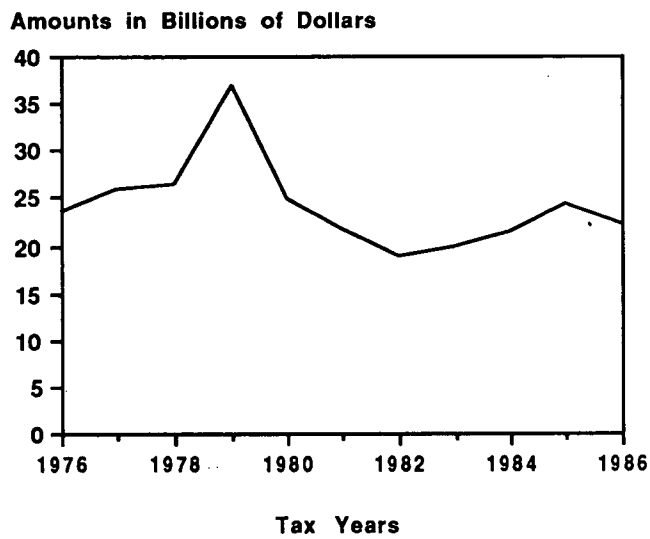
Corporate Foreign Tax Credit, 1986: An Industry Focus

By Lissa Redmiles*

For 1986, U.S. corporations paid approximately $23.1 billion in taxes to foreign governments on over $65.8 billion of foreign-source taxable (net) income. Although only 4,506 corporations, 0.1 percent of the total number of corporations that filed U.S. income tax returns, claimed a foreign tax credit, the amount they claimed for 1986 reduced the total U.S. corporation income tax liability by $22.3 billion, or by 23.2 percent [1]. The petroleum industry, with a total foreign tax credit exceeding $7 billion, accounted for 31.8 percent of the total credit.

Even though the total credit was 8.2 percent lower than the total foreign tax credit claimed for 1985, it was larger than the total foreign tax credit of any other year since 1980 (Figure A). A major factor behind the small increase in the foreign tax credit claimed between 1984 and 1986 was the relatively slow growth in foreign-source taxable income. Although corporate profits, as measured by total worldwide taxable income, increased 7 percent between 1984 and 1986, almost 90 percent of this increase resulted from the $16.1 billion growth of domestic-source taxable income [2, 3].

Figure A
Corporate Foreign Tax Credit, 1978-1986



BACKGROUND

Congress established the foreign tax credit in 1918 to encourage foreign trade and investment by eliminating double taxation on foreign-source income [4]. Previously, they could only use these taxes as deductions to lower their U.S. taxable income. The law originally allowed U.S. corporations to reduce their U.S. tax liability by all of the income taxes they paid to other nations. The Revenue Act of 1921 restricted the amount that could be claimed as a credit against the U.S. tax liability to an amount equivalent to the U.S. tax on foreign-source taxable income. This was determined by taking the percentage of foreign-source taxable income to worldwide taxable income and applying it to the overall U.S. tax liability, before credits.

This limitation attempted to prohibit corporations from using their foreign taxes, which often reflected higher tax rates than those imposed by the United States, to offset their domestic tax liability. Nevertheless, corporations were still able to maximize their foreign tax credit by combining income from overseas investments, such as most interest-bearing investments, which, if taxed at all, were taxed at a low rate, with foreign-source income taxed at rates higher than the domestic rate, to increase the ratio used to compute the credit limit. To reduce such averaging across countries, from 1932 through 1961 taxpayers had to calculate their limitation on a per country basis. From 1961 to the repeal of the per country limitation in 1976, they could elect to use the overall limitation. However, the Revenue Act of 1962 required corporations to compute their foreign tax credit limitation separately for certain investment interest income. Although there have been other modifications to the foreign tax credit provisions, the guiding principle remains that of eliminating double taxation without reducing the total U.S. tax liability below the U.S tax rate.

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For 1986, U.S. corporations had to calculate separate foreign tax credit limitations for (1) certain investment income, (2) dividends received from an Interest Charge Domestic International Sales Corporation (IC-DISC) or former DISC (see Definitions section), (3) foreign trade income of a Foreign Sales Corporation (FSC) (see Definitions section), (4) distributions from a FSC or former FSC, and (5) all other income from sources outside the United States. The sum of the foreign tax credits for each income type comprised the total foreign tax credit that could be claimed. If the actual taxes paid, accrued, or deemed paid exceeded the limitation, the excess could be carried back 2 years and then carried forward for 5 years. Participation in, or cooperation with, an international boycott reduced the total foreign tax credit claimed for 1986 by $727,000.

WORLDWIDE TAXABLE INCOME

The domestic economic recovery that started in 1983 continued through 1986, albeit at a slower pace. Worldwide taxable income for all U.S. industries increased 7 percent between 1984 and 1986, compared to 26.5 percent between 1982 and 1984. At $277.8 billion for 1986, worldwide taxable income was higher (in current dollars) than it had ever been during the 1980's but not quite as high as 1979 when it peaked at $280.2 billion.

Increases in domestic profits (as measured by domestic-source taxable income), particularly in the banking and insurance industries, fueled most of the growth between 1984 and 1986. (For a comparison between foreign-source and domestic-source taxable income for 1984 and 1986, see Figure B.)

Domestic-source taxable income for the banking industry recovered from a net loss of $493 million for 1984 (caused primarily by declines in the agriculture, petroleum and commercial real estate industries and losses on loans to third world countries) to a net gain of over $5 billion for 1986, as banks increased their loan-loss reserves, interest rates fell and consumer demand for loans grew [5]. In the insurance industry, 50 percent hikes in property and casualty insurance premiums ended the 6-year decline in profits caused by escalating liability claims [6]. This helped to explain the nearly 250 percent increase in domestic-source taxable income in this industry.

Foreign-source taxable income, during the same time, expanded by just 3.5 percent. Although it increased considerably (by over 76 percent) in the insurance industry, it fell by more than $1 billion (17.5 percent) in the banking industry.

Nevertheless, on a percentage basis, some industries experienced much more growth between 1984 and 1986 in their foreign-source taxable income than in their domestic-source taxable income. For example, within the electrical and electronic equipment manufacturing industries, foreign-source taxable income climbed 118 percent, from $2.5 to $5.5 billion, even though the total domestic-source taxable income fell by more than one third, from nearly $9 billion to $5.7 billion. Another example was the nonelectrical machinery manufacturers. Foreign-source taxable income for this group rose 39.8 percent, to $9.6 billion, while domestic-source taxable income plummeted almost 85 percent, from $6.5 billion to less than $1.0 billion. There were similar patterns for the agriculture,

Figure B.—Domestic and Foreign Source Taxable Income, by Selected Industries, 1984 and 1986

[Money amounts are in millions of dollars]

Industry	Domestic-source taxable income			Foreign-source taxable income		
	1984	1986	Percentage increase	1984	1986	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	$195,883	$211,989	8.2%	$63,588	$65,809	3.5%
Agriculture, forestry and fishing	1,564	1,794	14.7	50	89	79.8
Mining	2,349	1,767	-24.8	2,818	1,475	-47.7
Construction	5,334	7,375	38.3	295	204	-31.1
Manufacturing	88,328	69,454	-21.4	45,583	48,809	7.1
Food and kindred products	7,718	8,221	6.5	1,784	2,030	13.8
Chemicals and allied products	10,098	12,895	27.7	6,294	7,744	23.0
Petroleum (including integrated) and coal products	9,147	2,508	-72.6	19,131	16,000	-16.4
Machinery (except electrical)	6,464	985	-84.8	6,867	9,597	39.8
Electrical and electronic equipment	8,969	5,730	-36.1	2,503	5,459	118.1
Motor vehicles	7,454	3,015	-59.6	2,503	2,169	-13.3
Transportation and public utilities	33,004	34,962	5.9	1,308	1,702	30.2
Wholesale trade	17,071	18,796	10.1	780	900	15.4
Retail trade	21,546	23,299	8.1	540	957	77.0
Finance, insurance and real estate	13,704	40,060	192.3	11,504	10,620	-7.7
Banking	-493	5,206	na	9,831	8,107	-17.5
Insurance	4,070	14,115	246.8	913	1,611	76.4
Services	12,804	14,284	11.6	711	1,043	46.7

forestry, and fishing; retail trade; and service industries. But, because the combined foreign-source taxable income for these industries was only about 3 percent of the total, the effect of these changes on the aggregate statistics was minimal.

Despite the economic recovery that occurred after 1982, the foreign-source taxable income of the petroleum industry continued the rapid decline that began with the deterioration of the controlled prices of 1979 set by the Organization of Petroleum Exporting Countries (OPEC) (see Definitions section). As a result of severe drops in oil prices in 1986, it fell by $3.1 billion (16.4 percent) from its 1984 level, while domestic-source taxable income dropped by $6.6 billion (72.6 percent). Total foreign-source taxable oil and gas extraction income (see Definitions section) for all industries fell to $12.0 billion for 1986, 31 percent below 1984. The remainder of foreign-source taxable income for all industries rose by 16.5 percent.

Foreign-source taxable income comprised nearly a quarter of the total worldwide taxable income reported by all U.S. corporations. For the mining division, it was over 45 percent. Income from abroad comprised as much as 41 percent of the worldwide taxable income for manufacturing, but only 21 percent of the worldwide taxable income of the finance, insurance and real estate industries. The remaining industries earned only a small proportion of their worldwide taxable income overseas.

FOREIGN TAXES

Changes between 1984 and 1986 in foreign taxes (see Definitions section) and the foreign tax credit claimed by each industry generally reflected the changes in foreign-source taxable income. In the finance, insurance and real estate industries, foreign taxes were up 31 percent even though foreign-source taxable income went down by about 8 percent, because taxes withheld on interest are generally withheld on gross income, which increased 19.6 percent, rather than on net or taxable income.

In most industries, almost all of the total foreign taxes could be claimed as a foreign tax credit (Figure C). The foreign tax credit claimed exceeded the current-year foreign taxes for some industries because corporations were permitted to carry forward to 1986 the taxes they paid in excess of their limitations for prior years.

EFFECTIVE FOREIGN TAX RATES

U.S. corporations had approximately the same average tax rate, about 35 percent, on both their total worldwide and foreign-source taxable income. (The average foreign tax rate is the ratio of current-year foreign taxes to foreign-source taxable income. The average U.S. tax is the ratio of U.S. income tax liability, after all credits except the foreign tax credit, to the U.S. income subject to tax). This U.S. rate was considerably less than the top corporate statutory rate of 46 percent for 1986.

The average U.S. and foreign tax rates for the agriculture, forestry and fishing; transportation and public utilities; and finance, insurance, and real estate industries were much lower than the averages for all industries while they were much higher for the mining and petroleum industries due to the high tax rates generally imposed on oil and gas extraction income (Figure D).

In many industries the foreign average rate was considerably lower than the U.S. rate. For example, in the finance, real estate, and insurance industries the U.S. rate

Figure C.—Corporations Claiming a Foreign Tax Credit: Current-Year Foreign Taxes and Foreign Tax Credit by Industry Group, 1986

[Money amounts are in millions of dollars]

Industry group	Current-year foreign taxes	Foreign tax credit
All industries	$23,103	$22,261
Agriculture, forestry and fishing	16	13
Mining	832	619
Construction	76	82
Manufacturing	18,803	18,094
Petroleum (including integrated and coal products)	7,081	7,071
Transportation and public utilities	224	232
Wholesale trade	304	290
Retail trade	373	352
Finance, insurance and real estate	2,180	2,262
Services	294	317

Figure D.—Corporations Claiming a Foreign Tax Credit: Effective Tax Rates on Foreign-Source Taxable Income by Industry Group, 1986

Industry group	Foreign effective tax rate [1]	Worldwide U.S. effective tax rate [2]
All industries	35.1%	34.6%
Agriculture, forestry and fishing	17.5	25.9
Mining	56.4	40.5
Construction	37.4	29.9
Manufacturing	38.5	37.2
Petroleum (including integrated) and coal products	44.3	42.0
Transportation and public utilities	13.1	30.6
Wholesale trade	33.8	37.7
Retail trade	39.0	34.5
Finance, insurance and real estate	20.5	33.4
Services	28.2	27.3

[1] The effective foreign tax rate is the ratio of current-year foreign taxes to foreign-source taxable income.

[2] The effective worldwide U.S. tax rate is the ratio of U.S. income tax after all credits except the foreign tax credit to U.S. income subject to tax.

was 33.4 percent while the foreign rate, since many countries have low withholding rates on interest income, was only 20.5 percent. Transportation and public utilities had a U.S. tax rate of 30.6 but a foreign rate of only 13.1, possibly because some of the income earned by this industry is tax exempt in other countries.

INDUSTRY COMPOSITION OF THE TOTAL FOREIGN TAX CREDIT

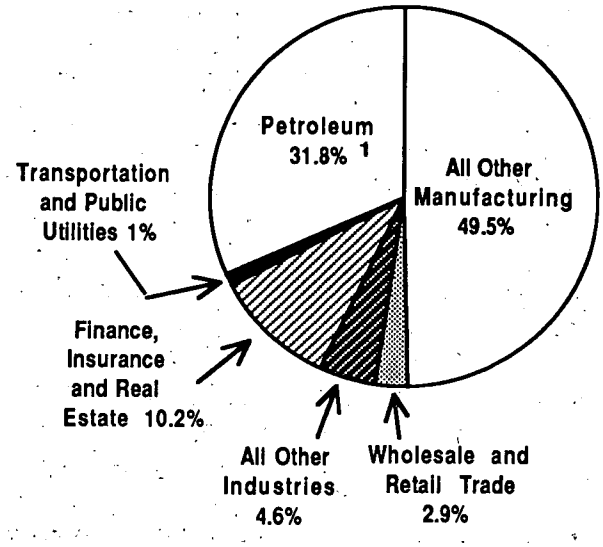
Since some industries earn more of their income abroad than others, the distribution by industry of the total foreign tax credit claimed for 1986, $22.3 billion, does not resemble the industry distribution of the total U.S. income tax liability (Figure E). For instance, the manufacturing industries claimed 81.3 percent of the total foreign tax credit and 74.2 percent of the total foreign-source taxable income, but they accounted for less than 46 percent of the total U.S. income tax (and 32.8 percent of the total domestic-source taxable income). The industries which had a relatively high share of the total U.S. income tax, such as finance, real estate, and insurance; transportation and public utilities; and wholesale and retail trade, claimed only a small percentage of the total foreign tax credit.

The petroleum industry (a subset of the manufacturing category) was the most dominant. It accounted for less than 1 percent of the total returns claiming a foreign tax credit for 1986, yet these returns accounted for 31.8 percent of the total foreign tax credit and 24.3 percent of the total foreign-source taxable income. This industry was responsible for only 8.1 percent of the total U.S. income tax liability before all credits except the foreign tax credit, and constituted not quite 1.2 percent of the total domestic-source taxable income. The foreign tax credit reduced the total U.S. tax liability of petroleum companies by over $7 billion, a 91 percent reduction, from $7,778 million to $707 million. The major factors which contributed to the size of the foreign tax credit in the petroleum industry were the relatively high foreign tax rates and the fact that income from foreign sources accounted for over 86 percent of the worldwide taxable income of petroleum companies.

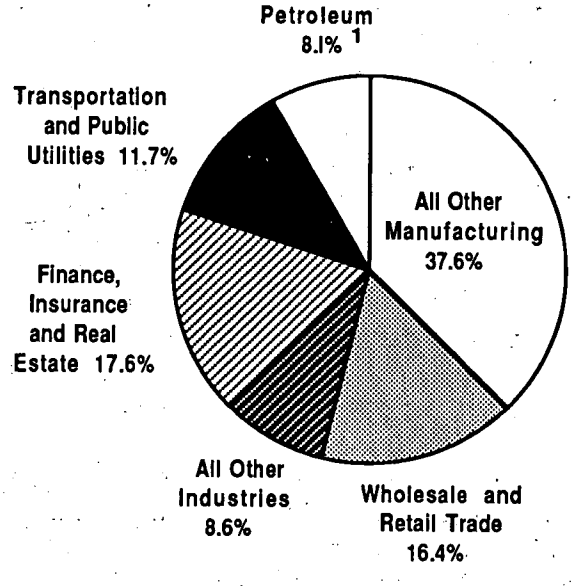
GROSS INCOME AND TAXES BY INCOME TYPE

Total foreign-source gross income, excluding branch and specially allocable income, (see Definitions section) rose 9 percent from 1984 to 1986, to $93.5 billion. (As taxpayers are only required to report net branch and specially allocable income, these will be discussed in a separate section.) Most of this increase occurred in dividends, dividend gross-up (see Definitions section),

Figure E
Industry Composition of the Corporate Foreign Tax Credit, 1986



Total Foreign Tax Credit: $22.3 Billion



Total U.S. Income Tax, before the Foreign Tax Credit: $96.2 Billion [2]

[1] Petroleum includes integrated and coal products.
[2] Income tax after all credits except the foreign tax credit.

net capital gains, and rents, royalties and licensing fees.

Total gross income from dividends increased 23.8 percent, to $25.8 billion, while income from dividend gross-up grew 21.0 percent, to $14.6 billion. With the fall of the dollar against most major foreign currencies in 1985, foreign stocks became more profitable, contributing to a 400 percent leap in net capital gains income, from $0.8 to $3.9 billion [7]. Rents, royalties, and licensing fees expanded 21.2 percent to $11.9 billion. In contrast, total gross interest income rose only from $17.7 to $18.6 billion, or 5.3 percent, while total gross income from the performance of services increased about 4 percent, to $6.4 billion. All other gross income, which includes sales and partnership income, declined by 32.2 percent, to $12.3 billion.

Overall, the composition of total gross income was slightly different between 1984 and 1986. Dividends and dividend gross-up (combined) still comprised the largest percentage of total gross income, 43.2 percent; but interest income, with 20 percent of the total, was second. Other income (13.1 percent) was third followed by rents, royalties, and licensing fees (12.7 percent); service income (6.8 percent), and net capital gains (4.2 percent).

The type of income reported demonstrates the ways in which U.S. corporations conduct their foreign business activities. If they establish unincorporated foreign branches to carry out their foreign operations, their income would be reported as branch taxable income but if they establish controlled foreign corporations (see Definitions section) their income would be reported as dividends and dividend gross-up. If, however, U.S. corporations choose to conduct their foreign business through direct transactions with related foreign corporations or unrelated entities, their income would appear as gross income, usually as interest; rents, royalties and licensing fees; service or other income.

The high percentage (59.4) of dividends and dividend gross-up to total foreign-source gross income for manufacturing corporations confirms that these corporations operate primarily through foreign subsidiaries. Corporations which produce non-electrical machinery also earn a significant proportion, 42 percent, of their income from rents, royalties and licensing fees, which suggests that these corporations may operate to a certain extent by leasing or licensing their machinery abroad to foreign subsidiaries and unrelated entities.

A large proportion of the gross income of the construction; transportation and public utilities; and agriculture, forestry and fishing industries was from the performance of services while corporations engaged primarily in finance, insurance, or real estate activities, received most of their foreign gross income from interest. Mining, and wholesale and retail trade are the only industries which have a significant share of income reported as other income (Figure F).

The proportion of total foreign taxes paid or accrued on interest and on income from the performance of services is less than the corresponding proportion of foreign gross income, while the percentage of total taxes paid or accrued on other income exceeds the percentage of total gross income reported as other income (Figure G) [8].

One reason why interest income was 20 percent of the total foreign gross income but taxes on interest income were only 15 percent of the total taxes paid or accrued is the low foreign tax rates on interest income in certain countries as well as the numerous tax treaties between the United States and other countries which have established a zero tax rate on this particular income type.

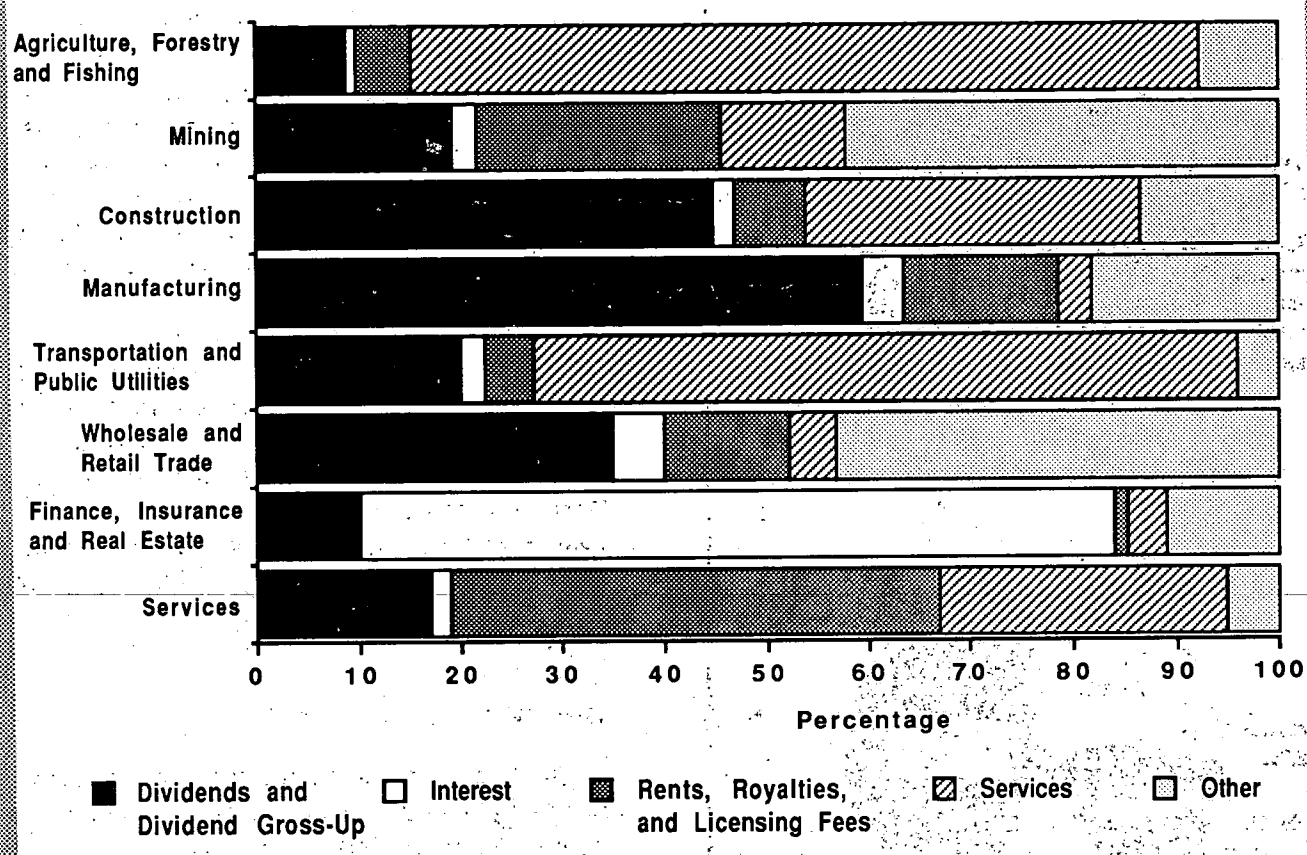
BRANCH AND SPECIALLY ALLOCABLE INCOME

Income from foreign branches comprised 14.4 percent of total foreign taxable income for 1986, compared to nearly 23 percent for 1984. Between 1984 and 1986 branch income fell 34.7 percent, from $14.5 billion to $9.5 billion.

The banking and petroleum manufacturing industries were more likely than other industries to operate through foreign branches. The banking industry, which historically makes its foreign loans through branches rather than through subsidiaries, derived 48.2 percent of its total foreign taxable income from branch activities. The $2.6 billion decrease in branch income for the petroleum industry accounted for half of the fall in total foreign branch income while the $2.1 billion drop in branch income in the banking industry was responsible for 41.4 percent. However, total foreign gross income (exclusive of branch income) of the banking industry rose between 1984 and 1986.

Specially allocable Code section 863(b) income (see Definitions section), which constituted 2.9 percent of the total foreign-source taxable income for 1986, also fell from 1984 to 1986, from $2.4 billion to $1.9 billion, a drop of 19 percent. The manufacturing industries, especially producers of motor vehicles and nonelectrical machinery, earned most of this income.

Figure F
Total Gross Income by Industrial Division and Income Type, 1986[1]



[1] Of Corporations claiming a Foreign Tax Credit. Excludes branch and specially allocable income.

SUMMARY

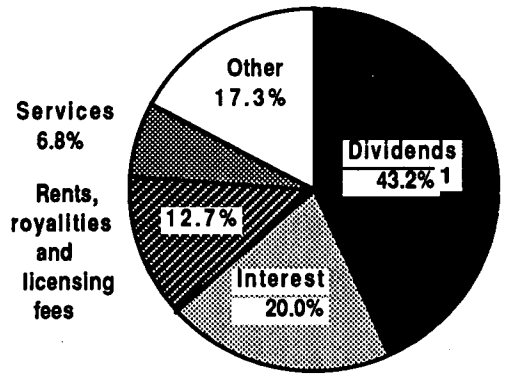
The foreign tax credit rose from $21.4 billion for 1984 to $24.3 billion for 1985 before falling to $22.3 billion for 1986. Worldwide taxable income, however, increased steadily, from $259.5 billion for 1984 to $277.8 billion for 1986, reflecting domestic economic growth as evidenced by the expansion of domestic-source taxable income.

Foreign-source taxable income for all industries grew 3.5 percent between 1984 and 1986. It declined in the mining; construction; and finance, insurance, and real estate industrial divisions but rose in all others. Total foreign taxes paid and the foreign tax credit claimed also dropped in mining and construction but grew in finance, insurance, and real estate industries. They also declined in the transportation and public utilities.

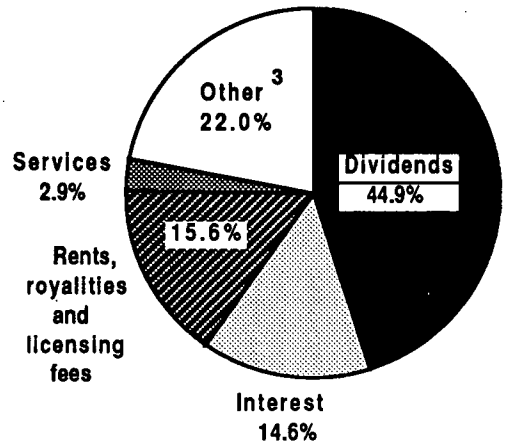
The decrease of income and taxes paid in the petroleum and related industries is responsible for most of the decline in the income and taxes reported for the manufacturing and mining industrial divisions. Foreign-source taxable income reported by petroleum companies fell by 16.4 percent, or $3.1 billion, while their total foreign taxes declined 29 percent. However, the petroleum industry still claimed the largest portion, 31.8 percent, of the total foreign tax credit claimed for 1986.

Gross income, excluding branch and specially allocable income, from dividends, dividend gross-up, rents, royalties, and licensing fees; and from the performance of services, and net capital gains increased between 1984 and 1986 while other gross income declined. Taxable branch income decreased significantly between 1984

Figure G
Corporations Claiming A Foreign Tax Credit: Foreign Gross Income and Taxes, by Income Type, 1986



Foreign Gross Income, (Less Loss) [2]



Foreign Taxes Paid or Accrued [4]

1 Includes dividend gross-up.
2 Excludes branch and specially allocable income.
3 Includes taxes on specially allocable income.
4 Excludes taxes paid on branch income.

and 1986. For 1986, it constituted only 14.4 percent of the total foreign-source taxable income, compared to nearly 23 percent of the foreign-source taxable income for 1984 [9, 10].

DATA SOURCES AND LIMITATIONS

The 1986 data presented in this article were derived from returns in the corporation Statistics of Income sample with an accounting period ending between July 1986 and June 1987 and with a foreign tax credit. The corporate sample included approximately 85,100 returns chosen after Internal Revenue Service administrative processing but before audit examination from the approximately 3.4 million active corporation income tax returns filed for Tax Year 1986. Because some returns with foreign tax credits that were included in the 100 percent sample class for this study had arrived too late to be included in the regular corporate statistics, there are slight differences between the statistics presented here and those previously published in *Statistics of Income--1986, Corporation Income Tax Returns*. Estimates for these returns, however, were included in the corporate statistics.

Sampling error is not considered to be a limitation of the data presented in this article inasmuch as all returns with $250 million or more in total assets were 100 percent sampled and these returns accounted for most of the data: they composed 95.1 percent of the total foreign-source taxable income, 95.6 percent of the total foreign tax credit and 98.3 percent of the total assets reported on returns with a foreign tax credit.

GENERAL LIMITATIONS

The foreign tax credit is claimed under Code section 901 of the Internal Revenue Code. In accordance with the Internal Revenue Code, corporations file the foreign income and tax data on Form 1118 that support the foreign tax credit claimed on the corporate return, Form 1120. The statistics in this article were based on the information reported on Forms 1118. Therefore, they do not reflect adjustments made during audit examination, which finally determines the acceptability of the foreign income and taxes reported. Some corporations file preliminary data only because complete information on their foreign operations is often not available when they file their U.S. income tax return.

Foreign income and taxes are underreported in this article to the extent that they were not reported on Form 1118. Some corporations did not file the form because they had no U.S. income tax to report and consequently no foreign tax credit to claim. Others chose to deduct their foreign taxes from their gross income instead of taking the credit, while some corporations simply failed to file the Form 1118 to support the foreign tax credit they claimed on their corporate return. The amount of foreign income and taxes attributable to these returns is considered to be minimal.

DEFINITIONS

Interest Charge Domestic International Sales Corporations are corporations primarily engaged in the sale of U.S. exports. Most income from these corporations is generally not taxed until it has been distributed to a parent corporation in the form of dividends.

Foreign Sales Corporations are corporations established mainly to sell the U.S. exports of a U.S. parent corporation. Part of their foreign trade income is tax exempt. Congress imposed a separate foreign tax credit limitation on the foreign taxes paid on this type of income in 1985.

Industry in this article refers to the industrial classifications determined under the 1974 Enterprise Standard Industrial Classification (ESIC) authorized by the Office of Management and Budget. The underlying Standard Industrial Classification was that for 1972, as revised in 1977.

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

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

Foreign taxes (unless otherwise stated) refers to current-year foreign taxes, which are withholding taxes on dividends, interest, rents, royalties and licensing fees; taxes directly paid or accrued on income from partnerships, services or other income or on foreign branch profits; or taxes deemed paid. The latter are a proportion of the taxes paid on the profits of a related foreign corporation (and its subsidiaries) from which a U.S. parent corporation receives dividends.

Specially allocable income under Code section 863(b) is that income which has been earned partially within and partially without the United States, usually from producing in the United States and selling abroad or vice versa, or by transportation, telegraph or cable services.

Controlled Foreign Corporations (CFC's) are corporations established outside the United States, more than 50 percent of whose voting stock of all classes of stock was owned by U.S. persons on any day of the taxable year of the CFC.

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.

Foreign oil and gas extraction income is income associated with the extraction of minerals from oil and gas. The amount of taxes on this income that could be used as part of the foreign tax credit is restricted to the highest U.S. rate of corporate tax, 46 percent for 1986.

NOTES AND REFERENCES

[1] Total U.S. income tax liability, unless otherwise stated, refers to total U.S. income tax, after all credits except the foreign tax credit. For a more detailed explanation of this definition, see *Statistics of Income Bulletin,* Spring 1987, p. 13-14.

[2] Domestic-source taxable income is calculated by subtracting the foreign-source taxable income reported on Form 1118 from the worldwide taxable income (total U.S. income subject to tax, reported on Form 1120). Because not all foreign-source income is reported on Form 1118, statistics for foreign-source and domestic-source taxable income are estimates. See "Data Sources and Limitations."

[3] The 1986 data are compared to 1984 because detailed Form 1118 data on foreign income and taxes are not available for 1985.

[4] For additional information about the foreign tax credit, see McDaniel, Paul R. and Hugh J. Ault, *Introduction to United States International Taxation,* Kluwer, 1977; and Owens, Elizabeth A., *The Foreign Tax Credit, A Study of the Credit for Foreign Taxes under United States Income Tax Law*, Harvard Law School, 1961.

[5] Frederick H. Schultz, "Why the Banking System is Getting Stronger," *Fortune*, July 7, 1986, p. 37.

[6] Richard Morais, "Insurance," *Forbes*, January 13, 1986, p. 170.

[7] J. Templeman, "Hitching a Ride on the High-flying Overseas Markets," *Business Week,* December 1985, p. 114.

[8] The percentage of other taxes paid to total taxes paid exceeds the percentage of gross other income to total gross income partly because other taxes includes taxes on Section 863(b) income.

[9] A future issue of the *Statistics of income Bulletin* will present the foreign income and taxes data for 1986 by geographical classifications.

[10] These statistics do not include taxes in excess of the limitation that have been carried back to 1986 since these taxes will be reported on amended returns and not were available at the time this article was written.

EXPLANATORY TABLE NOTES

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

For Table 1, the rows are the major industrial divisions (see definition of "industry" in the Definitions section above). Columns 1 through 16 are amounts reported on Form 1120 while the remaining columns are amounts reported on the Form 1118. Columns 18 through 25 reveal the distribution of total foreign gross income across different types of income and sum to column 17 [1]. Gross branch and specially allocable income are not included in this section because taxpayers were required to report only taxable or net income for these two income types prior to the 1986 Tax Reform Act. Foreign oil and gas extraction gross income appears in columns 27 through 31 and adds to the total in column 26. These amounts are also included in the foreign gross income on columns 17 through 25. Columns 32 through 44 contain deductions from the gross income. They are divided into allocable, columns 33 through 37, and not directly allocable deductions, columns 38 through 41. Columns 33 and 38 are the totals, respectively, and sum to column 32. Columns 39 through 41 do not add to the total on column 38 because there are types of not allocable deductions other than research and development, interest, and general and administrative. Columns 42 through 44 are the deductions to oil and gas extraction income. These amounts are also included in the amounts on columns 32 through 41. Column 45, the total foreign-source taxable income equals column 17 minus column 32 plus columns 46 and 47. Column 48 equals column 17 minus column 32. Column 49 contains the adjustment necessary to derive the total foreign-source taxable income to be used in the calculation of the foreign tax credit limitation. Columns 54 through 62 are the foreign taxes paid, accrued, or deemed paid while columns 67 through 69 are the dividends and deemed paid taxes reported on Schedule C of the Form 1118.

The columns in Table 2 are identical to those in Table 1 but the rows are the different types of separate limitation incomes for which the taxpayer was required to file for 1986. The last row, foreign oil and gas extraction income, is also part of the fourth row, general limitation income.

[1] Columns and rows may not sum exactly due to rounding.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry

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

Major and selected minor industries	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC's or former DISC's	Includable income of controlled foreign corporations	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All industries	4,506	5,436,591,981	2,442,649,277	21,554,661	325,208	3,941,836	14,636,401	140,791,295
Agriculture, forestry and fishing	101	2,250,028	3,074,117	43,098	98	976	4,730	221,938
Mining	144	18,135,933	10,578,720	225,995	—	54,645	226,611	2,042,478
Metal mining	*9	*738,369	*849,760	*393	—	—	*2,927	*105,396
Coal mining	5	3,198,740	2,977,727	—	—	—	—	141,794
Oil and gas extraction	114	12,245,445	4,564,777	223,606	—	54,190	222,741	1,551,874
Nonmetallic minerals, except fuels	*16	*1,953,380	*2,186,456	*1,996	—	*455	*943	*243,413
Construction	154	16,593,659	11,500,745	79,665	24	20,315	45,748	390,551
General building contractors and operative builders	80	4,706,097	4,244,370	22,474	—	7,439	13,184	80,841
Heavy construction contractors	19	11,461,261	6,316,073	52,114	24	12,876	28,497	281,642
Special trade contractors	*54	*426,302	*940,301	*5,077	—	—	*4,067	*28,067
Manufacturing	1,591	1,652,856,963	1,368,075,147	18,844,833	285,857	3,020,856	12,990,901	87,924,560
Food and kindred products	87	96,670,391	101,127,181	760,086	5,588	159,305	560,588	5,922,881
Tobacco manufactures	5	48,249,238	46,369,396	262,448	8,889	109,231	226,438	2,412,849
Textile mill products	24	11,230,426	13,027,749	46,277	131	8,094	22,826	564,203
Apparel and other textile products	43	7,905,450	7,804,911	3,766	22	9,536	3,019	655,925
Lumber and wood products	*10	*24,834,794	*21,804,651	*43,058	*953	*10,717	*41,494	*1,002,830
Furniture and fixtures	90	4,783,864	7,700,055	12,652	182	354	4,457	771,066
Paper and allied products	58	40,452,977	38,960,512	278,068	12,063	15,166	203,248	2,669,947
Printing and publishing	92	35,274,802	35,550,914	152,975	1,012	10,184	91,428	4,465,067
Chemicals and allied products	184	212,359,180	215,763,743	2,976,228	129,918	930,324	2,197,585	16,337,757
Petroleum (including integrated) and coal products	15	311,401,958	221,389,593	5,743,173	3,357	964,664	4,177,622	18,675,186
Rubber and miscellaneous plastic products	157	18,787,354	21,563,104	291,098	3,137	26,116	137,082	985,883
Leather and leather products	13	5,744,475	6,521,932	19,212	357	8,302	21,349	492,699
Stone, clay and glass products	45	48,705,651	27,621,733	332,353	3,709	16,172	173,175	2,404,693
Primary metal industries	31	43,362,139	23,245,278	177,727	2,780	79,072	118,858	915,301
Fabricated metal products	121	34,143,653	31,830,178	461,935	7,957	16,942	230,511	2,434,369
Machinery, except electrical	237	113,752,737	103,822,926	3,437,287	39,934	90,153	2,829,741	8,671,992
Electrical and electronic equipment	155	213,464,450	148,944,384	2,314,782	13,589	271,444	1,024,909	9,492,358
Motor vehicles and equipment	52	309,180,131	221,044,934	1,068,694	32,510	164,737	577,362	5,226,179
Transportation equipment, except motor vehicles	34	41,225,861	39,484,162	240,678	13,025	27,665	171,701	1,861,885
Instruments and related products	78	21,755,324	23,354,765	175,606	4,524	86,772	148,237	1,070,512
Miscellaneous manufacturing products & manufacturing not allocable	58	9,572,106	11,143,047	46,730	2,221	15,906	29,271	890,978
Transportation and public utilities	160	258,100,948	146,288,983	235,511	1,156	233,294	164,112	9,221,750
Transportation	122	37,156,243	30,265,040	93,982	138	51,854	31,055	1,149,118
Communication	19	145,874,163	87,904,841	130,183	846	144,627	115,921	5,365,575
Electric, gas and sanitary services	18	75,070,543	28,119,102	11,346	172	36,812	17,135	2,707,056
Wholesale and retail trade	719	228,590,902	339,012,482	733,117	5,444	155,257	440,615	9,962,491
Wholesale trade	604	59,287,685	132,168,795	356,873	5,069	38,640	150,196	3,307,278
Groceries and related products	*25	*536,016	*2,099,304	*809	—	*49	*9	*54,686
Machinery, equipment and supplies	49	5,876,724	9,689,187	36,041	347	808	12,053	514,003
Miscellaneous wholesale trade	530	52,874,946	120,380,303	320,022	4,721	37,783	138,134	2,738,589
Drugs, chemicals and allied products	21	3,840,678	9,670,596	24,398	55	482	14,041	324,909
Petroleum and petroleum products	18	13,014,146	19,124,195	117,975	147	22,526	43,427	874,243
Other miscellaneous wholesale trade	491	36,020,122	91,585,512	177,649	4,519	14,774	80,665	1,539,436
Retail trade	115	169,303,217	206,843,687	376,244	375	116,618	290,419	6,655,213
General merchandise stores	11	122,660,041	112,294,417	101,881	54	93,617	61,261	3,556,867
Food stores	8	12,245,212	51,451,627	83,801	—	650	51,206	750,059
Apparel and accessory stores	7	6,728,465	11,562,929	1,495	—	991	202	645,569
Eating and drinking places	73	21,111,330	19,659,731	150,745	313	21,360	166,952	1,274,627
Miscellaneous retail stores	16	6,558,169	11,874,984	38,323	8	—	10,798	428,092
Finance, insurance and real estate	999	3,199,635,300	513,718,421	1,148,392	25,216	408,699	608,452	27,941,354
Banking	146	1,930,813,897	192,631,798	756,709	302	215,315	400,992	8,231,284
Credit agencies other than banks	58	138,412,457	23,460,681	69,183	15,596	28,218	29,123	1,109,651
Security, commodity brokers and services	113	280,565,610	27,803,199	25,980	—	10,641	7,178	2,457,994
Insurance	147	814,997,433	256,993,307	181,986	39	141,803	91,787	14,104,334
Insurance agents, brokers and services	56	11,042,041	4,666,480	50,814	—	11,326	37,369	634,241
Real estate	109	4,151,247	1,981,744	3,922	86	1,236	2,942	405,222
Holding & other investment companies except bank holding companies	370	19,652,615	6,181,211	59,798	9,194	159	39,061	998,627
Services	637	60,428,247	50,376,901	231,899	7,413	47,794	155,132	3,062,313
Hotels and other lodging places	*29	*4,983,609	*3,587,233	*52,382	—	*18,207	*17,630	*405,656
Personal services	8	2,451,161	2,974,934	23,300	—	720	20,709	203,064
Business services	377	13,939,990	19,450,540	130,298	3,639	7,755	91,499	1,282,727
Auto repair; miscellaneous repair services	*5	*5,053,715	*4,716,930	*660	—	—	—	*197,682
Amusement and recreational services	176	24,908,796	12,449,859	16,768	3,679	15,148	18,966	718,942
Other services	42	9,090,976	7,197,406	8,491	95	5,964	6,328	254,244

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed	U.S. possessions tax credit	General business credit	Other credits	U.S. income tax after credits
		Total	Regular and alternative tax					
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All industries	130,825,826	54,807,185	53,491,339	22,261,231	5,054	6,392,426	35,249	26,113,226
Agriculture, forestry and fishing	213,785	93,908	93,496	12,641	—	8,814	—	72,452
Mining	1,942,335	858,618	845,094	618,542	—	27,405	192	212,480
Metal mining	*105,396	*48,402	*48,402	*47,478	—	—	—	*924
Coal mining	94,728	39,868	32,223	1,790	—	18,690	148	19,240
Oil and gas extraction	1,528,521	670,249	667,004	567,707	—	2,599	44	99,900
Nonmetallic minerals, except fuels	*213,689	*100,099	*97,464	*1,567	—	*6,116	—	*92,416
Construction	240,788	123,234	116,877	81,723	—	13,499	—	28,012
General building contractors and operative builders	48,266	32,150	31,648	21,039	—	4,655	—	6,456
Heavy construction contractors	165,026	79,554	73,748	55,982	—	8,045	—	15,526
Special trade contractors	*27,497	*11,530	*11,481	*4,702	—	*798	—	*6,030
Manufacturing	82,103,134	35,871,228	34,952,184	18,094,452	1,752	3,329,316	38,338	14,407,370
Food and kindred products	5,572,858	2,435,320	2,399,112	762,682	—	206,449	1,003	1,465,186
Tobacco manufactures	2,324,734	1,050,264	1,039,308	268,650	—	119,589	—	662,025
Textile mill products	555,860	255,486	247,023	29,499	—	42,904	—	183,082
Apparel and other textile products	650,177	297,778	297,538	7,401	332	4,551	—	285,493
Lumber and wood products	*987,961	*355,043	*343,190	*41,986	—	*82,812	—	*230,245
Furniture and fixtures	749,752	339,660	337,116	9,494	—	10,228	—	319,938
Paper and allied products	2,339,182	1,004,010	977,085	275,948	—	188,872	—	539,190
Printing and publishing	4,368,788	1,792,745	1,779,998	129,943	—	95,034	—	1,567,768
Chemicals and allied products	15,392,062	6,425,245	6,201,505	3,070,633	51	688,589	4,246	2,661,726
Petroleum (including integrated) and coal products	18,188,438	7,902,064	7,739,022	7,071,083	—	229,913	32,349	568,719
Rubber and miscellaneous plastic products	951,797	406,589	389,968	136,324	—	30,351	89	239,825
Leather and leather products	306,160	136,596	134,879	20,899	1,369	6,037	—	108,291
Stone, clay and glass products	2,207,894	964,564	940,655	229,511	—	124,913	2	610,138
Primary metal industries	708,294	295,032	289,022	119,105	—	67,017	—	108,909
Fabricated metal products	2,238,194	965,342	953,450	302,961	—	48,785	408	613,188
Machinery, except electrical	8,439,952	3,869,877	3,806,911	3,092,437	—	93,901	—	683,539
Electrical and electronic equipment	8,058,564	3,700,469	3,561,466	1,498,244	—	694,417	—	1,507,808
Motor vehicles and equipment	4,737,984	2,218,482	2,104,506	591,351	—	392,175	1	1,234,956
Transportation equipment, except motor vehicles	1,555,380	647,687	620,942	211,316	—	120,347	—	316,023
Instruments and related products	1,040,165	476,110	459,400	180,805	—	48,253	238	246,815
Miscellaneous manufacturing products & manufacturing not allocable	728,937	332,864	330,085	44,182	—	34,178	—	254,505
Transportation and public utilities	8,886,365	3,860,895	3,740,313	232,474	—	1,520,840	1,367	2,106,214
Transportation	1,044,811	415,657	393,224	58,258	—	178,190	49	179,159
Communication	5,135,485	2,257,335	2,176,500	154,343	—	940,207	—	1,162,784
Electric, gas and sanitary services	2,706,069	1,187,903	1,170,588	19,872	—	402,443	1,317	764,271
Wholesale and retail trade	9,623,141	4,084,701	4,015,277	641,899	2,998	443,425	154	2,996,225
Wholesale trade	3,159,088	1,368,428	1,348,146	290,030	—	76,338	154	1,001,906
Groceries and related products	*54,059	*17,356	*16,605	*267	—	*18	*154	*16,918
Machinery, equipment and supplies	455,263	179,285	173,465	22,584	—	22,377	—	134,324
Miscellaneous wholesale trade	2,649,767	1,171,787	1,158,077	267,180	—	53,943	—	850,664
Drugs, chemicals and allied products	306,521	134,652	133,366	20,306	—	2,754	—	111,591
Petroleum and petroleum products	866,989	394,619	393,646	143,748	—	11,402	—	239,469
Other miscellaneous wholesale trade	1,476,257	642,516	631,064	103,125	—	39,787	—	499,604
Retail trade	6,464,053	2,716,273	2,667,130	351,868	2,998	367,087	—	1,994,319
General merchandise stores	3,433,697	1,419,804	1,402,461	97,171	—	213,160	—	1,109,473
Food stores	732,982	288,394	278,819	61,364	2,998	43,292	—	180,740
Apparel and accessory stores	600,833	276,611	275,701	4,122	—	4,352	—	268,137
Eating and drinking places	1,260,160	530,500	510,900	176,898	—	94,637	—	258,966
Miscellaneous retail stores	436,381	200,964	199,249	12,315	—	11,646	—	177,003
Finance, insurance and real estate	24,915,927	8,650,940	8,488,561	2,262,119	303	809,846	-5,570	5,584,242
Banking	7,566,724	3,008,333	2,917,677	1,769,609	—	396,914	—	841,809
Credit agencies other than banks	979,931	440,454	435,968	116,709	—	30,256	—	293,490
Security, commodity brokers and services	2,144,746	870,192	859,668	42,567	—	210,500	4	617,120
Insurance	12,332,627	3,624,434	3,585,465	235,839	303	125,162	-5,576	3,268,706
Insurance agents, brokers and services	626,967	279,307	277,989	43,746	—	6,791	(1)	228,770
Real estate	392,334	126,371	117,075	6,709	—	1,585	—	118,077
Holding & other investment companies except bank holding companies	872,598	301,848	294,719	46,941	—	38,637	1	216,269
Services	2,881,261	1,254,137	1,230,737	317,281	—	239,281	768	696,806
Hotels and other lodging places	*386,830	*146,753	*141,778	*39,023	—	*8,089	—	*99,642
Personal services	196,211	86,941	86,256	22,763	—	9,000	—	55,178
Business services	1,204,204	548,738	540,093	138,237	—	45,147	768	364,587
Auto repair; miscellaneous repair services	*188,317	*83,985	*83,960	*558	—	*46,545	—	*36,881
Amusement and recreational services	660,518	283,823	278,816	100,275	—	104,090	—	79,457
Other services	245,180	103,897	99,833	16,426	—	26,409	—	61,062

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118								
	Gross income (less loss) excluding branch operations and specially allocable income								
	Total	Dividends	Dividend gross-up	Interest	Rents, royalties and license fees	Service income	Net capital gain	Partnership income	Other income
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All industries	93,530,645	25,789,233	14,635,179	18,670,536	11,901,161	6,372,908	3,900,464	120,416	12,140,747
Agriculture, forestry and fishing	531,190	42,126	4,730	5,182	28,417	409,463	73	18	41,181
Mining	2,626,853	279,561	226,611	62,018	630,501	321,364	-870	-7,171	1,114,839
Metal mining	*423,336	*393	*2,927	*10,981	*788	*314,298	—	—	*93,949
Coal mining	49,655	—	—	4,276	1,451	—	—	—	43,929
Oil and gas extraction	2,147,458	276,721	222,741	45,947	628,181	6,790	-2,704	-7,171	976,952
Nonmetallic minerals, except fuels	*6,404	*2,447	*943	*813	*81	*276	*1,834	—	*9
Construction	303,462	90,256	45,748	6,043	21,220	99,460	3,712	27,606	9,417
General building contractors and operative builders	122,630	29,913	13,184	2,469	4,209	65,446	2,879	-279	4,809
Heavy construction contractors	147,393	55,270	28,497	3,066	16,988	11,847	833	27,884	3,008
Special trade contractors	*33,439	*5,073	*4,067	*508	*23	*22,167	—	—	*1,601
Manufacturing	59,317,598	22,226,131	12,989,791	2,364,414	9,157,558	1,830,261	3,038,153	38,700	7,672,589
Food and kindred products	2,155,316	853,557	560,589	145,544	367,042	28,602	96,562	11,871	91,548
Tobacco manufactures	920,266	297,730	226,438	39,055	218,698	6,057	54,563	1,539	76,185
Textile mill products	111,191	48,804	22,825	7,318	20,181	6,669	3,918	302	1,174
Apparel and other textile products	54,476	13,185	3,019	551	37,034	261	7	79	339
Lumber and wood products	*123,917	*53,776	*41,494	*13,341	*1,197	*883	—	*1	*13,225
Furniture and fixtures	46,399	11,230	4,456	1,377	7,015	4,026	16,180	—	2,115
Paper and allied products	927,078	292,297	203,248	32,486	233,175	6,727	124,975	319	33,851
Printing and publishing	579,190	156,672	91,424	40,830	115,623	79,612	6,399	10,069	78,561
Chemicals and allied products	10,187,367	4,297,233	2,197,589	315,514	1,406,010	191,449	408,445	5,777	1,365,349
Petroleum (including integrated) and coal products	18,941,529	7,274,064	4,177,618	867,807	161,874	569,770	949,959	12,286	4,928,152
Rubber and miscellaneous plastic products	616,033	302,770	135,964	5,264	81,000	66,555	-737	135	25,082
Leather and leather products	68,585	25,705	21,349	1,852	8,972	5,537	298	—	4,872
Stone, clay and glass products	771,037	330,100	173,175	10,486	112,709	10,726	3,954	2,156	127,730
Primary metal industries	673,470	273,259	118,854	12,042	165,152	25,949	6,226	-568	72,556
Fabricated metal products	956,812	428,748	230,512	25,549	113,124	37,580	67,707	-10,276	63,867
Machinery, except electrical	11,697,742	3,383,443	2,829,754	205,688	4,929,587	100,263	32,105	2,569	214,335
Electrical and electronic equipment	6,486,951	2,534,174	1,024,914	274,871	699,676	479,353	1,147,123	-434	327,274
Motor vehicles and equipment	2,324,715	1,027,111	577,362	233,365	182,194	81,518	49,836	2,826	170,503
Transportation equipment, except motor vehicles	814,954	328,585	171,701	78,706	40,449	110,774	68,621	—	16,118
Instruments and related products	687,562	234,013	148,235	36,842	207,804	16,118	20	47	44,484
Miscellaneous manufacturing products & manufacturing not allocable	173,008	59,675	29,271	15,925	49,043	1,831	1,994	—	15,269
Transportation and public utilities	2,961,694	428,294	164,110	70,807	138,956	2,046,139	18,184	19,283	75,921
Transportation	774,805	112,924	31,053	31,547	9,445	572,421	9,928	1,169	6,317
Communication	2,103,690	267,387	115,921	37,658	126,347	1,473,073	8,249	18,114	56,940
Electric, gas and sanitary services	83,200	47,983	17,135	1,602	3,164	645	7	—	12,664
Wholesale and retail trade	3,721,614	867,938	440,615	191,409	457,892	162,284	107,644	482	1,493,350
Wholesale trade	2,497,228	381,510	150,195	116,804	330,437	103,300	77,571	1,103	1,336,308
Groceries and related products	*2,329	*809	*9	*677	*148	—	—	—	*686
Machinery, equipment and supplies	109,416	35,524	12,052	7,498	21,769	4,964	6,668	30	20,911
Miscellaneous wholesale trade	2,385,483	345,177	138,134	108,629	308,521	98,337	70,903	1,072	1,314,711
Drugs, chemicals and allied products	246,695	24,880	14,041	2,085	9,587	724	37	—	195,339
Petroleum and petroleum products	595,917	178,580	43,427	5,093	260,140	—	-13	—	108,689
Other miscellaneous wholesale trade	1,542,872	141,717	80,665	101,450	38,793	97,612	70,878	1,072	1,010,683
Retail trade	1,224,386	486,428	290,420	74,605	127,455	58,984	30,073	-621	157,042
General merchandise stores	480,443	191,112	61,262	51,589	6,966	55,549	-296	1	114,261
Food stores	179,860	84,451	51,206	765	22,375	—	203	—	20,860
Apparel and accessory stores	25,839	2,486	202	128	2,308	—	1,235	—	19,479
Eating and drinking places	457,638	170,251	166,952	22,015	93,202	3,178	316	-622	2,346
Miscellaneous retail stores	80,605	38,128	10,798	109	2,604	257	28,615	—	96
Finance, insurance and real estate	21,559,140	1,572,343	608,343	15,921,461	270,511	802,632	715,723	11,451	1,656,675
Banking	15,895,500	935,731	400,992	13,398,257	202,066	112,733	265,673	3,340	576,708
Credit agencies other than banks	1,868,099	170,820	29,123	829,912	29,364	260,771	64,810	333	482,966
Security, commodity brokers and services	392,295	33,264	7,178	291,800	5,708	49,120	—	4,894	331
Insurance	2,979,360	307,621	91,787	1,364,449	17,487	255,148	367,958	891	574,020
Insurance agents, brokers and services	202,867	60,425	37,372	23,237	6,378	68,937	2,109	607	3,801
Real estate	30,357	4,814	2,942	546	1,773	14,056	—	11	6,214
Holding & other investment companies except bank holding companies	190,664	59,669	38,949	13,259	7,735	41,868	15,173	1,375	12,634
Services	2,496,841	270,431	155,132	49,202	1,196,105	701,304	17,845	30,048	76,773
Hotels and other lodging places	*132,785	*64,331	*17,630	*778	*35,413	*12,002	*65	*430	*2,137
Personal services	103,918	23,765	20,709	1,627	2,089	55,290	—	338	99
Business services	810,161	132,861	91,499	23,825	189,809	300,330	14,896	6,970	49,972
Auto repair; miscellaneous repair services	*15,614	—	—	*4,482	*5,779	*457	—	—	*4,896
Amusement and recreational services	1,212,758	35,538	18,966	10,933	959,131	166,824	—	3,734	17,630
Other services	221,605	13,936	6,328	7,558	3,883	166,401	2,885	18,576	2,039

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118							
	Oil and gas extraction income (less loss)						Deductions other than from branch operations and specially allocable 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	Total	Deductions allocable to specific types of income: Total
	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)
All industries	18,093,774	10,909,143	237,186	6,827,128	123,828	-3,511	39,118,710	23,757,954
Agriculture, forestry and fishing	—	—	—	—	—	—	440,643	431,706
Mining	1,931,262	1,592,354	-243	231,604	114,737	-7,190	1,205,761	1,176,837
Metal mining	—	—	—	—	—	—	*387,973	*382,409
Coal mining	—	—	—	—	—	—	37,655	35,347
Oil and gas extraction	1,931,262	1,592,354	-243	231,604	114,737	-7,190	778,303	757,905
Nonmetallic minerals, except fuels	—	—	—	—	—	—	*1,829	*1,175
Construction	—	—	—	—	—	—	109,751	92,536
General building contractors and operative builders	—	—	—	—	—	—	64,731	57,075
Heavy construction contractors	—	—	—	—	—	—	23,074	14,149
Special trade contractors	—	—	—	—	—	—	*21,946	*21,312
Manufacturing	15,884,903	9,050,274	237,422	6,593,597	—	3,609	17,156,327	13,597,936
Food and kindred products	—	—	—	—	—	—	342,990	227,392
Tobacco manufactures	—	—	—	—	—	—	313,102	139,082
Textile mill products	—	—	—	—	—	—	21,003	12,762
Apparel and other textile products	—	—	—	—	—	—	9,288	6,493
Lumber and wood products	—	—	—	—	—	—	*5,966	*603
Furniture and fixtures	—	—	—	—	—	—	6,211	4,071
Paper and allied products	—	—	—	—	—	—	182,189	43,054
Printing and publishing	—	—	—	—	—	—	159,505	116,923
Chemicals and allied products	1,053,885	466,105	—	587,781	—	—	3,297,112	2,393,009
Petroleum (including integrated) and coal products	14,830,925	8,584,077	237,422	6,005,817	—	3,609	6,802,704	6,490,749
Rubber and miscellaneous plastic products	—	—	—	—	—	—	77,805	15,047
Leather and leather products	—	—	—	—	—	—	7,545	6,257
Stone, clay and glass products	—	—	—	—	—	—	162,263	93,420
Primary metal industries	—	—	—	—	—	—	276,888	163,178
Fabricated metal products	—	—	—	—	—	—	209,768	117,304
Machinery, except electrical	—	—	—	—	—	—	2,718,771	2,206,227
Electrical and electronic equipment	93	93	—	—	—	—	1,422,759	1,037,035
Motor vehicles and equipment	—	—	—	—	—	—	600,063	212,932
Transportation equipment, except motor vehicles	—	—	—	—	—	—	278,539	250,076
Instruments and related products	—	—	—	—	—	—	214,095	31,352
Miscellaneous manufacturing products & manufacturing not allocable	—	—	—	—	—	—	47,763	30,968
Transportation and public utilities	14,419	12,664	7	1,678	—	70	1,376,497	1,095,970
Transportation	70	—	—	—	—	70	599,077	545,907
Communication	—	—	—	—	—	—	753,357	533,103
Electric, gas and sanitary services	14,349	12,664	7	1,678	—	—	24,063	16,960
Wholesale and retail trade	257,080	247,740	—	249	9,091	—	2,015,194	1,495,117
Wholesale trade	257,080	247,740	—	249	9,091	—	1,654,524	1,305,820
Groceries and related products	—	—	—	—	—	—	*680	*633
Machinery, equipment and supplies	—	—	—	—	—	—	38,486	20,993
Miscellaneous wholesale trade	257,080	247,740	—	249	9,091	—	1,615,358	1,284,193
Drugs, chemicals and allied products	—	—	—	—	—	—	147,880	144,911
Petroleum and petroleum products	257,080	247,740	—	249	9,091	—	279,859	207,054
Other miscellaneous wholesale trade	—	—	—	—	—	—	1,187,618	932,227
Retail trade	—	—	—	—	—	—	360,670	189,297
General merchandise stores	—	—	—	—	—	—	254,301	147,950
Food stores							19,776	19,404
Apparel and accessory stores	—	—	—	—	—	—	12,867	12,825
Eating and drinking places	—	—	—	—	—	—	73,066	8,908
Miscellaneous retail stores	—	—	—	—	—	—	661	210
Finance, insurance and real estate	6,110	6,110	—	—	—	—	15,241,411	5,087,736
Banking	—	—	—	—	—	—	11,691,953	2,483,017
Credit agencies other than banks	—	—	—	—	—	—	1,659,250	977,772
Security, commodity brokers and services	—	—	—	—	—	—	147,976	63,474
Insurance	6,110	6,110	—	—	—	—	1,588,466	1,457,960
Insurance agents, brokers and services	—	—	—	—	—	—	74,564	47,224
Real estate	—	—	—	—	—	—	18,190	16,252
Holding & other investment companies except bank holding companies	—	—	—	—	—	—	61,014	42,038
Services	—	—	—	—	—	—	1,573,125	780,117
Hotels and other lodging places	—	—	—	—	—	—	*52,844	*21,020
Personal services	—	—	—	—	—	—	53,178	47,527
Business services	—	—	—	—	—	—	391,075	323,512
Auto repair; miscellaneous repair services	—	—	—	—	—	—	*12,776	*6,928
Amusement and recreational services	—	—	—	—	—	—	890,520	237,235
Other services	—	—	—	—	—	—	172,732	143,895

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118							
	Deductions other than from branch operations and specially allocable income—Continued							
	Deductions allocable to specific types of income—Continued				Deductions not allocable to specific types of income			
	Rental, royalty and licensing expenses		Service expenses	Other deductions	Total	Research and development	Interest	General and administrative
	Depreciation, depletion and amortization	Other						
	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)
All industries	318,003	973,931	2,877,092	19,588,927	15,360,756	83,188	5,307,304	1,926,676
Agriculture, forestry and fishing	—	283	—	431,423	8,937	—	6,937	1,901
Mining	75,249	325,938	172,006	603,644	28,924	9	3,270	77
Metal mining	—	—	*168,955	*213,454	*5,564	—	*38	*66
Coal mining	—	1,079	—	34,268	2,308	—	—	—
Oil and gas extraction	75,249	324,859	3,051	354,747	20,398	9	3,233	11
Nonmetallic minerals, except fuels	—	—	—	*1,175	*654	—	—	—
Construction	5	1,383	83,033	8,115	17,216	—	446	4,418
General building contractors and operative builders	—	—	56,402	673	7,656	—	446	4,422
Heavy construction contractors	5	1	6,701	7,442	8,926	—	—	—
Special trade contractors	—	*1,383	*19,930	—	*634	—	—	*−4
Manufacturing	121,352	252,974	642,355	12,581,254	3,558,391	82,608	547,556	1,226,419
Food and kindred products	203	59,134	12,914	155,142	115,597	—	20,354	5,138
Tobacco manufactures	—	437	4,727	133,918	174,020	—	65,374	94,028
Textile mill products	67	2,670	5,330	4,695	8,241	—	2,303	731
Apparel and other textile products	5	2,714	1	3,773	2,795	—	432	246
Lumber and wood products	—	—	*439	*164	*5,363	—	*188	*72
Furniture and fixtures	—	—	2,566	1,505	2,140	—	—	—
Paper and allied products	—	137	2,394	40,523	139,134	7,308	6,940	76,898
Printing and publishing	246	17,094	38,410	61,174	42,582	—	—	—
Chemicals and allied products	3,754	14,558	99,991	2,274,707	904,102	14,860	77,323	347,974
Petroleum (including integrated) and coal products	9	4,724	57,314	6,428,703	311,954	—	101,213	160,408
Rubber and miscellaneous plastic products	56	1,848	1,438	11,705	62,759	10,826	12,768	25,097
Leather and leather products	11	127	2,421	3,698	1,288	—	352	—
Stone, clay and glass products	507	1,157	12,524	79,232	68,843	—	8,409	17,295
Primary metal industries	26,952	62,842	4,982	68,403	113,709	—	11,511	80,891
Fabricated metal products	2,039	1,475	24,057	89,732	92,464	3,233	19,551	34,677
Machinery, except electrical	36,260	16,982	16,051	2,136,934	512,544	22,456	35,698	165,913
Electrical and electronic equipment	18,507	41,350	180,769	796,409	385,724	23,768	23,654	69,058
Motor vehicles and equipment	22,831	4,156	63,675	122,270	387,130	−35	135,084	61,423
Transportation equipment, except motor vehicles	9,872	7,474	101,425	131,305	28,463	—	19,125	3,704
Instruments and related products	14	651	10,728	19,959	182,743	189	7,018	82,678
Miscellaneous manufacturing products & manufacturing not allocable	19	13,446	200	17,304	16,794	3	258	189
Transportation and public utilities	2,618	19,412	962,536	111,403	280,528	—	24,353	3,178
Transportation	506	353	537,223	7,824	53,170	—	23,858	2,264
Communication	1,701	17,726	425,249	88,426	220,254	—	494	914
Electric, gas and sanitary services	411	1,332	64	15,152	7,103	—	—	—
Wholesale and retail trade	1,600	2,644	71,747	1,419,125	520,078	—	20,856	9,773
Wholesale trade	1,481	1,581	48,103	1,254,655	348,705	—	14,794	1,500
Groceries and related products	—	—	—	*633	*47	—	*3	—
Machinery, equipment and supplies	—	92	23	20,879	17,493	—	5,141	(1)
Miscellaneous wholesale trade	1,481	1,489	48,080	1,233,142	331,165	—	9,651	1,501
Drugs, chemicals and allied products	—	—	—	144,911	2,969	—	473	436
Petroleum and petroleum products	1,170	—	—	205,884	72,805	—	4,037	—
Other miscellaneous wholesale trade	311	1,489	48,080	882,347	255,391	—	5,140	1,065
Retail trade	119	1,063	23,645	164,470	171,373	—	6,061	8,273
General merchandise stores	—	—	21,618	126,333	106,351	—	6,028	8,229
Food stores	—	—	—	19,404	372	—	—	—
Apparel and accessory stores	—	739	—	12,086	41	—	15	—
Eating and drinking places	119	313	2,027	6,449	64,158	—	—	—
Miscellaneous retail stores	—	11	—	199	451	—	18	43
Finance, insurance and real estate	49,243	217,028	527,081	4,294,384	10,153,675	90	4,703,385	676,887
Banking	44,887	200,847	46,404	2,190,880	9,208,935	90	4,688,326	642,801
Credit agencies other than banks	2,712	2,692	220,180	752,188	681,478	—	7,036	1,441
Security, commodity brokers and services	811	3,055	33,260	26,347	84,502	—	—	—
Insurance	−121	11,215	149,212	1,297,654	130,506	—	5,068	31,340
Insurance agents, brokers and services	—	—	45,181	2,044	27,340	—	572	—
Real estate	—	−959	13,615	3,596	1,938	—	—	—
Holding & other investment companies except bank holding companies	954	179	19,230	21,674	18,976	—	2,383	1,304
Services	67,936	154,268	418,334	139,579	793,008	480	500	4,022
Hotels and other lodging places	—	*8,487	*10,957	*1,576	*31,824	—	—	—
Personal services	—	423	44,833	2,271	5,651	—	—	—
Business services	4,457	54,165	223,440	41,450	67,563	480	390	1,885
Auto repair; miscellaneous repair services	*3,625	—	*201	*3,101	*5,849	—	—	—
Amusement and recreational services	58,914	88,393	14,548	75,380	653,285	—	—	2,137
Other services	940	2,800	124,354	15,800	28,837	—	110	—

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118								
	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	Recapture of prior year foreign losses	After loss recapture
	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)
All industries	6,086,517	6,011,916	74,601	65,809,314	9,496,597	1,900,781	54,411,935	176,980	65,632,334
Agriculture, forestry and fishing	—	—	—	89,417	-2,103	973	90,547	4,667	84,750
Mining	845,227	799,644	45,584	1,474,879	53,810	-24	1,421,093	—	1,474,879
Metal mining	—	—	—	*105,671	*70,308	—	*35,363	—	*105,671
Coal mining	—	—	—	12,108	108	—	12,000	—	12,108
Oil and gas extraction	845,227	799,644	45,584	1,348,218	-20,937	—	1,369,155	—	1,348,218
Nonmetallic minerals, except fuels	—	—	—	*8,882	*4,331	*-24	*4,575	—	*8,882
Construction	—	—	—	203,554	9,063	780	193,711	1,210	202,344
General building contractors and operative builders	—	—	—	58,679	—	780	57,899	1,210	57,469
Heavy construction contractors	—	—	—	133,382	9,063	—	124,319	—	133,382
Special trade contractors	—	—	—	*11,493	—	—	*11,493	—	*11,493
Manufacturing	5,123,119	5,096,278	26,841	48,808,782	4,871,610	1,775,902	42,161,271	130,772	48,678,011
Food and kindred products	—	—	—	2,029,615	202,041	15,249	1,812,326	41,449	1,988,167
Tobacco manufactures	—	—	—	643,244	-68,710	104,790	607,164	—	643,244
Textile mill products	—	—	—	90,190	-8	10	90,189	790	89,401
Apparel and other textile products	—	—	—	46,902	1,679	36	45,187	6,167	40,735
Lumber and wood products	—	—	—	*106,934	*1,388	*-12,405	*117,951	—	*106,934
Furniture and fixtures	—	—	—	40,640	86	366	40,188	—	40,640
Paper and allied products	—	—	—	767,718	4,180	18,648	744,890	830	766,888
Printing and publishing	—	—	—	401,312	-23,248	4,875	419,685	—	401,312
Chemicals and allied products	23,404	4,285	19,118	7,744,091	590,224	263,612	6,890,255	17,032	7,727,059
Petroleum (including integrated) and coal products	5,099,623	5,091,900	7,723	16,000,128	3,813,694	47,609	12,138,826	30,320	15,969,808
Rubber and miscellaneous plastic products	—	—	—	538,581	-1,838	2,191	538,228	28,511	510,070
Leather and leather products	—	—	—	60,412	388	-1,016	61,040	44	60,368
Stone, clay and glass products	—	—	—	621,410	744	11,893	608,773	401	621,009
Primary metal industries	—	—	—	426,267	7,349	22,335	396,582	68	426,198
Fabricated metal products	—	—	—	783,947	21,869	15,034	747,044	193	783,754
Machinery, except electrical	—	—	—	9,596,648	267,623	350,054	8,978,972	2,499	9,594,150
Electrical and electronic equipment	93	93	—	5,458,641	134,957	259,492	5,064,192	894	5,457,747
Motor vehicles and equipment	—	—	—	2,168,987	-115,303	559,639	1,724,652	1,194	2,167,793
Transportation equipment, except motor vehicles	—	—	—	546,985	14,209	-3,639	536,415	—	546,985
Instruments and related products	—	—	—	608,043	18,967	115,609	473,467	181	607,862
Miscellaneous manufacturing products & manufacturing not allocable	—	—	—	128,085	1,319	1,521	125,245	199	127,886
Transportation and public utilities	8,370	8,370	—	1,701,947	28,261	88,489	1,585,197	5,092	1,696,855
Transportation	—	—	—	275,705	11,618	88,359	175,728	4,157	271,548
Communication	—	—	—	1,366,527	16,064	130	1,350,333	389	1,366,138
Electric, gas and sanitary services	8,370	8,370	—	59,715	579	—	59,137	545	59,170
Wholesale and retail trade	103,549	101,373	2,176	1,856,204	131,648	18,136	1,706,420	13,062	1,843,142
Wholesale trade	103,549	101,373	2,176	899,595	38,819	18,073	842,704	1,557	898,038
Groceries and related products	—	—	—	*1,649	—	—	*1,649	—	*1,649
Machinery, equipment and supplies	—	—	—	75,164	2,601	1,633	70,930	—	75,164
Miscellaneous wholesale trade	103,549	101,373	2,176	822,783	36,217	16,440	770,126	1,557	821,226
Drugs, chemicals and allied products	—	—	—	108,202	8,733	655	98,814	—	108,202
Petroleum and petroleum products	103,549	101,373	2,176	316,543	485	—	316,058	367	316,176
Other miscellaneous wholesale trade	—	—	—	398,038	26,999	15,785	355,254	1,191	396,847
Retail trade	—	—	—	956,609	92,830	63	863,716	11,505	945,104
General merchandise stores	—	—	—	285,283	59,141	—	226,142	11,505	273,779
Food stores	—	—	—	160,328	244	—	160,085	—	160,328
Apparel and accessory stores	—	—	—	12,972	—	—	12,972	—	12,972
Eating and drinking places	—	—	—	418,835	34,200	63	384,572	—	418,835
Miscellaneous retail stores	—	—	—	79,190	-755	—	79,944	—	79,190
Finance, insurance and real estate	6,252	6,252	(1)	10,619,505	4,291,240	10,536	6,317,729	14,316	10,605,189
Banking	—	—	—	8,107,227	3,903,680	(1)	4,203,547	5,876	8,101,351
Credit agencies other than banks	—	—	—	350,768	141,919	—	208,849	—	350,768
Security, commodity brokers and services	—	—	—	272,522	28,203	—	244,319	—	272,522
Insurance	6,252	6,252	(1)	1,611,338	209,907	10,536	1,390,894	8,107	1,603,231
Insurance agents, brokers and services	—	—	—	125,684	-2,619	—	128,303	—	125,684
Real estate	—	—	—	17,545	5,378	—	12,167	—	17,545
Holding & other investment companies except bank holding companies	—	—	—	134,421	4,771	—	129,650	333	134,088
Services	—	—	—	1,042,773	113,068	5,988	923,716	7,861	1,034,912
Hotels and other lodging places	—	—	—	*122,645	*42,704	—	*79,941	—	*122,645
Personal services	—	—	—	50,990	250	—	50,740	—	50,990
Business services	—	—	—	500,947	75,872	5,988	419,087	7,861	493,086
Auto repair; miscellaneous repair services	—	—	—	*2,948	*110	—	*2,838	—	*2,948
Amusement and recreational services	—	—	—	315,609	-6,629	—	322,237	—	315,609
Other services	—	—	—	49,634	761	—	48,873	—	49,634

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118								
	Foreign taxes available for credit								
				Paid or accrued					
				Taxes withheld at source on				Other taxes paid or accrued on	
	Total after reduction	Reduction for certain foreign taxes	Total before reduction	Total	Dividends	Interest	Rents, royalties and license fees	Branch income	Service income
	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)
All industries	27,407,906	1,059,505	28,467,411	8,467,889	2,329,825	756,804	808,655	3,273,582	152,670
Agriculture, forestry and fishing	26,241	—	26,241	10,962	1,268	136	1,785	71	7,613
Mining	1,057,210	180,493	1,237,702	605,885	50,957	1,326	203,836	62,730	29,795
Metal mining	*168,261	*5,701	*173,961	*70,261	*36	*71	—	*40,389	*28,097
Coal mining	9,621	—	9,621	9,604	—	281	132	95	—
Oil and gas extraction	877,113	174,792	1,051,906	524,940	50,553	854	203,688	21,785	1,658
Nonmetallic minerals, except fuels	*2,214	—	*2,214	*1,080	*368	*121	*16	*460	*39
Construction	100,127	—	100,127	30,307	9,236	88	1,516	4,307	707
General building contractors and operative builders	36,833	—	36,833	2,995	1,394	65	443	—	306
Heavy construction contractors	58,570	—	58,570	26,654	7,371	8	1,070	4,307	232
Special trade contractors	*4,724	—	*4,724	*657	*471	*15	*2	—	*169
Manufacturing	21,995,773	851,926	22,847,699	5,813,368	2,086,037	125,544	517,900	2,348,107	75,446
Food and kindred products	840,968	—	840,968	246,198	87,712	9,538	22,385	108,168	2,448
Tobacco manufactures	292,199	—	292,199	65,761	35,354	884	14,196	13,596	34
Textile mill products	31,246	—	31,246	6,152	3,334	55	1,213	1,181	351
Apparel and other textile products	7,977	—	7,977	4,530	1,138	34	3,080	227	26
Lumber and wood products	*49,025	*43	*49,068	*7,574	*4,283	*1,911	*782	*560	*6
Furniture and fixtures	11,148	—	11,148	3,981	2,937	142	745	100	57
Paper and allied products	281,325	—	281,325	65,297	38,206	2,163	14,747	5,026	284
Printing and publishing	138,950	—	138,950	31,487	11,099	927	6,468	6,377	123
Chemicals and allied products	3,263,203	22,176	3,285,379	825,736	364,679	19,893	90,271	311,926	8,460
Petroleum (including integrated) and coal products	9,381,313	829,025	10,210,338	2,903,559	642,871	36,308	9,817	1,664,089	24,207
Rubber and miscellaneous plastic products	191,773	—	191,773	49,765	26,793	519	9,443	1,431	6,143
Leather and leather products	24,854	188	25,042	3,640	1,747	43	892	444	286
Stone, clay and glass products	250,009	—	250,009	41,169	29,545	235	9,602	333	677
Primary metal industries	196,061	—	196,061	30,182	12,889	367	11,273	4,359	362
Fabricated metal products	349,258	—	349,258	69,509	47,982	2,291	7,114	6,345	435
Machinery, except electrical	3,724,867	116	3,724,983	798,480	404,865	14,445	231,301	132,080	2,157
Electrical and electronic equipment	1,604,687	379	1,605,065	270,267	107,010	7,427	58,408	45,762	11,829
Motor vehicles and equipment	887,276	—	887,276	307,409	218,990	22,046	8,329	34,753	16,729
Transportation equipment, except motor vehicles	218,066	—	218,066	30,090	20,436	1,580	3,074	4,889	25
Instruments and related products	204,370	—	204,370	40,977	20,596	1,403	12,601	5,236	766
Miscellaneous manufacturing products & manufacturing not allocable	47,197	—	47,197	11,605	3,571	3,333	2,158	1,226	40
Transportation and public utilities	240,916	3	240,919	59,810	23,282	4,702	11,617	6,791	3,838
Transportation	63,911	3	63,914	17,067	4,423	4,333	788	4,025	1,962
Communication	155,549	—	155,549	39,616	17,919	324	10,608	2,636	1,869
Electric, gas and sanitary services	21,456	—	21,456	3,127	939	45	221	130	7
Wholesale and retail trade	860,091	26,220	886,312	236,370	50,015	6,084	15,830	40,440	3,818
Wholesale trade	446,528	26,220	472,748	153,941	26,033	2,573	4,069	21,873	2,702
Groceries and related products	*320	—	*320	*248	*131	*89	*15	—	—
Machinery, equipment and supplies	29,696	1	29,697	7,710	2,671	89	1,230	1,649	208
Miscellaneous wholesale trade	416,512	26,219	442,731	145,983	23,231	2,395	2,825	20,224	2,494
Drugs, chemicals and allied products	20,648	—	20,648	5,360	1,321	531	959	2,517	12
Petroleum and petroleum products	269,021	26,219	295,240	106,715	13,118	46	84	399	—
Other miscellaneous wholesale trade	126,843	—	126,843	33,907	8,792	1,818	1,782	17,308	2,482
Retail trade	413,564	—	413,564	82,429	23,983	3,511	11,760	18,567	1,117
General merchandise stores	120,164	—	120,164	42,327	8,530	1,216	697	11,600	729
Food stores	65,705	—	65,705	14,458	10,853	85	2,268	193	—
Apparel and accessory stores	4,122	—	4,122	3,920	726	37	416	—	—
Eating and drinking places	210,367	—	210,367	20,085	2,404	2,155	8,292	6,773	369
Miscellaneous retail stores	13,206	—	13,206	1,638	1,470	17	87	—	19
Finance, insurance and real estate	2,718,543	863	2,719,406	1,572,063	95,974	616,461	8,030	761,227	14,510
Banking	2,150,630	—	2,150,630	1,324,005	74,747	585,778	4,288	634,561	335
Credit agencies other than banks	119,852	—	119,852	64,723	2,958	11,870	2,527	29,656	414
Security, commodity brokers and services	45,751	—	45,751	20,515	3,090	3,557	158	9,865	2,984
Insurance	285,599	863	286,462	145,250	7,258	15,059	139	82,712	9,439
Insurance agents, brokers and services	47,092	—	47,092	4,462	3,681	43	116	—	4
Real estate	7,046	—	7,046	4,080	296	(1)	37	2,247	1,197
Holding & other investment companies except bank holding companies	62,575	—	62,575	9,029	3,943	154	764	2,186	136
Services	408,906	—	408,906	139,125	13,056	2,463	48,142	49,908	16,943
Hotels and other lodging places	*72,330	—	*72,330	*28,247	*1,945	*83	*5,355	*16,110	*3,741
Personal services	35,135	—	35,135	4,205	2,175	68	156	191	1,492
Business services	169,295	—	169,295	60,695	6,884	1,417	9,795	31,642	8,572
Auto repair; miscellaneous repair services	*558	—	*558	*558	—	*526	*5	*21	*6
Amusement and recreational services	103,943	—	103,943	36,820	1,536	104	32,362	1,628	776
Other services	27,643	—	27,643	8,599	517	265	468	316	2,356

Footnotes at end of table.

All Corporation Returns with Foreign Tax Credit

Table 1.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Major Industry—Continued

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

Major and selected minor industries	Foreign income and taxes reported on Form 1118									
	Foreign taxes available for credit—Continued				Foreign tax credit computed			Income taxes of related foreign corporations and IC-DISCs		
	Paid or accrued—Continued		Deemed paid	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations	Dividends paid or constructively distributed to domestic corporations	Dividends constructively distributed to domestic corporations	Taxes deemed paid by domestic corporations on constructively received dividends
	Other taxes paid or accrued—Continued									
	Partnership income	Other income								
	(60)	(61)	(62)	(63)	(64)	(65)	(66)	(67)	(68)	(69)
All industries	41,785	1,104,564	14,635,173	5,364,349	22,260,336	727	22,259,609	22,444,065	3,132,133	1,218,183
Agriculture, forestry and fishing	21	67	4,730	10,550	12,641	—	12,641	9,743	976	1,067
Mining	1	257,241	226,611	405,206	618,542	—	618,542	204,698	54,471	76,916
Metal mining	—	*1,667	*2,927	*100,774	*47,478	—	*47,478	*356	—	—
Coal mining	—	9,096	—	17	1,790	—	1,790	—	—	—
Oil and gas extraction	1	246,401	222,741	304,224	567,707	—	567,707	203,273	54,061	76,678
Nonmetallic minerals, except fuels	—	*77	*943	*191	*1,567	—	*1,567	*1,069	*410	*237
Construction	13,632	821	45,748	24,073	81,715	—	81,715	79,169	6,199	1,554
General building contractors and operative builders	—	787	13,184	20,654	21,033	—	21,033	22,082	3,103	316
Heavy construction contractors	13,632	34	28,497	3,418	55,982	—	55,982	52,040	3,096	1,237
Special trade contractors	—	—	*4,067	—	*4,700	—	*4,700	*5,046	—	—
Manufacturing	18,951	641,382	12,989,791	4,044,541	18,094,634	721	18,093,913	19,424,794	2,346,993	971,349
Food and kindred products	1,159	14,788	560,589	34,182	762,710	116	762,593	834,584	150,601	82,829
Tobacco manufactures	531	1,167	226,438	—	268,650	—	268,650	285,940	104,857	39,417
Textile mill products	18	—	22,825	2,269	29,499	—	29,499	43,352	350	263
Apparel and other textile products	24	(1)	3,019	428	7,401	—	7,401	8,138	4,458	857
Lumber and wood products	—	*32	*41,494	—	*41,986	—	*41,986	*52,180	*9,234	*3,413
Furniture and fixtures	—	—	4,456	2,712	9,494	—	9,494	10,780	348	143
Paper and allied products	182	4,688	203,248	12,779	275,948	—	275,948	257,962	9,486	3,829
Printing and publishing	4,549	1,944	91,424	16,040	129,943	—	129,943	136,072	6,548	2,587
Chemicals and allied products	6,980	23,527	2,197,589	262,054	3,070,845	212	3,070,633	3,410,322	913,554	390,345
Petroleum (including integrated) and coal products	250	526,018	4,177,618	3,129,161	7,072,410	—	7,072,410	6,158,955	602,584	260,546
Rubber and miscellaneous plastic products	—	5,436	135,964	6,043	135,258	—	135,258	288,757	18,574	4,003
Leather and leather products	—	228	21,349	53	20,899	—	20,899	25,522	8,245	9,517
Stone, clay and glass products	—	777	173,175	35,664	229,526	16	229,511	296,778	8,609	4,073
Primary metal industries	(1)	932	118,854	47,024	119,105	—	119,105	171,013	41,975	2,211
Fabricated metal products	4,468	875	230,512	49,237	302,961	—	302,961	371,606	16,327	7,786
Machinery, except electrical	15	13,615	2,829,754	96,749	3,092,447	11	3,092,436	3,276,634	71,339	26,559
Electrical and electronic equipment	21	39,810	1,024,914	309,884	1,498,155	19	1,498,135	2,345,695	175,953	52,077
Motor vehicles and equipment	754	5,807	577,362	2,505	591,345	(1)	591,345	905,635	118,680	21,206
Transportation equipment, except motor vehicles	—	85	171,701	16,275	211,316	—	211,316	275,248	3,385	1,419
Instruments and related products	—	375	148,235	15,158	180,547	328	180,219	218,724	74,013	56,778
Miscellaneous manufacturing products & manufacturing not allocable	—	1,277	29,271	6,322	44,189	19	44,169	50,897	7,873	1,492
Transportation and public utilities	1,123	8,456	164,110	17,000	232,025	6	232,019	399,835	207,593	42,004
Transportation	35	1,501	31,053	15,793	58,258	—	58,258	100,989	44,768	5,209
Communication	1,088	5,171	115,921	13	154,349	6	154,343	254,985	130,134	29,570
Electric, gas and sanitary services	—	1,785	17,135	1,194	19,418	—	19,418	43,861	32,691	7,226
Wholesale and retail trade	645	119,537	440,615	209,327	641,900	—	641,900	801,640	146,171	32,116
Wholesale trade	553	96,138	150,195	168,612	289,985	—	289,985	332,965	35,609	11,174
Groceries and related products	—	*14	*9	*62	*267	—	*267	*10	—	—
Machinery, equipment and supplies	15	1,849	12,052	9,935	22,584	—	22,584	32,179	782	212
Miscellaneous wholesale trade	538	94,275	138,133	158,615	267,135	—	267,135	300,776	34,827	10,962
Drugs, chemicals and allied products	—	21	14,041	1,246	20,306	—	20,306	21,988	404	282
Petroleum and petroleum products	—	93,067	43,427	145,098	143,748	—	143,748	150,312	22,361	7,661
Other miscellaneous wholesale trade	538	1,186	80,665	12,271	103,080	—	103,080	128,477	12,061	3,019
Retail trade	92	23,400	290,420	40,715	351,915	—	351,915	468,675	110,562	20,942
General merchandise stores	1	19,555	61,262	16,575	97,171	—	97,171	174,845	87,843	17,441
Food stores	—	1,059	51,206	41	61,364	—	61,364	84,449	650	403
Apparel and accessory stores	—	2,741	202	—	4,122	—	4,122	1,433	991	105
Eating and drinking places	91	—	166,952	23,330	176,898	—	176,898	169,917	21,077	2,993
Miscellaneous retail stores	—	45	10,798	770	12,361	—	12,361	38,031	—	—
Finance, insurance and real estate	2,449	73,409	608,338	539,005	2,261,523	—	2,261,523	1,295,847	351,509	84,988
Banking	680	23,615	400,992	425,633	1,769,474	—	1,769,474	845,890	205,770	31,821
Credit agencies other than banks	—	17,297	29,123	26,006	116,702	—	116,702	104,072	27,767	13,337
Security, commodity brokers and services	660	201	7,178	18,058	42,299	—	42,299	24,042	8,399	1,826
Insurance	361	30,281	91,787	49,426	235,791	—	235,791	213,427	103,298	34,972
Insurance agents, brokers and services	181	436	37,369	5,261	43,746	—	43,746	52,915	5,730	2,941
Real estate	2	297	2,942	24	6,595	—	6,595	3,529	490	81
Holding & other investment companies except bank holding companies	565	1,282	38,947	14,598	46,916	—	46,916	51,973	54	9
Services	4,962	3,651	155,132	114,648	317,257	—	317,257	225,845	18,222	8,190
Hotels and other lodging places	—	*1,012	*17,630	*26,453	*39,023	—	*39,023	*46,150	*89	*49
Personal services	123	—	20,709	10,220	22,763	—	22,763	23,765	720	244
Business services	194	2,191	91,499	17,102	138,213	—	138,213	118,773	1,778	241
Auto repair; miscellaneous repair services	—	—	—	—	*558	—	*558	—	—	—
Amusement and recreational services	415	—	18,966	48,157	100,275	—	100,275	26,009	12,117	5,179
Other services	4,229	447	6,328	12,716	16,426	—	16,426	11,149	3,519	2,478

* This number should be used with caution because of the small number of sample returns on which it was based

(1) Less than $500

Note: Details may not add to totals due to rounding and because "nature of business not allocable" was excluded.

Corporation Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 2.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Type of Foreign Income for which Separate Credit was Computed

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

Type of foreign income for which separate credit was computed	Number of returns	Total assets	Total receipts	Dividends received from foreign corporations	Dividends received from IC-DISC'S or former DISC'S	Includable income of controlled foreign corporations	Foreign dividend income resulting from foreign taxes deemed paid (gross-up)	Net income (less deficit)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All industries								
Total	4,409	5,404,718,817	2,437,660,227	21,552,980	325,101	3,941,706	14,635,281	140,430,545
Certain interest income	328	1,281,939,078	924,551,338	12,556,521	169,003	2,673,542	9,870,252	53,305,957
Dividends from an IC-DISC or former DISC	33	136,465,568	116,554,197	1,723,364	113,661	187,005	1,754,091	9,533,888
Foreign trade income of a FSC	*42	*386,942	*1,384,834	—	—	—	—	*53,738
Distributions from a FSC or former FSC	27	241,886,593	145,680,567	3,114,534	91,375	521,520	1,943,126	11,282,812
All other foreign source income	4,208	5,306,964,111	2,422,505,377	21,544,610	324,990	3,939,110	14,634,816	139,147,761
Foreign oil & gas extraction income	30	382,948,008	277,795,674	6,565,707	19,244	1,202,300	4,930,253	22,062,055

Type of foreign income for which separate credit was computed	Income subject to U.S. tax	U.S. income tax before credits		Foreign tax credit claimed	U.S. possessions tax credit	General business credit	Other credits	U.S. income tax after credits
		Total	Regular and alternative tax					
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
All industries								
Total	130,506,344	54,661,965	53,347,108	22,258,235	5,054	6,386,239	35,249	25,977,189
Certain interest income	50,663,018	21,969,551	21,444,853	13,854,614	—	1,832,834	33,404	6,248,699
Dividends from an IC-DISC or former DISC	9,127,404	4,019,931	3,944,417	2,106,694	—	410,382	1,992	1,500,864
Foreign trade income of a FSC	*53,738	*24,194	*24,194	*267	—	—	—	*23,926
Distributions from a FSC or former FSC	10,698,376	4,666,895	4,561,008	3,331,794	—	391,807	976	942,318
All other foreign source income	129,408,468	54,207,565	52,896,532	22,251,581	5,054	6,302,649	35,249	25,613,032
Foreign oil & gas extraction income	21,588,961	9,422,822	9,228,954	8,519,611	—	291,696	31,399	580,115

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118							
	Gross income (less loss) excluding branch operations and specially allocable income						Deductions other than from branch operations and specially allocable income	Deductions from oil and gas extraction income
	Total	Dividends	Dividend gross-up	Interest	Other	Oil and gas extraction gross income (less loss)		
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All industries								
Total	93,530,645	25,789,233	14,635,179	18,670,536	34,435,696	18,093,774	39,118,710	6,086,517
Certain interest income	1,284,398	430,612	118,994	734,792	—	—	328,138	—
Dividends from an IC-DISC or former DISC	114,072	113,412	660	—	—	—	82,178	—
Foreign trade income of a FSC	*227,931	—	—	*1	*227,929	—	*173,764	—
Distributions from a FSC or former FSC	325,556	324,897	659	—	—	—	146,725	—
All other foreign source income	91,578,688	24,920,312	14,514,867	17,935,743	34,207,766	18,093,774	38,387,905	6,086,517
Foreign oil & gas extraction income	22,524,989	8,256,908	4,903,428	831,441	8,533,211	18,093,774	7,962,950	6,086,517

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118							
	Taxable income (less loss)						Foreign taxes available for credit	
	Before loss recapture				Recapture of prior year foreign losses	After loss recapture	Total after reduction	Reduction for certain foreign taxes
	Total	Foreign branch income	Specially allocable income (Section 863 (B))	Other than from branch operations and specially allocable income				
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)
All industries								
Total	65,809,314	9,496,597	1,900,781	54,411,935	176,980	65,632,334	27,407,906	1,059,505
Certain interest income	956,261	—	—	956,261	13,239	943,022	189,828	—
Dividends from an IC-DISC or former DISC	31,893	—	—	31,893	—	31,893	669	—
Foreign trade income of a FSC	*54,167	—	—	*54,167	—	*54,167	267	—
Distributions from a FSC or former FSC	178,831	—	—	178,831	—	178,831	782	—
All other foreign source income	64,588,162	9,496,597	1,900,781	53,190,784	163,741	64,424,421	27,216,361	1,059,505
Foreign oil & gas extraction income	12,007,257	4,223,896	41,977	14,562,038	30,320	18,797,591	11,190,083	1,008,559

Corporation Returns with Form 1118 Filed in Support of Foreign Tax Credit Claimed

Table 2.—Total Assets, Income, Taxes and Credits and Foreign Income, Taxes and Credit, by Type of Foreign Income for which Separate Credit was Computed—Continued

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

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118							
	Foreign taxes available for credit							
	Total before reduction	Paid or accrued on						Deemed paid
		Total	Dividends	Interest	Rents, royalties and license fees	Branch income	Other income	
	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)
All industries								
Total	28,467,411	8,467,889	2,329,825	756,804	808,655	3,273,582	1,299,019	14,635,173
Certain interest income	189,828	35,459	7,827	27,631	—	—	—	118,994
Dividends from an IC-DISC or former DISC	669	9	9	—	—	—	—	660
Foreign trade income of a FSC	*267	*267	—	—	—	—	*267	—
Distributions from a FSC or former FSC	782	122	122	—	—	—	—	659
All other foreign source income	28,275,866	8,432,031	2,321,866	729,173	808,655	3,273,582	1,298,752	14,514,861
Foreign oil & gas extraction income	12,243,157	2,601,164	757,404	19,618	219,978	1,903,935	894,359	3,181,082

Type of foreign income for which separate credit was computed	Foreign income and taxes reported on Form 1118			
	Foreign taxes available for credit—continued	Foreign tax credit computed		
	Carryover	Before reduction for international boycott operations	Reduction for international boycott operations	After reduction for international boycott operations
	(41)	(42)	(43)	(44)
All industries				
Total	5,364,349	22,260,336	727	22,259,609
Certain interest income	35,375	128,534	—	—
Dividends from an IC-DISC or former DISC	—	669	—	—
Foreign trade income of a FSC	—	*267	—	—
Distributions from a FSC or former FSC	(1)	782	—	—
All other foreign source income	5,328,974	22,130,085	—	—
Foreign oil & gas extraction income	596,512	8,491,184	—	—

* This number should be used with caution because of the small number of sample returns on which it was based

(1) Less than $500

Note: The data in columns 1–16 pertain to the total activity of the domestic parent corporation. Since many corporations compute a foreign tax credit for more than one type of foreign income, the data in these columns are not additive. Data in columns 43 and 44 are reported as corporate totals only. The data in columns 17–21, 23, 26–31, 33, 35–39 and 42 of the foreign oil and gas extraction income line represent the amounts of total all other foreign source income and tax for those corporations reporting foreign oil and gas extraction income and taxes. The data in columns 22, 24, 25, 34, 40 and 41 of the foreign oil and gas extraction income line are the actual foreign oil and gas extraction income and tax amounts. Form 1118 detail may not add to totals due to rounding.