392,842	374,575	11,256	429	1,521	361,369	18,267	(1)	2,679	13,580
South America, total	3,391,759	1,238,973	29,885	13,206	72,215	1,123,667	2,152,786	5,970	949,739	177,709
Argentina	707,357	242,876	517	2,345	21,309	218,705	464,481	426	309,165	35,122
Brazil	1,512,429	318,368	460	4,703	16,250	296,954	1,194,060	4,335	422,533	82,636
Chile	191,242	61,851	32	755	958	60,105	129,391	289	63,334	11,614
Colombia	239,720	177,422	1,683	965	13,635	161,139	62,299	435	22,798	10,616
Ecuador	195,906	166,987	38	466	777	165,706	28,919	33	11,103	3,188
Peru	93,628	54,630	27,031	692	346	26,561	38,998	82	15,028	6,228
Venezuela	350,041	132,958	76	2,876	18,588	111,418	217,084	345	101,044	24,825
Other Western Hemisphere, total	**1,488,163**	**506,111**	**10,367**	**7,189**	**11,170**	**477,384**	**982,053**	**2,100**	**400,853**	**72,558**
The Bahamas	571,226	91,883	958	871	258	89,795	479,343	324	148,562	38,209
Netherlands Antilles	408,248	143,053	1,874	6,237	2,820	132,122	265,195	1,083	70,074	19,142
Europe, total	**12,511,998**	**8,327,020**	**114,650**	**638,727**	**1,034,935**	**6,538,708**	**4,184,978**	**42,826**	**1,081,645**	**768,672**
Common Market countries, total	9,642,244	6,228,152	39,594	336,235	509,466	5,342,857	3,414,092	39,439	955,184	672,310
Belgium	672,145	440,352	1,100	7,400	21,068	410,784	231,793	6,236	58,994	62,520
France (including Andorra)	1,106,883	717,852	6,617	81,342	56,397	573,497	389,031	6,171	87,794	98,812
Greece	64,910	27,660	84	1,463	6,142	19,971	37,250	49	19,955	475
Ireland	69,704	41,326	11	2,265	6,764	32,287	28,378	2,526	5,998	7,555
Italy (including San Marino)	691,409	466,261	4,134	17,221	50,344	394,562	225,148	1,735	77,923	34,984
Luxembourg	47,971	11,236	—	31	2,042	9,163	36,735	814	16,705	4,755
Netherlands	630,630	468,609	5,955	69,288	22,482	370,885	162,021	5,535	34,474	30,790
Spain	516,190	173,460	582	10,501	10,723	151,654	342,729	602	80,049	39,853
United Kingdom	4,129,846	2,772,988	17,863	84,278	235,319	2,435,528	1,356,858	7,526	466,208	248,598
West Germany	1,434,023	893,369	2,883	52,491	95,426	742,568	540,655	7,949	83,493	134,982
Other West European countries, total	1,863,673	1,381,162	75,042	301,320	89,882	914,918	482,512	3,385	84,223	83,654
Austria	80,844	54,633	1,014	1,031	11,470	41,119	26,211	125	8,521	4,840
Finland	77,409	49,380	589	5,114	2,423	41,254	28,029	96	10,585	9,368
Norway	669,309	628,784	56,572	284,007	283	287,922	40,526	140	8,608	6,051
Sweden	188,768	125,583	16,298	6,318	6,638	96,329	63,185	435	14,999	11,129
Switzerland	712,923	432,929	499	4,517	22,689	405,225	279,993	2,136	29,248	45,557
Turkey	104,755	72,774	30	91	46,319	26,334	31,981	240	4,931	3,140
East European countries, total	82,263	34,277	14	1,135	5,420	27,706	47,986	1	22,406	2,447
Africa, total	**1,501,962**	**1,235,666**	**1,856**	**9,495**	**272,303**	**952,011**	**266,297**	**1,255**	**69,422**	**51,987**
North Africa, total	609,901	522,142	424	2,765	30,237	488,716	87,759	64	11,145	21,229
Egypt	469,526	391,251	39	556	19,091	371,564	78,275	7	5,745	19,957
Libya	70,508	70,461	(1)	2	823	69,636	47	—	(1)	2
East Africa, total	66,571	50,004	(1)	115	25,714	24,176	16,567	76	5,443	2,373
West and Central African countries, total	649,274	592,288	1,004	470	207,959	382,854	56,986	111	21,571	12,815
Gabon	38,127	37,324	—	3	5,898	31,423	803	(1)	163	517
Nigeria	100,619	80,097	2	158	21,588	58,349	20,522	22	6,970	4,340
Zaire	3,866	2,801	2	196	1,658	946	1,065	21	290	237
Southern Africa, total	173,261	70,319	428	6,142	8,340	55,409	102,943	1,003	29,982	15,546
South Africa (includes Namibia)	159,518	63,900	180	5,287	6,063	52,369	95,618	960	27,624	14,480
Zimbabwe	5,707	3,270	—	216	1,188	1,865	2,437	43	446	298
Asia, total	**5,732,526**	**3,661,091**	**51,341**	**123,056**	**484,064**	**3,002,629**	**2,071,435**	**9,011**	**566,635**	**282,314**
Middle East, total	1,332,883	1,197,178	2,775	4,482	160,352	1,029,568	135,706	106	22,784	17,861
Iran	87,563	77,724	3	259	352	77,111	9,840	(1)	354	250
Israel	76,069	22,144	230	2,375	7,009	12,531	53,924	3	4,227	1,666
Kuwait	360,686	354,527	29	220	55,120	299,158	6,158	(1)	3,864	1,764
Qatar	2,897	2,529	21	−1	93	2,416	368	(1)	3	9
Saudi Arabia	492,598	474,176	2,448	974	89,261	381,492	18,422	6	4,907	2,935
United Arab Emirates	251,525	235,851	14	92	3,349	232,395	15,675	(1)	2,538	7,872
Southern and Southeastern Asia, total	1,320,965	978,376	37,429	29,406	185,793	725,747	342,589	1,873	146,248	76,910
India	36,733	18,317	−112	1,663	7,314	9,452	18,416	78	5,790	2,502
Indonesia	549,386	509,797	14,894	10,106	7,144	477,653	39,589	368	19,342	9,253
Malaysia	61,665	49,584	47	454	837	48,246	12,081	186	4,104	3,125
Philippines	179,772	77,790	5,322	4,016	10,550	57,903	101,982	205	33,081	19,298
Singapore	383,306	233,953	17,261	12,446	108,642	95,604	149,353	934	75,870	38,443
Thailand	44,879	28,340	3	422	3,544	24,370	16,540	100	6,489	3,279
Eastern Asia, total	3,032,276	1,479,106	11,137	89,120	137,824	1,241,026	1,553,170	7,032	380,330	187,275
China	81,079	67,864	5,779	9,802	3,237	49,046	13,215	71	6,161	1,855
Hong Kong	261,280	122,242	259	5,672	13,869	102,442	139,038	315	70,271	22,952
Japan (Okinawa, Ryukyu)	2,368,644	1,123,070	4,806	67,034	72,854	978,376	1,245,574	6,450	250,597	146,834
South Korea	215,486	104,779	173	4,684	21,713	78,208	110,707	129	36,216	8,008
Taiwan	103,437	60,505	118	1,698	26,150	32,538	42,932	66	15,780	7,479
Oceania, total	**894,898**	**611,216**	**18,519**	**30,838**	**37,158**	**524,700**	**283,682**	**5,588**	**82,208**	**61,288**
Australia	792,918	542,878	18,322	28,514	19,305	476,738	250,040	5,392	69,565	55,800
New Zealand	80,485	49,132	169	2,313	1,083	45,567	31,353	195	11,966	5,440
Puerto Rico and U.S. Possessions, total	**1,919,717**	**1,593,305**	**4,024**	**3,492**	**80,628**	**1,505,162**	**326,412**	**561**	**40,190**	**76,775**
Puerto Rico	1,701,381	1,443,721	2,591	1,614	29,773	1,409,743	257,660	560	17,401	69,724
U.S. possessions, total	218,336	149,584	1,432	1,878	50,855	95,419	68,752	1	22,790	7,051
Country not stated	**3,980,735**	**1,761,660**	**30,577**	**67,121**	**462,248**	**1,201,714**	**2,219,075**	**2,183**	**962,944**	**105,024**
IC-DISC dividends	**82,178**	**78,526**	**—**	**—**	**—**	**78,526**	**3,652**	**—**	**3**	**11**
FSC dividends	**146,725**	**144,838**	**—**	**—**	**—**	**144,838**	**1,887**	**—**	**—**	**—**
OPEC countries, total (included above)	**2,527,634**	**2,153,344**	**17,529**	**15,254**	**209,109**	**1,911,452**	**374,290**	**774**	**154,207**	**55,818**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from specific geographic area or country—Continued						
	Deductions from oil and gas extraction income			Taxable income (less loss) before loss recapture			
	Total	Allocable to specific types of income	Not allocable to specific types of income	Total	Foreign branch income	Specially allocable income (Section 863(B))	Other than from branch operations and specially allocable income
	(39)	(40)	(41)	(42)	(43)	(44)	(45)
All geographic areas, total	**6,086,517**	**6,011,916**	**74,601**	**65,809,314**	**9,496,597**	**1,900,781**	**54,411,935**
Canada	**440,164**	**438,536**	**1,628**	**10,508,330**	**515,851**	**604,332**	**9,388,147**
Latin America, total	**730,473**	**728,189**	**2,284**	**6,053,384**	**1,077,113**	**79,035**	**4,897,235**
Mexico	10	10	—	1,040,659	102,078	36,587	901,994
Central America, total	6,600	4,423	2,176	837,521	47,785	3,520	786,216
Costa Rica	—	—	—	30,819	885	1,406	28,527
Guatemala	4,423	4,423	—	29,158	11,572	253	17,332
Honduras	(1)	(1)	—	-40,589	4,709	248	-45,546
Panama (including Canal Zone)	2,176	—	2,176	791,151	14,266	1,068	775,816
Caribbean countries, total	392,351	392,351	(1)	729,271	137,189	2,211	589,871
Cayman Islands (British)	—	—	—	394,369	106,160	275	287,933
Dominican Republic	4	4	—	48,711	22,129	360	26,222
Trinidad and Tobago	392,295	392,295	(1)	230,827	-17,560	1,040	247,348
South America, total	331,512	331,404	108	3,193,185	589,587	37,245	2,566,353
Argentina	94,997	94,997	(1)	543,758	127,760	5,244	410,754
Brazil	568	568	—	1,977,202	341,865	16,947	1,618,390
Chile	8	8	—	157,858	57,138	1,262	99,458
Colombia	152,746	152,641	105	133,755	12,127	2,635	118,994
Ecuador	71,385	71,383	2	66,010	10,497	1,382	54,132
Peru	6,508	6,508	—	44,899	7,547	1,386	35,966
Venezuela	5,226	5,226	(1)	217,690	13,458	7,741	196,491
Other Western Hemisphere, total	**9,887**	**8,632**	**1,254**	**2,348,984**	**379,384**	**1,481**	**1,968,119**
The Bahamas	1,800	1,800	—	799,971	357,382	172	442,416
Netherlands Antilles	8,087	6,832	1,254	898,583	30,085	-515	869,013
Europe, total	**1,873,492**	**1,815,191**	**58,301**	**29,137,183**	**3,810,223**	**469,697**	**24,857,263**
Common Market countries, total	808,234	765,909	42,325	24,497,724	2,629,382	373,164	21,495,178
Belgium	—	—	—	2,070,346	524,643	26,731	1,518,972
France (including Andorra)	4,554	4,551	3	2,616,398	322,783	36,232	2,257,383
Greece	3	3	—	130,224	110,010	2,638	17,576
Ireland	431	431	—	195,803	37,706	21,294	136,804
Italy (including San Marino)	3,202	3,202	(1)	2,651,033	211,185	23,670	2,416,177
Luxembourg	—	—	—	108,437	2,685	355	105,398
Netherlands	90,975	74,650	16,325	2,035,199	170,462	34,965	1,829,772
Spain	72,017	71,983	34	516,370	105,112	7,255	404,004
United Kingdom	483,796	457,880	(1)	8,262,828	916,230	151,715	7,194,883
West Germany	18,234	18,234		5,427,868	168,001	62,759	5,197,108
Other West European countries, total	1,063,150	1,047,174	15,976	4,569,467	1,216,979	53,170	3,299,318
Austria	-22	-22	—	453,619	16,983	3,020	433,616
Finland	40	40	—	167,245	230	818	166,197
Norway	1,051,434	1,035,459	15,976	1,791,163	1,152,744	1,563	636,856
Sweden	80	80	—	423,410	9,596	7,027	406,787
Switzerland	—	—	—	1,548,905	-62,527	40,192	1,571,241
Turkey	11,468	11,468	—	85,732	56,641	440	28,651
East European countries, total	2,108	2,108	(1)	56,540	-9,548	1,800	64,287
Africa, total	**793,202**	**791,325**	**1,877**	**2,745,252**	**826,959**	**10,341**	**1,907,952**
North Africa, total	463,876	462,970	906	478,679	26,753	1,870	450,055
Egypt	406,110	406,110	—	326,507	-16,721	1,711	341,517
Libya	12,852	11,968	884	79,731	45,339	(1)	34,392
East Africa, total	14,851	14,851	—	62,291	7,263	187	54,841
West and Central African countries, total	314,210	313,239	971	1,565,479	669,737	1,699	894,043
Gabon	30,986	30,986	—	-3,593	1,847	(1)	-5,440
Nigeria	71,352	71,053	299	577,634	321,141	1,380	255,112
Zaire	32,267	32,238	29	22,252	12,298	3	9,952
Southern Africa, total	265	265	—	630,905	121,256	7,692	501,957
South Africa (includes Namibia)	144	144	—	604,028	130,556	6,944	466,527
Zimbabwe	29	29	—	16,327	-8,022	89	24,260
Asia, total	**1,211,033**	**1,201,860**	**9,172**	**10,353,630**	**1,952,983**	**200,067**	**8,200,580**
Middle East, total	540,528	533,474	7,054	767,093	80,481	8,728	677,884
Iran	2,959	2,959	—	-24,760	7,125	769	-32,654
Israel	(1)	(1)	—	107,341	29,372	2,765	75,204
Kuwait	213,494	213,494	—	30,855	19,905	159	10,791
Qatar	1,418	1,418	—	-5,036	-13,762	(1)	8,725
Saudi Arabia	29,791	29,790	(1)	222,740	-74,747	4,821	292,665
United Arab Emirates	242,444	235,390	7,054	212,395	194,644	59	17,692
Southern and Southeastern Asia, total	635,971	633,852	2,119	2,961,321	1,384,850	39,992	1,536,479
India	1,457	1,457	—	87,567	20,762	1,478	65,326
Indonesia	372,008	369,890	2,119	1,671,473	819,419	2,499	849,554
Malaysia	246,956	246,956	—	315,962	226,271	3,696	85,995
Philippines	3,154	3,154	—	221,739	43,176	3,233	175,329
Singapore	1,699	1,699	—	479,880	189,601	27,487	262,791
Thailand	2,439	2,439	—	137,343	50,948	988	85,406
Eastern Asia, total	34,533	34,533	(1)	6,576,778	469,911	155,975	5,950,892
China	25,396	25,396	(1)	-23,430	-31,613	5,153	3,030
Hong Kong	—	—	—	590,275	197,424	14,245	378,606
Japan (Okinawa, Ryukyu)	8,940	8,940	(1)	5,669,802	366,271	116,228	5,187,303
South Korea	54	54	(1)	289,295	89,598	9,281	190,416
Taiwan	133	133	—	226,321	29,170	10,648	186,503
Oceania, total	**968,689**	**968,653**	**37**	**1,801,435**	**512,112**	**38,175**	**1,251,148**
Australia	965,136	965,099	37	1,641,862	506,955	34,766	1,100,141
New Zealand	3,292	3,292	—	160,321	9,800	4,595	145,927
Puerto Rico and U.S. Possessions, total	**47,027**	**47,027**	**—**	**567,724**	**165,412**	**187,836**	**214,476**
Puerto Rico	47,027	47,027	—	442,533	127,632	172,021	142,880
U.S. possessions, total	—	—	—	125,191	37,780	15,815	71,596
Country not stated	**12,551**	**12,503**	**48**	**2,082,669**	**256,560**	**309,818**	**1,516,292**
IC-DISC dividends	**—**	**—**	**—**	**31,893**	**—**	**—**	**31,893**
FSC dividends	**—**	**—**	**—**	**178,831**	**—**	**—**	**178,831**
OPEC countries, total (included above)	**1,054,165**	**1,043,807**	**10,358**	**3,150,479**	**1,340,623**	**18,853**	**1,791,003**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from specific geographic area or country—Continued									
	Foreign taxes paid or accrued and deemed paid before reduction									
	Total	Paid or accrued								Deemed paid
		Taxes withheld at source on				Other taxes paid or accrued on				
		Total	Dividends	Interest	Rents, royalties and license fees	Branch income	Service income	Partnership income	Other income	
	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)
All geographic areas, total	**23,103,062**	**8,467,889**	**2,329,825**	**756,804**	**808,655**	**3,273,582**	**152,670**	**41,785**	**1,104,564**	**14,635,173**
Canada	**4,659,174**	**1,042,583**	**568,753**	**53,736**	**73,718**	**178,168**	**12,308**	**2,982**	**152,918**	**3,616,591**
Latin America, total	**2,604,118**	**1,678,690**	**613,568**	**542,786**	**81,017**	**267,952**	**34,837**	**21,479**	**117,048**	**925,428**
Mexico	544,635	424,810	162,303	131,661	36,723	67,692	14,365	1,378	10,685	119,825
Central America, total	218,308	42,225	14,966	1,238	4,057	16,836	4,039	488	601	176,083
Costa Rica	14,149	3,878	520	94	1,333	1,148	341	—	443	10,271
Guatemala	11,018	7,042	1,448	88	769	4,533	189	—	16	3,976
Honduras	8,077	5,784	1,102	28	-23	1,316	3,371	—	-10	2,293
Panama (including Canal Zone)	175,352	16,484	11,596	652	1,782	2,248	132	488	-414	158,868
Caribbean countries, total	179,887	121,515	8,614	2,387	1,653	23,710	892	—	84,259	58,371
Cayman Islands (British)	5,674	9	2	—	6	—	—	—	—	5,665
Dominican Republic	17,827	17,546	81	101	879	9,350	141	—	6,994	281
Trinidad and Tobago	145,494	95,835	8,325	2,179	436	7,767	249	—	76,879	49,660
South America, total	1,656,831	1,085,698	427,684	404,007	38,584	158,766	15,542	19,613	21,502	571,133
Argentina	164,876	145,523	26,089	61,977	15,465	30,548	2,050	67	9,328	19,353
Brazil	1,228,595	769,619	362,496	329,186	6,558	54,389	5,668	3,045	8,278	458,976
Chile	28,945	24,624	4,437	1,709	5,732	11,274	1,221	105	147	4,321
Colombia	85,708	48,025	13,880	797	2,404	25,655	2,411	—	2,877	37,683
Ecuador	28,679	25,224	5,346	659	2,946	16,830	744	—	-1,301	3,455
Peru	22,244	18,386	3,392	480	1,808	10,304	63	1,746	592	3,858
Venezuela	85,574	43,693	11,832	9,053	2,183	1,278	3,358	14,650	1,339	41,881
Other Western Hemisphere, total	**210,926**	**24,224**	**4,825**	**4,449**	**19**	**3,858**	**389**	**—**	**10,684**	**186,702**
The Bahamas	28,546	432	98	22	—	—	(1)	—	312	28,114
Netherlands Antilles	152,925	19,001	4,691	458	—	3,485	—	—	10,368	133,924
Europe, total	**9,876,654**	**2,736,666**	**857,435**	**54,872**	**324,335**	**1,177,479**	**21,671**	**8,805**	**292,069**	**7,139,988**
Common Market countries, total	8,199,740	1,821,013	694,270	24,149	119,567	665,109	18,916	8,805	290,196	6,378,726
Belgium	634,485	146,225	54,033	2,247	463	87,967	500	—	1,016	488,260
France (including Andorra)	811,160	123,754	38,744	784	35,799	36,445	1,741	5,484	4,756	687,406
Greece	13,031	11,951	1,239	229	566	9,784	28	64	40	1,080
Ireland	15,723	5,808	167	42	18	5,572	6	—	3	9,915
Italy (including San Marino)	769,451	133,307	33,416	6,730	47,459	43,554	732	(1)	1,416	636,144
Luxembourg	50,399	4,153	3,009	—	—	1,061	83	—	—	46,245
Netherlands	622,312	161,634	39,651	872	78	34,240	150	—	86,643	460,678
Spain	296,609	140,374	54,612	3,002	25,438	36,161	6,252	783	14,126	156,235
United Kingdom	2,551,776	704,404	200,594	6,457	1,789	336,887	8,764	1,536	148,378	1,847,372
West Germany	2,243,719	324,010	255,036	3,678	3,835	50,209	546	937	9,768	1,919,709
Other West European countries, total	1,671,609	912,420	163,030	30,723	203,302	511,163	2,742	—	1,461	759,188
Austria	116,736	12,726	9,352	—	144	2,976	137	—	117	104,010
Finland	44,399	3,717	3,710	—	4	—	—	—	3	40,682
Norway	777,627	732,533	59,318	29,690	201,523	442,000	—	—	2	45,094
Sweden	157,622	12,126	9,071	2	18	3,033	(1)	—	1	145,496
Switzerland	518,342	104,269	81,473	566	618	19,752	565	—	1,295	414,072
Turkey	51,093	42,124	49	184	872	39,027	1,948	—	43	8,969
East European countries, total	5,213	3,167	135	—	1,447	1,160	14	—	412	2,047
Africa, total	**832,862**	**606,698**	**35,384**	**779**	**16,367**	**347,389**	**30,581**	**62**	**176,137**	**226,163**
North Africa, total	207,443	181,242	258	30	3,567	39,345	1,234	8	136,800	26,201
Egypt	171,998	146,759	—	—	401	9,611	51	—	136,697	25,239
Libya	24,778	24,778	—	—	—	24,770	—	8	—	—
East Africa, total	23,687	8,793	2,254	29	665	5,112	440	—	293	14,894
West and Central African countries, total	442,738	343,537	4,765	524	1,398	269,066	28,861	35	38,887	99,202
Gabon	7,426	5,370	414	—	—	2,314	—	—	2,643	2,056
Nigeria	260,021	173,512	2,683	411	144	162,735	505	—	7,034	86,509
Zaire	13,293	9,856	654	—	721	8,426	54	—	—	3,437
Southern Africa, total	156,926	71,060	28,102	195	10,733	31,815	39	19	157	85,867
South Africa (includes Namibia)	132,279	64,720	23,936	195	10,478	29,897	39	19	157	67,559
Zimbabwe	18,303	4,989	3,019	(1)	51	1,918	—	—	(1)	13,315
Asia, total	**3,934,627**	**1,791,742**	**192,560**	**50,239**	**267,697**	**950,064**	**43,534**	**6,710**	**280,937**	**2,142,884**
Middle East, total	368,434	359,578	4,283	4,189	13,965	147,464	25,653	5,046	158,977	8,855
Iran	1,469	1,469	—	—	1,444	—	7	—	18	—
Israel	26,406	23,153	1,193	3,740	3,844	6,520	217	12	7,628	3,253
Kuwait	6,074	6,074	—	—	775	5,160	140	—	—	—
Qatar	3,431	98	—	—	—	97	1	—	—	3,333
Saudi Arabia	143,445	142,683	3,019	33	2,068	17,657	7,010	4,911	107,985	762
United Arab Emirates	169,970	169,970	—	—	—	109,492	18,005	—	42,472	—
Southern and Southeastern Asia, total	1,317,196	830,602	39,804	29,919	34,644	611,700	8,508	242	105,785	486,594
India	47,724	41,033	2,776	165	6,421	27,991	902	—	2,776	6,692
Indonesia	938,146	571,228	16,445	17,917	2,786	432,117	1,561	242	100,161	366,918
Malaysia	115,772	99,350	262	1,420	2,499	93,656	1,229	—	284	16,423
Philippines	86,565	48,266	10,795	7,102	5,009	22,963	825	—	1,571	38,299
Singapore	67,963	30,286	363	1,565	13,673	11,719	2,646	1	318	37,677
Thailand	38,219	20,793	8,901	1,710	4,204	4,339	965	—	674	17,427
Eastern Asia, total	2,248,664	601,229	148,474	16,108	219,088	190,590	9,373	1,422	16,175	1,647,435
China	7,402	7,402	—	3	4,685	664	621	—	1,428	—
Hong Kong	48,935	10,953	606	2,138	1,034	6,647	61	—	466	37,982
Japan (Okinawa, Ryukyu)	2,070,805	508,052	124,245	13,084	202,067	148,661	6,782	1,422	11,791	1,562,754
South Korea	64,702	36,349	3,784	365	6,224	23,899	370	—	1,707	28,352
Taiwan	56,539	38,192	19,839	518	4,835	10,679	1,539	—	783	18,347
Oceania, total	**733,328**	**385,316**	**43,793**	**20,560**	**30,026**	**269,905**	**375**	**493**	**20,164**	**348,012**
Australia	668,757	368,142	37,891	19,534	24,828	264,996	324	446	20,122	300,615
New Zealand	64,314	17,014	5,893	1,022	5,105	4,876	31	47	41	47,300
Puerto Rico and U.S. Possessions, total	**189,586**	**151,582**	**12,337**	**2,793**	**5,831**	**70,585**	**6,871**	**654**	**52,510**	**38,004**
Puerto Rico	155,295	124,871	9,834	2,782	5,521	55,171	3,378	—	48,185	30,424
U.S. possessions, total	34,291	26,711	2,504	11	310	15,414	3,493	654	4,325	7,580
Country not stated	**60,341**	**50,258**	**1,039**	**26,591**	**9,643**	**8,182**	**2,102**	**599**	**2,102**	**10,083**
IC-DISC dividends	**669**	**9**	**9**	**—**	**—**	**—**	**—**	**—**	**—**	**660**
FSC dividends	**781**	**122**	**122**	**—**	**—**	**—**	**—**	**—**	**—**	**659**
OPEC countries, total (included above)	**1,669,754**	**1,164,840**	**39,739**	**28,074**	**12,345**	**772,499**	**32,022**	**19,810**	**260,351**	**504,914**

Footnotes at end of table.

RETURNS WITH FORM 1118 FILED IN SUPPORT OF FOREIGN TAX CREDIT CLAIMED

Table 1.—Total Assets, Income, Tax and Credits and Foreign Income, Taxes and Credit, by Selected Country to Which Foreign Taxes Were Paid—Continued

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

Country and IC-DISC and FSC dividends	Income and taxes from specific geographic area or country—Continued		
	Income and taxes of related foreign corporations		
	Dividends paid or constructively distributed to domestic corporations	Dividends constructively distributed to domestic corporations	Taxes deemed paid by domestic corporations on constructively received dividends
	(56)	(57)	(58)
All geographic areas, total	**22,444,065**	**3,132,133**	**1,218,183**
Canada	**4,108,744**	**127,158**	**66,925**
Latin America, total	**2,091,330**	**262,339**	**123,066**
Mexico	283,070	13,181	6,241
Central America, total	516,484	194,087	85,880
Costa Rica	14,165	376	182
Guatemala	11,386	106	52
Honduras	7,528	—	—
Panama (including Canal Zone)	478,746	193,576	85,636
Caribbean countries, total	169,587	12,256	3,721
Cayman Islands (British)	91,980	11,980	3,695
Dominican Republic	534	—	—
Trinidad and Tobago	72,706	—	—
South America, total	1,121,909	42,816	27,224
Argentina	82,493	775	248
Brazil	840,511	35,622	23,316
Chile	32,191	960	109
Colombia	73,435	1,303	584
Ecuador	14,235	250	70
Peru	7,616	400	148
Venezuela	65,997	3,505	2,747
Other Western Hemisphere, total	**1,205,662**	**972,957**	**167,912**
The Bahamas	44,535	39,552	23,275
Netherlands Antilles	901,144	858,433	125,428
Europe, total	**11,534,198**	**1,527,987**	**792,191**
Common Market countries, total	9,854,858	817,779	452,204
Belgium	882,765	160,710	88,233
France (including Andorra)	824,731	3,781	3,527
Greece	1,682	15	11
Ireland	37,563	12,707	2,650
Italy (including San Marino)	1,222,533	24,322	7,470
Luxembourg	48,508	6,289	8,251
Netherlands	754,115	75,557	39,855
Spain	305,691	1,093	236
United Kingdom	3,097,004	271,223	164,557
West Germany	2,458,025	261,707	137,367
Other West European countries, total	1,677,666	709,559	339,961
Austria	246,246	52,086	22,511
Finland	77,732	1	1
Norway	150,426	137	40
Sweden	150,328	16,205	18,053
Switzerland	1,033,509	635,848	298,918
Turkey	12,668	—	—
East European countries, total	1,025	—	—
Africa, total	**419,004**	**10,055**	**3,989**
North Africa, total	38,512	—	—
Egypt	35,837	—	—
Libya	—	—	—
East Africa, total	22,635	([1])	([1])
West and Central African countries, total	155,539	1,098	976
Gabon	2,086	—	—
Nigeria	141,528	1,098	976
Zaire	3,272	—	—
Southern Africa, total	202,318	8,957	3,013
South Africa (includes Namibia)	176,194	3,085	1,610
Zimbabwe	14,159	2	1
Asia, total	**2,474,575**	**140,508**	**43,111**
Middle East, total	22,241	1,015	80
Iran	—	—	—
Israel	4,739	—	—
Kuwait	—	—	—
Qatar	3,154	—	—
Saudi Arabia	6,199	968	78
United Arab Emirates	—	—	—
Southern and Southeastern Asia, total	752,976	56,961	19,004
India	8,672	547	242
Indonesia	420,480	18	30
Malaysia	40,929	8,777	543
Philippines	78,618	12,133	7,133
Singapore	156,197	35,469	11,046
Thailand	43,412	18	9
Eastern Asia, total	1,699,359	82,531	24,028
China	—	—	—
Hong Kong	226,641	68,217	10,357
Japan (Okinawa, Ryukyu)	1,327,256	14,153	13,617
South Korea	58,399	—	—
Taiwan	87,062	161	54
Oceania, total	**437,763**	**28,694**	**19,752**
Australia	384,219	27,864	19,331
New Zealand	47,938	829	421
Puerto Rico and U.S. Possessions, total	**58,220**	**1,397**	**929**
Puerto Rico	41,459	1,397	929
U.S. possessions, total	16,761	—	—
Country not stated	**34,169**	**921**	**300**
IC-DISC dividends	**14,110**	**—**	**—**
FSC dividends	**66,291**	**60,116**	**7**
OPEC countries, total (included above)	**653,680**	**5,840**	**3,901**

[1] Less than $500.

NOTE: The number of parent corporations which received income from or paid taxes to a specific country are identified in column 1. The data in columns 2-13 are not limited to amounts attributable to a specific country, i.e., "income and taxes from all sources." When a corporation received income from or paid taxes to more than one country, that corporation is included in (column 1) and the corporation's same aggregate data are included in columns 2-13 for more than one country. The data by geographic areas for columns 1-13 are not additive to the all geographic areas total. However, the data in columns 14-58 are amounts for the specific country. The data by geographic area for columns 14-58 are additive to the all geographic areas total. Data for specific geographic areas are not additive as data are present for only selected countries.