Corporate Foreign Tax Credit, 1988: An Industry Focus

by Karla M. Daronco and Kimberly A. Veletto

For 1988, U.S. corporations paid approximately $29.4 billion in taxes to foreign governments on almost $99.9 billion of foreign-source taxable (net) income. Although only 4,230 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 1988 reduced the total U.S. corporation income tax liability by $27.1 billion, or 18.1 percent [1]. Manufacturers, with a total foreign tax credit of nearly $21.9 billion accounted for 80.7 percent of the total credit. The integrated petroleum and non-electrical machinery manufacturing industries claimed the largest amounts of the credit [2].

Not since the late 1970's had the total foreign tax credit claimed exceeded the $25 billion mark (Figure A). A major factor behind the 21.7 percent increase in the credit claimed between 1986 and 1988 was the explosive growth in foreign-source taxable income. For this period, foreign-source taxable income of corporations increased by almost 51.8 percent, from $65.8 billion for 1986 to nearly $99.9 billion for 1988 [3].

Foreign Tax Credit: An Overview

U.S. corporations are subject to U.S. tax on their worldwide income. Income earned by these companies in a foreign country is generally taxed by the foreign country, as well as by the United States and could result in double taxation. Since 1918, U.S. tax law has allowed corporations a credit to reduce U.S. income tax for taxes paid to foreign countries, in order to alleviate this situation. Over the years, changes in the foreign tax credit provisions of U.S. tax law have often paralleled the development of U.S. business activities. For instance, when modern U.S. income taxation began in 1913, some U.S. corporations had operations in countries where income tax rates exceeded the U.S. tax rate. Corporations would use these higher foreign taxes to offset their domestic tax liability. 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 limitation was determined by dividing foreign-source taxable income into worldwide taxable income and applying the percentage to the U.S. tax liability, before credits, on worldwide income.

Corporations could, nevertheless, attempt to maximize their foreign tax credit by combining income from overseas investments (generally taxed at relatively low rates) with foreign-source income taxed at rates higher than the domestic rate, to increase the ratio used to compute the credit limit. For example, interest from certain foreign investments was often taxed at either very low rates or not at all. Other types of foreign income, such as manufacturing income or "active" rents and royalties, however, were often taxed at rates higher than the U.S. rate. By combining the "passive" foreign interest income (and lower foreign taxes paid) with other types of foreign income (on which the tax was higher), more of the foreign taxes that exceeded the U.S. tax rate could be credited against the U.S. income tax because the limitation was increased by the interest income. In 1961, the U.S. Congress responded by establishing separate limitations on the foreign tax credit based on several different categories of foreign income.

Changes in the Law

The data for Tax Year 1988 reflect certain changes in the foreign tax credit provisions of U.S. tax law. The Tax Reform Act of 1986 significantly expanded the prior system of separate income-type limitations while maintaining the principle of the overall foreign tax credit limitation in lieu of a per-country limitation [4]. The expanded system of separate limitation income "baskets" is designed to prevent averaging of low-tax foreign-source income with high-tax foreign-source income. The 1986 Act also broadens the potential for allocating expenses to foreign sources.

For the tax years immediately preceding 1987, the credit limitation was computed separately for five types or "baskets" of income. These baskets were for Internal Revenue Code section 904(d) interest income, dividends from an Interest Charge-Domestic International Sales Corporation (IC-DISC) or a former DISC, taxable income attributable to the "foreign trade income" of a Foreign Sales Corporation (FSC), distributions from a FSC out of earnings and profits attributable to foreign trade income, and all other income [5]. For tax years beginning after 1986, a taxpayer must compute the foreign tax credit limitation separately for nine types of income. These baskets are for "passive income," financial services income, high withholding tax interest, shipping income, dividends from each non-controlled section 902 corporation, dividends from an IC-DISC or former DISC, taxable income attributable to the foreign trade income of a FSC, distributions from a FSC out of earnings and profits attributable to foreign

Manufacturing industries accounted for 80.7 percent of the $27.1 billion total foreign tax credit.

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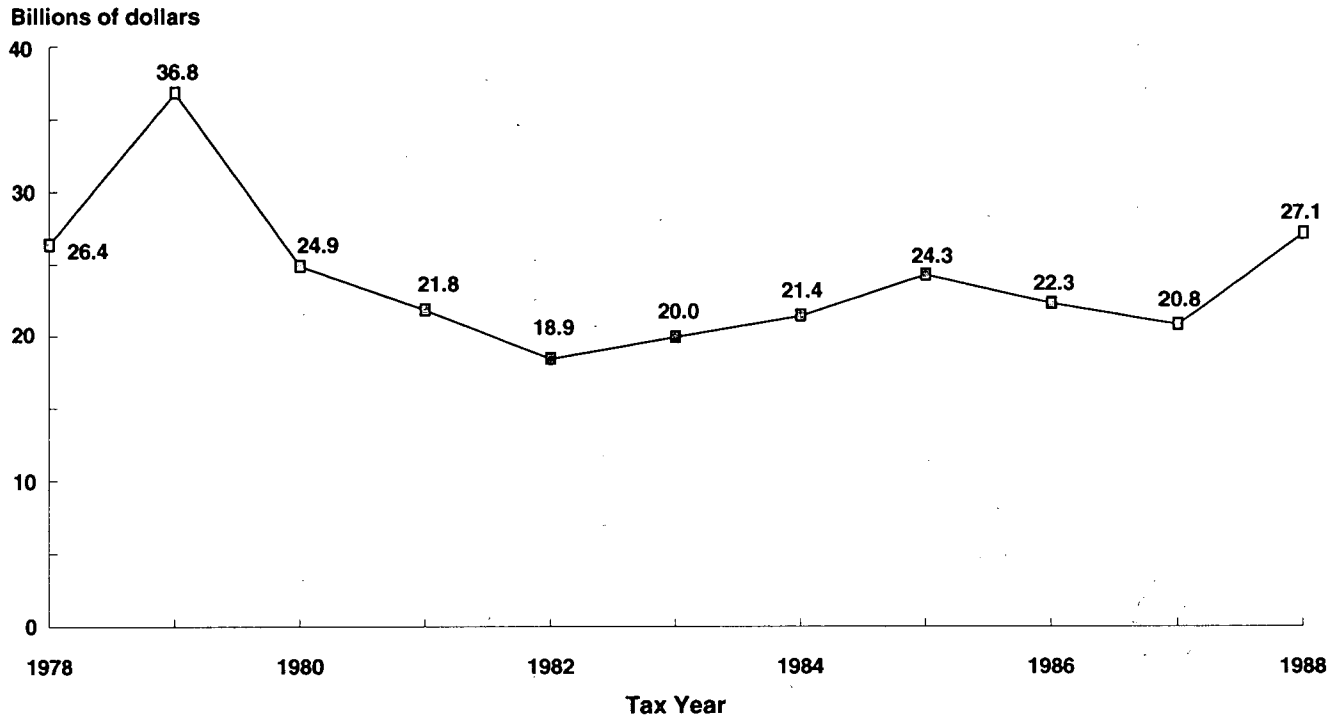
Figure A

Corporate Foreign Tax Credit, 1978 - 1988



trade income, and all other income [6].

The sum of the foreign tax credits for each income type comprises the total foreign tax credit that can be claimed. Table 1 shows the foreign tax credit data arranged by income type and also shows taxable income and foreign taxes. If the actual taxes paid, accrued, or deemed paid exceed the limitation, the excess can be carried back 2 years, or carried forward 5 years, to be applied to the income type for which the tax was paid, accrued or deemed paid. In addition, participation in, or cooperation with, an international boycott can reduce the total foreign tax credit claimed. For 1988, international boycott participation reduced the foreign tax credit claimed by $1.3 million, or less than 0.01 percent of the total.

Taxable Income

Worldwide taxable income for all U.S. corporations increased 39 percent between 1986 and 1988. At $383.2 billion for 1988, this income was higher than it had ever been during the 1980's.

Foreign-source taxable income reported by companies claiming a foreign tax credit during the same time, grew by 52 percent and comprised over a quarter of the worldwide taxable income reported by all U.S. corporations. On a percentage basis, most industries experienced significant gains in foreign-source taxable income during the 1986-1988 time period (Figure B) [7]. For example, within wholesale trade and services, foreign-source taxable income climbed by 175 and 141 percent, respectively. Furthermore, most of the manufacturing groups had significant increases in foreign income, the most notable being the motor vehicles manufacturing industry which had increased foreign-source income of 213 percent, from $2.2 to $6.8 billion. However, foreign-source income of the integrated petroleum industry continued to decline, by $2.1 billion (approximately 13 percent), continuing the trend started in the early 1980's.

Foreign Taxes and Foreign Tax Credits

For 1988, the total of reported foreign taxes paid or accrued was $9.3 billion. The amount of total taxes deemed paid was $20.0 billion. The total of current-year foreign taxes rose by 27.4 percent from the 1986 level to $29.3 billion for 1988. The effects of certain reductions in tax and carrybacks or carryovers brought the total foreign taxes available for credit to $31.6 billion.

The majority of the total foreign taxes paid or accrued for 1988 came from the "all other income from sources outside the United States" basket with 78 percent of the total, or $7.3 billion. The financial services income basket

Figure B

Foreign-Source Taxable Income, by Selected Industrial Groups, 1986 and 1988
[Money amounts are in millions of dollars]

Industry	1986	1988	Percentage increase
	(1)	(2)	(3)
All industries	**$65,809**	**$99,875**	**51.8%**
Agriculture, forestry and fishing	89	69	-22.5
Mining	1,475	2,127	44.2
Construction	204	337	65.2
Manufacturing, total	48,809	71,527	46.5
Food and kindred products	2,030	3,955	94.8
Chemicals and allied products	7,744	9,947	28.4
Petroleum (including integrated) and coal products	16,000	13,929	-12.9
Machinery, except electrical	9,597	14,150	47.4
Electrical and electronic equipment	5,549	5,447	-0.2
Motor vehicles and equipment	2,169	6,793	213.2
Transportation and public utilities	1,702	2,869	68.6
Wholesale trade	900	2,472	174.7
Retail trade	957	1,081	13.0
Finance, insurance and real estate, total	10,620	16,884	59.0
Banking	8,107	12,199	50.5
Insurance	1,611	3,084	91.4
Services	1,043	2,509	140.6

accounted for $1.6 billion, or 17 percent of the total amount claimed.

Certain industry groups reported an increase of over 100 percent in current-year foreign taxes from 1986 to 1988. These industry groups included motor vehicles and equipment, transportation and public utilities, wholesale trade, insurance and services.

A concern to U.S. corporations is that the foreign taxes they pay or accrue may exceed the foreign tax credit limitation, resulting in an excess foreign tax credit position [8]. This excess foreign tax credit situation arises for a variety of reasons. For instance, when the U.S. income tax rate is less than the foreign income tax rate, U.S. taxpayers will generally find themselves with excess foreign taxes because the limitation is usually equal to the U.S. tax rate times foreign-source taxable income. Secondly, the foreign tax credit separate income-type limitation categories added by the 1986 Act may also cause many U.S. corporations to find themselves in an excess foreign tax credit position. After a corporation's worldwide income is separated into U.S.-source income and foreign-source income, the foreign-source income must be subdivided into the different foreign-source income categories or baskets and a separate foreign tax credit limitation must be calculated for each income type [9]. This increases the likelihood of some companies having credit shortages in some income categories (e.g., the passive income category) and excess credits in other income categories (e.g., the "all other" or "general limitation" basket of income) [10]. For example, the high-taxed income rule of section 904(d)(2)(F) provides that passive income, which is subject to foreign tax at a rate in excess of the U.S. tax rate, will be treated as general limitation income, not passive income.

As a result, excess foreign tax credits associated with such "high-taxed" income are available only to reduce the U.S. tax on general limitation income. Because excess foreign tax credits in one income category cannot offset credit shortages in other categories, excess foreign tax credits generally are of value to taxpayers only when they can be carried back 2 years or forward 5 years to be used against U.S. income taxes.

Also, the 2-year carryback of excess foreign tax credits from post-1986 Act tax years to pre-1986 Act tax years is limited to the excess foreign tax credits that would have resulted if the post-1986 Act tax rates were the same as the 1986 rates. Consequently, only foreign taxes in excess of 46 percent may be carried back, as the maximum U.S. corporate income tax rate was reduced to 34 percent (effective in 1988) from 46 percent [11].

Changes between 1986 and 1988 resulting from the 1986 Act are reflected in the foreign taxes reported and the foreign tax credit claimed by each industry. An industry tabulation of foreign taxes and the foreign tax credit is shown in Figure C. For most industries for 1986, almost all of the total foreign taxes could be claimed as a foreign tax credit. For 1988, the aggregated industry totals of current-year foreign taxes exceeded the foreign tax credit claimed for every industrial division except construction. (When the credit claimed exceeds the current-year foreign taxes for an industry, this may reflect amounts of excess credits from previous years that were carried forward to the year in the study.) In the "all industries" total, current-year foreign taxes exceeded the total foreign tax credit claimed for 1988 by $2.3 billion, or 7.9 percent. In comparison, for 1986 current-year foreign taxes exceeded the credit claimed by only $0.8 billion, or 3.6 percent.

Industry Composition of the Foreign Tax Credit

Some industries generate a greater percentage of their income abroad, and consequently claim a larger foreign tax credit than other industries, as shown by the industry distribution of the foreign tax credit claimed for 1988, and the distribution of the total U.S. income tax liability (Figure D). Manufacturing industries claimed 80.7 percent of the $27.1 billion total foreign tax credit and 71.6 percent of the $99.9 billion total foreign-source taxable income, but they accounted for just 51.8 percent

of the total U.S. income tax (after all credits, except the foreign tax credit). Other industrial divisions which had a relatively high share of the total U.S. income tax, claimed only a small percentage of the total foreign tax credit. These included finance, insurance and real estate; transportation and public utilities; and wholesale and retail trade.

For the first time in the 1980's, U.S. corporations engaged in manufacturing activities, excluding petroleum, were responsible for over half of the total foreign tax credit claimed (almost 64 percent) as well as the total foreign-source taxable income (nearly 58 percent). Table 2 shows taxable income, foreign taxes and foreign tax credit data arranged by industrial division. Table 3 shows the same data elements arranged by industrial division and by income type. Of this group, U.S. companies operating in the non-electrical machinery manufacturing industry were the most dominant. These companies claimed nearly 21 percent of the total foreign tax credit, almost 19 percent of total foreign taxes paid and approximately 20 percent of total foreign-source taxable income earned by U.S. companies in this "all other manufacturing" category.

Summary

The foreign tax credit fell from $22.3 billion for 1986 to $20.8 billion for 1987 before rising to $27.1 billion for 1988. Worldwide taxable income, however, increased steadily, to a record high of $383.2 billion for 1988.

Foreign-source taxable income for "all industries" grew by 52 percent between 1986 and 1988. It declined in agriculture, forestry, and fishing; integrated petroleum; and electrical and electronic equipment manufacturing industries; but made significant gains in all others.

For "all industries," current-year foreign taxes exceeded the total foreign tax credit claimed by $2.3 billion. For most industries, the amount of current-year foreign taxes rose from 1986 to 1988 except for construction, petroleum (including integrated) and coal products, retail trade and banking.

The "all other manufacturing" category accounted for the largest percentage of the total foreign tax credit claimed (63.9 percent) for 1988. Integrated petroleum companies claimed another 16.8 percent of the total credit.

Data Sources and Limitations

The 1988 statistics presented in this article were derived from returns in the corporation Statistics of Income sample of returns with accounting periods ending between July 1988 and June 1989 and with a foreign tax credit. The corporate sample included 77,664 returns chosen

Figure C

Current-Year Foreign Taxes and Foreign Tax Credit, by Selected Industrial Groups, 1986 and 1988

[Money amounts are in millions of dollars]

Industry	Current-year foreign taxes		Foreign tax credit	
	1986	1988	1986	1988
	(1)	(2)	(3)	(4)
All industries	**$23,103**	**$29,427**	**$22,261**	**$27,110**
Agriculture, forestry and fishing	16	22	13	21
Mining	832	869	619	703
Construction	76	50	82	92
Manufacturing, total	18,803	23,739	18,094	21,887
Food and kindred products	807	1,254	763	1,270
Chemicals and allied products	3,023	3,576	3,071	3,071
Petroleum (including integrated) and coal products	7,081	5,508	7,071	4,566
Machinery, except electrical	3,628	4,536	3,092	4,561
Electrical and electronic equipment	1,295	1,538	1,498	1,422
Motor vehicles and equipment	885	1,918	591	1,978
Transportation and public utilities	224	515	232	420
Wholesale trade	304	759	290	720
Retail trade	373	337	352	319
Finance, insurance and real estate, total	2,180	2,513	2,262	2,371
Banking	1,725	1,382	1,770	1,329
Insurance	237	685	236	646
Services	294	624	317	578

(after Internal Revenue Service administrative processing but before audit examination) from the approximately 3.6 million active corporation income tax returns filed for Tax Year 1988. Because some returns with foreign tax credits that were included in the 100 percent sample class for this study were received too late to be included in the regular corporate statistics, there are slight differences between statistics presented here and those previously published in *Statistics of Income — 1988, Corporation Income Tax Returns*. Estimates for these missing corporations, however, were used for the corporate statistics.

Sampling error is not considered to be a substantial limitation of the data presented in this article, inasmuch as the sample included all returns with $250 million or more in total assets. These returns accounted for 95.6 percent of the total foreign-source taxable income, 95.9 percent of the total foreign tax credit and 98.5 percent of the total assets reported on returns with a foreign tax credit. For more detailed information on the 1988 corporate sample design, see Section 3 of *Statistics of Income — 1988, Corporation Income Tax Returns*.

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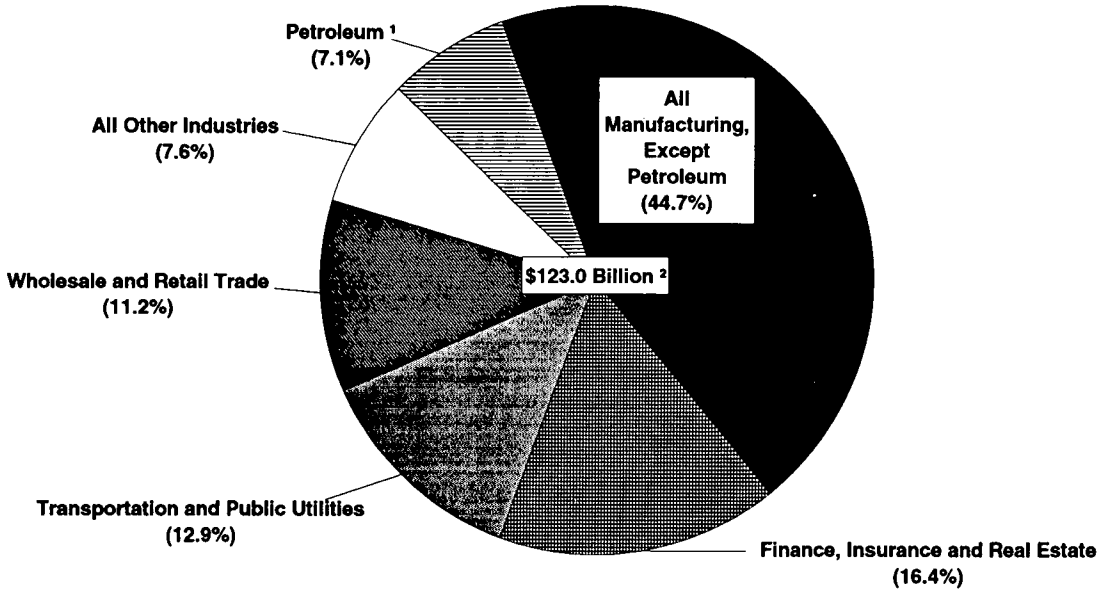
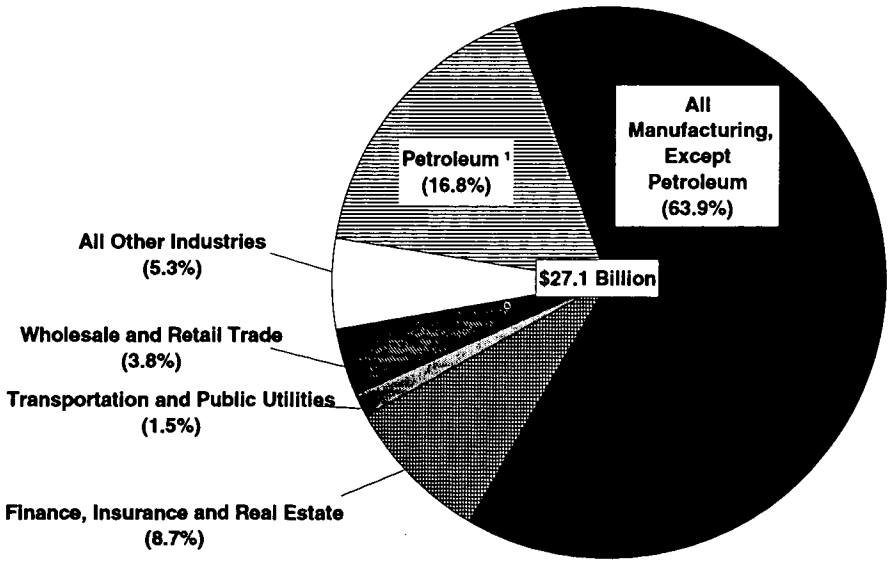
Figure D

Industry Composition of Income Tax and the Foreign Tax Credit, 1988

Total U.S. Income Tax, Before the Foreign Tax Credit



Foreign Tax Credit



[1] Petroleum manufacturing includes integrated petroleum production and coal products.
[2] Total U.S. income tax after all credits, except the foreign tax credit.

General Limitations

The foreign tax credit is claimed under section 901 of the Internal Revenue Code. In accordance with the Code, corporations report their foreign income and tax data on Form 1118, *Corporation Foreign Tax Credit*, in support of the foreign tax credit claimed on Form 1120, *U.S. Corporation Income Tax Return*. These returns do not reflect adjustments made during audit examination, which determines the acceptability of the foreign income and taxes reported. Some corporations provide preliminary data because complete information on their foreign operations is often not available when they file their U.S. income tax returns. In addition, amended returns were excluded from the study.

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 this 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 on their returns as originally filed. The amount of foreign income and taxes attributable to all of these returns is considered to be minimal.

Explanation of Selected Terms

Adjustments to Total Taxable Income — This refers to the general rules for computing the denominator of the limitation fraction for each applicable separate income-type limitation. For specific examples of adjustments to "worldwide income," see "Instructions for Form 1118, Computation of Foreign Tax Credit - Corporations (revised January 1988)."

Current-year Foreign Taxes — Includes all taxes paid to foreign jurisdictions and all taxes deemed paid, but are not include carrybacks or carryovers.

Net Income vs. Income Subject to Tax — These terms as they appear in the tables of this article refer to net income (or deficit) as the difference between gross receipts and the ordinary and necessary business deductions allowed by the Code, and reflect not only actual receipts but "constructive" receipts as well (i.e., certain income from Controlled Foreign Corporations and the foreign dividend gross-up). For most corporations, income subject to tax consists of net income minus certain "statutory special deductions." For a more detailed explanation, see Section 5 of *Statistics of Income — 1988, Corporation Income Tax Returns*.

Foreign Tax Credit Claimed vs. Foreign Tax Credit — These terms appear in the tables of this article as the total foreign tax credit amount claimed on the *U.S. Corporation Income Tax Return*, Form 1120, as compared to the specific foreign tax credit amount calculated for each separate income-type limitation appearing on the *Corporation Foreign Tax Credit*, Form 1118.

Reduction in Taxes — This refers to the reduction of tax to be computed for each applicable separate income-type limitation under sections 901(e), 901(j), 907(a), 908(a) and 6038. For specific information refer to "Instructions for Form 1118, Computation of Foreign Tax Credit - Corporations (revised January 1988)."

Taxes Deemed Paid — These are foreign taxes indirectly, or deemed, paid by a U.S. corporation. These "deemed paid" taxes were the taxes paid or accrued by a related foreign corporation on the profits from which some dividends were paid (or constructive distributions made) to the U.S. corporation.

Notes and References

[1] Total U.S. corporation income tax liability, unless otherwise stated, refers to total U.S. income tax, after all credits, except the foreign tax credit.

[2] Petroleum industry refers to the integrated petroleum industry, i.e., all corporations primarily engaged in extraction, refining and marketing of crude petroleum. It also includes coal products.

[3] *Statistics of Income* studies on corporation foreign tax credits and related information are generally conducted once every 2 years. For this reason, the 1988 statistics are often compared to 1986 (not 1987) information. However, the amount of the credit is tabulated every year and shown (Figure A).

[4] From 1932 through 1961, corporations had to calculate their limitation on a per-country basis. This was done to prevent averaging across countries, whereby companies would attempt to maximize their foreign tax credit by combining income taxed at low rates in one foreign country with income from another foreign country that was taxed at rates higher than the U.S. rates.

[5] Section 904(d) interest income generally includes passive interest income. (Examples of this type of income are portfolio stock dividends, passive commodity trading gains, gains from sales of stocks and securities and annuities.)

[6] Passive income is income that is generally considered "foreign personal holding company income" or passive foreign investment income. However, passive

income does not include any income that would be in any other basket (except the "all other" income basket), any export financing interest, any income taxed at a rate greater than the highest U.S. tax rate, and any foreign "oil and gas extraction income." Financial services income is generally income derived from the active conduct of a banking, insurance, financing or similar business. Financial services income does not include high withholding tax interest or export financing interest. High withholding tax interest is any interest subject to a withholding tax of at least 5 percent, but not including export financing interest. Shipping income is any income received by a person which would be "foreign base company shipping income" under Internal Revenue Code section 954(f). Dividends from a non-controlled section 902 corporation are dividends from a foreign corporation, 10 to 50 percent of whose voting stock is owned by the taxpayer. The foreign tax credit limitation for dividends from a non-controlled section 902 corporation must be computed separately for each corporation which pays dividends to a domestic corporation.

[7] Some of this growth in foreign-source taxable income may be attributed to U.S. corporations paying dividends and Subpart F income on pre-1988 earnings and profits from Controlled Foreign Corporations.

[8] Excess foreign tax credits are creditable foreign taxes in excess of the foreign tax credit limitation. Therefore, they cannot be credited against the U.S. income tax.

[9] The purpose of the separate foreign tax credit limitation categories is to prevent cross-crediting of taxes, sometimes referred to as "averaging." The 1986 Act reflects Congress' belief that, in some cases, the ability of U.S. taxpayers to average foreign tax rates for foreign tax credit limitation purposes (and thereby reduce or eliminate the residual U.S. tax on their foreign income) had undesirable consequences. Of most concern was that U.S. taxpayers with excess foreign tax credits would have an incentive to place new investments abroad, rather than in the United States, when the income that those investments would generate would be taxed abroad at below-the-U.S. rates and the excess credits would be available to reduce or eliminate the U.S. tax on the income. For a more detailed explanation of the reasons for change regarding the foreign tax credit limitation see, Joint Committee on Taxation, *General Explanation of the Tax Reform Act of 1986 (H.R. 3838, 9th Congress, Public Law 99-514)*, May 1987, pp. 861-862.

[10] Credit shortages exist when creditable foreign taxes are less than the foreign tax credit limitation.

[11] Renfroe, Diane L., "Foreign Tax Credits After the Tax Reform Act of 1986," Arthur Anderson & Co., February 1990, p. 65.

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Table 1.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type

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

Income type	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All income types, total	**4,230**	**6,329,613,336**	**240,666,986**	**226,312,631**	**27,110,216**	**9,392,281**	**20,034,920**	**1,703,792**	**3,932,881**
Passive income	635	2,474,303,566	155,241,298	147,333,794	20,282,162	139,018	267,946	6,037	64,137
High withholding tax interest	371	2,273,932,229	72,286,763	68,078,216	9,424,536	46,275	1,750	([1])	13,930
Financial services income	311	4,175,957,672	98,609,989	90,912,920	12,779,972	1,620,718	802,709	--	236,457
Shipping income	32	693,787,014	33,065,703	32,306,131	4,687,222	30,257	6,692	14	1,129
Dividends from each noncontrolled section 902 corporation	400	3,124,206,551	133,822,966	126,004,468	19,422,924	167,468	689,218	296	56,255
Dividends from an IC-DISC or former DISC	47	360,043,405	19,737,975	18,886,902	2,068,330	3,480	2,189	--	2,230
Distributions from a FSC or former FSC	17	105,322,944	13,592,754	13,194,380	1,006,454	--	153	--	--
All other income from sources outside the United States	3,404	3,577,748,709	214,822,276	203,552,718	25,302,658	7,385,065	18,264,262	1,697,445	3,558,743

Income type	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All income types, total	**469,384**	**409,818**	**419,530**	**203,511**	**225,455**	**2,205,184**	**31,656,290**	**99,875,060**	**226,638,849**
Passive income	--	--	12,983	3,100	3,014	45,040	465,064	3,831,348	147,449,658
High withholding tax interest	--	--	--	--	3,716	10,214	61,955	334,823	68,337,000
Financial services income	170	12,745	25,499	22,675	38,890	136,478	2,659,885	16,304,283	91,099,718
Shipping income	--	--	--	--	961	168	38,064	577,055	32,306,131
Dividends from each noncontrolled section 902 corporation	--	16	25	113	6,038	50,063	912,645	2,395,681	126,171,855
Dividends from an IC-DISC or former DISC	151	268	28	28	28	1,728	7,900	87,913	18,886,902
Distributions from a FSC or former FSC	--	--	--	--	--	--	153	381,651	13,194,380
All other income from sources outside the United States	469,063	396,789	380,996	177,594	172,809	1,961,492	27,510,624	75,962,308	203,688,921

Income type	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Form 1118 foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
All income types, total	**171,952**	**226,466,897**	**77,450,286**	**31,749,355**	**27,111,797**	**27,111,797**	**1,263**	**27,110,534**
Passive income	122,974	147,326,684	50,374,120	1,328,265	441,592	20,283,411	1,249	20,282,162
High withholding tax interest	102,245	68,234,755	23,285,484	113,718	51,558	9,425,079	225	9,424,854
Financial services income	1,997	91,097,720	31,232,257	3,532,427	2,388,503	12,780,514	225	12,780,290
Shipping income	--	32,306,131	10,985,596	195,580	32,346	4,687,447	225	4,687,222
Dividends from each noncontrolled section 902 corporation	122,208	126,049,647	43,093,341	810,523	565,213	19,423,179	255	19,422,924
Dividends from an IC-DISC or former DISC	--	18,886,902	6,428,811	29,872	6,468	2,068,330	--	2,068,330
Distributions from a FSC or former FSC	--	13,194,380	4,486,371	129,775	153	1,006,541	87	1,006,454
All other income from sources outside the United States	163,561	203,525,360	69,478,627	25,609,196	23,625,964	25,303,922	1,263	25,302,658

[1] Less than $500.

NOTE: Data in columns 1-5, 18-21, and 24-26 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.

Table 2.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Major Industry

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

Major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industries, total	**4,230**	**6,329,613,336**	**240,666,986**	**226,312,631**	**27,110,216**	**9,392,281**	**20,034,920**	**1,703,792**	**3,932,881**
Agriculture, forestry and fishing	*32	*1,535,153	*213,143	*204,460	*21,042	*3,830	*18,057	--	*416
Mining	122	36,646,091	3,014,219	2,723,769	702,684	543,085	325,443	140,827	308,733
Metal mining	*7	*6,719,490	*458,507	*390,956	*91,992	*125,102	*2,432	*15,873	*111,171
Oil and gas extraction	103	17,726,765	1,987,067	1,939,634	575,353	404,677	316,584	124,954	169,198
All other mining	12	12,199,837	568,646	393,179	35,338	13,307	6,427	--	28,364
Construction	218	10,118,006	701,855	647,059	92,380	11,293	38,869	--	51,042
Manufacturing	1,448	2,015,261,257	161,784,610	154,838,304	21,887,436	6,290,774	17,448,499	1,498,343	2,995,717
Food and kindred products	64	117,874,640	12,077,859	11,507,176	1,269,920	320,662	933,194	493	122,084
Chemicals and allied products	185	281,771,424	26,389,265	25,452,092	3,071,341	818,245	2,758,143	11,994	124,166
Petroleum (including integrated) and coal products	20	372,473,729	24,274,990	23,785,114	4,565,965	1,992,835	3,515,598	1,473,678	1,956,447
Primary metal industries	35	19,893,518	2,101,968	1,966,196	209,829	60,553	172,548	--	28,184
Machinery, except electrical	248	162,156,103	18,507,048	17,979,595	4,560,583	1,048,834	3,487,298	3,950	246,133
Electrical and electronic equipment	184	228,640,447	13,885,259	12,473,166	1,421,968	359,897	1,178,039	449	98,640
Motor vehicles and equipment	25	293,319,613	13,163,167	12,944,561	1,978,488	576,715	1,341,649	5,733	128,494
Transportation equipment, except motor vehicles	47	87,522,171	10,107,924	9,353,509	385,873	87,081	301,439	1,877	88,725
Instruments and related products	63	50,380,004	5,592,933	5,475,112	1,003,940	316,958	755,998	2	50,481
All other manufacturing	577	401,229,609	35,684,195	33,901,783	3,419,529	708,994	3,004,593	166	152,362
Transportation and public utilities	88	423,980,913	25,571,009	22,944,540	419,834	103,023	411,697	2,319	32,468
Water transportation	*16	*4,333,969	*153,975	*137,354	*10,069	*8,784	*766	*300	*1,350
All other transportation and public utilities	72	419,646,944	25,417,034	22,807,186	409,765	94,239	410,931	2,019	31,118
Wholesale and retail trade	824	322,278,791	14,883,218	14,200,873	1,037,975	594,148	501,288	62,057	190,129
Wholesale trade	636	143,672,587	6,385,886	5,977,146	719,399	490,924	267,722	62,057	155,873
Petroleum and petroleum products	*6	*6,017,727	*420,045	*416,170	*105,086	*108,243	*74,993	*59,588	*17,644
All other wholesale trade	630	137,654,860	5,965,841	5,560,976	614,314	382,681	192,729	2,468	138,229
Retail trade	188	178,606,204	8,497,332	8,223,727	318,576	103,224	233,565	--	34,255
Wholesale and retail trade, not allocable	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	902	3,403,516,683	28,695,170	25,254,315	2,370,699	1,586,049	927,151	216	260,665
Banking	101	1,833,411,591	10,390,335	9,665,400	1,328,655	1,029,432	352,646	--	144,399
Insurance	143	1,255,022,166	13,105,881	10,840,085	645,570	405,549	279,084	209	91,896
Holding and other investment companies, except bank holding companies	328	21,155,139	1,849,968	1,635,878	142,316	37,387	148,461	7	13,993
All other finance, insurance and real estate	330	293,927,787	3,348,986	3,112,953	254,158	113,681	146,960	--	10,377
Services	597	116,276,442	5,803,762	5,499,312	578,165	260,078	363,916	30	93,710
Business services	210	22,255,244	2,197,665	2,099,047	274,996	151,546	158,463	30	22,493
All other services	386	94,021,198	3,606,097	3,400,265	303,169	108,532	205,453	--	71,218
Nature of business not allocable	--	--	--	--	--	--	--	--	--

Footnotes at end of table.

Table 2.–Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Major Industry–Continued

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

Major industry	Computation of foreign tax credit–Continued								
	Carryover–Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All industries, total	**469,384**	**409,818**	**419,530**	**203,511**	**225,455**	**2,205,184**	**31,656,290**	**99,875,060**	**226,638,849**
Agriculture, forestry and fishing	--	--	--	--	--	*416	*22,303	*68,531	*204,460
Mining	34,444	30,513	31,467	45,987	11,573	154,749	1,036,434	2,127,395	2,723,769
Metal mining	*14,371	*12,873	*16,367	*16,431	*11,383	*39,747	*222,831	*271,566	*390,956
Oil and gas extraction	20,073	17,640	15,100	29,556	179	86,649	765,506	1,741,738	1,939,634
All other mining	--	--	--	--	11	28,353	48,097	114,091	393,179
Construction	--	69	28	(1)	3,646	47,299	101,204	336,540	670,356
Manufacturing	423,629	345,698	330,839	103,336	134,660	1,657,555	25,236,647	71,527,072	154,828,014
Food and kindred products	--	--	672	2,366	18,298	100,748	1,375,447	3,955,252	11,509,453
Chemicals and allied products	--	455	3,038	3,813	4,221	112,638	3,688,560	9,946,935	25,442,350
Petroleum (including integrated) and coal products	410,771	326,374	282,970	65,119	69,181	802,032	5,991,202	13,928,567	23,785,114
Primary metal industries	123	350	193	709	5,077	21,731	261,285	724,062	1,966,196
Machinery, except electrical	--	158	908	1,556	10,535	232,975	4,778,315	14,149,753	17,979,594
Electrical and electronic equipment	--	222	34,439	17,811	7,302	38,866	1,636,126	5,446,719	12,473,166
Motor vehicles and equipment	--	--	--	--	233	128,261	2,041,124	6,792,541	12,944,561
Transportation equipment, except motor vehicles	11,696	16,874	7,653	7,505	10,395	34,603	475,368	1,822,003	9,353,509
Instruments and related products	--	--	--	128	828	49,525	1,123,436	3,442,621	5,475,112
All other manufacturing	1,039	1,265	965	4,329	8,589	136,175	3,865,784	11,318,618	33,898,959
Transportation and public utilities	5,111	538	1,651	1,932	1,989	21,247	544,869	2,869,251	22,944,540
Water transportation	--	--	--	--	--	*1,350	*10,600	*89,985	*137,354
All other transportation and public utilities	5,111	538	1,651	1,932	1,989	19,897	534,268	2,779,266	22,807,186
Wholesale and retail trade	--	15,020	26,292	16,595	18,042	114,181	1,223,507	3,553,322	14,299,785
Wholesale trade	--	15,020	25,113	15,565	6,290	93,885	852,462	2,472,051	5,980,198
Petroleum and petroleum products	--	*7,603	*486	*8,060	--	*1,495	*141,292	*351,291	*419,217
All other wholesale trade	--	7,418	24,626	7,505	6,290	92,390	711,171	2,120,760	5,560,981
Retail trade	--	--	1,179	1,030	11,752	20,295	371,045	1,081,271	8,319,586
Wholesale and retail trade, not allocable	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	3,486	17,016	27,405	28,125	48,745	135,888	2,773,650	16,884,331	25,471,537
Banking	--	11,253	20,657	16,087	11,789	84,614	1,526,478	12,198,801	9,665,400
Insurance	3,272	4,735	6,198	11,729	32,399	33,563	776,320	3,084,415	11,031,728
Holding and other investment companies, except bank holding companies	170	1,001	493	263	4,521	7,545	199,834	532,354	1,661,456
All other finance, insurance and real estate	45	27	57	46	36	10,167	271,018	1,068,760	3,112,953
Services	2,714	963	1,848	7,535	6,801	73,849	717,674	2,508,617	5,496,389
Business services	--	--	1,017	33	3,622	17,822	332,471	1,143,479	2,096,124
All other services	2,714	963	832	7,503	3,179	56,028	385,202	1,365,139	3,400,265
Nature of business not allocable	--	--	--	--	--	--	--	--	--

Footnotes at end of table.

Table 2.–Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Major Industry–Continued

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

Major industry	Computation of foreign tax credit–Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Form 1118 foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
All industries, total	**171,952**	**226,466,897**	**77,450,286**	**31,749,355**	**27,111,797**	**27,111,797**	**1,263**	**27,110,534**
Agriculture, forestry and fishing	--	*204,460	*69,200	*23,274	*21,042	*21,042	--	*21,042
Mining	--	2,723,769	925,272	723,241	702,684	702,684	--	702,684
Metal mining	--	*390,956	*132,626	*92,253	*91,992	*91,992	--	*91,992
Oil and gas extraction	--	1,939,634	658,787	592,382	575,353	575,353	--	575,353
All other mining	--	393,179	133,858	38,607	35,338	35,338	--	35,338
Construction	23,298	647,059	222,818	113,758	92,380	92,380	--	92,380
Manufacturing	46,899	154,781,115	52,775,485	24,165,133	21,888,562	21,888,562	1,126	21,887,436
Food and kindred products	36,797	11,472,656	3,903,820	1,338,993	1,269,920	1,269,920	--	1,269,920
Chemicals and allied products	6,169	25,436,182	8,648,230	3,380,109	3,071,428	3,071,428	87	3,071,341
Petroleum (including integrated) and coal products	1,817	23,783,297	8,086,939	4,725,291	4,565,965	4,565,965	--	4,565,965
Primary metal industries	--	1,966,196	668,582	246,187	209,829	209,829	--	209,829
Machinery, except electrical	--	17,979,594	6,116,216	4,788,260	4,560,583	4,560,583	--	4,560,583
Electrical and electronic equipment	2	12,473,164	4,232,740	1,751,570	1,421,968	1,421,968	--	1,421,968
Motor vehicles and equipment	--	12,944,561	4,508,677	2,364,813	1,978,488	1,978,488	--	1,978,488
Transportation equipment, except motor vehicles	--	9,353,509	3,183,161	621,053	385,873	385,873	--	385,873
Instruments and related products	--	5,475,112	1,871,865	1,148,347	1,004,948	1,004,948	1,008	1,003,940
All other manufacturing	2,115	33,896,844	11,555,255	3,800,510	3,419,559	3,419,559	30	3,419,529
Transportation and public utilities	--	22,944,540	7,823,210	978,149	419,834	419,834	--	419,834
Water transportation	--	*137,354	*46,696	*26,051	*10,069	*10,069	--	*10,069
All other transportation and public utilities	--	22,807,186	7,776,514	952,099	409,765	409,765	--	409,765
Wholesale and retail trade	98,911	14,200,873	4,889,698	1,195,069	1,038,112	1,038,112	137	1,037,975
Wholesale trade	3,052	5,977,146	2,033,449	827,844	719,537	719,537	137	719,399
Petroleum and petroleum products	*3,047	*416,170	*141,498	*119,439	*105,086	*105,086	--	*105,086
All other wholesale trade	5	5,560,976	1,891,951	708,405	614,451	614,451	137	614,314
Retail trade	95,859	8,223,727	2,856,249	367,225	318,576	318,576	--	318,576
Wholesale and retail trade, not allocable	--	--	--	--	--	--	--	--
Finance, insurance and real estate	2,691	25,468,846	8,884,767	3,753,217	2,371,017	2,371,017	--	2,371,017
Banking	--	9,665,400	3,387,000	2,143,836	1,328,655	1,328,655	--	1,328,655
Insurance	2,114	11,029,614	3,895,214	1,086,634	645,888	645,888	--	645,888
Holding and other investment companies, except bank holding companies	4	1,661,453	556,049	169,059	142,316	142,316	--	142,316
All other finance, insurance and real estate	573	3,112,380	1,046,505	353,689	254,158	254,158	--	254,158
Services	153	5,496,236	1,859,836	797,514	578,165	578,165	--	578,165
Business services	153	2,095,971	704,780	353,893	274,996	274,996	--	274,996
All other services	--	3,400,265	1,155,056	443,621	303,169	303,169	--	303,169
Nature of business not allocable	--	--	--	--	--	--	--	--

[1] Less than $500.

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

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

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry

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

Income type and selected major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover: Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All income types, total									
All industries, total	**4,230**	**6,329,613,336**	**240,666,986**	**226,312,631**	**27,110,216**	**9,392,281**	**20,034,920**	**1,703,792**	**3,932,881**
Agriculture, forestry and fishing	*32	*1,535,153	*213,143	*204,460	*21,042	*3,830	*18,057	--	*416
Mining	122	36,646,091	3,014,219	2,723,769	702,684	543,085	325,443	140,827	308,733
Oil and gas extraction	103	17,726,765	1,987,067	1,939,634	575,353	404,677	316,584	124,954	169,198
Construction	218	10,118,006	701,855	647,059	92,380	11,293	38,869	--	51,042
Manufacturing	1,448	2,015,261,257	161,784,610	154,838,304	21,887,436	290,774	17,448,499	1,498,343	2,995,717
Food and kindred products	64	117,874,640	12,077,859	11,507,176	1,269,920	320,662	933,194	493	122,084
Chemicals and allied products	185	281,771,424	26,389,265	25,452,092	3,071,341	818,245	2,758,143	11,994	124,166
Petroleum (including integrated) and coal products	20	372,473,729	24,274,990	23,785,114	4,565,965	992,835	3,515,598	1,473,678	1,956,447
Primary metal industries	35	19,893,518	2,101,968	1,966,196	209,829	60,553	172,548	--	28,184
Machinery, except electrical	248	162,156,103	18,507,048	17,979,595	4,560,583	48,834	3,487,298	3,950	246,133
Electrical and electronic equipment	184	228,640,447	13,885,259	12,473,166	1,421,968	359,897	1,178,039	449	98,640
Motor vehicles and equipment	25	293,319,613	13,163,167	12,944,561	1,978,488	576,715	1,341,649	5,733	128,494
Transportation equipment, except motor vehicles	47	87,522,171	10,107,924	9,353,509	385,873	87,081	301,439	1,877	88,725
Instruments and related products	63	50,380,004	5,592,933	5,475,112	1,003,940	316,958	755,998	2	50,481
Transportation and public utilities	88	423,980,913	25,571,009	22,944,540	419,834	103,023	411,697	2,319	32,468
Wholesale and retail trade	824	322,278,791	14,883,218	14,200,873	1,037,975	594,148	501,288	62,057	190,129
Wholesale trade	636	143,672,587	6,385,886	5,977,146	719,399	490,924	267,722	62,057	155,873
Petroleum and petroleum products	*6	*6,017,727	*420,045	*416,170	*105,086	*108,243	*74,993	*59,588	*17,644
Retail trade	188	178,606,204	8,497,332	8,223,727	318,576	103,224	233,565	--	34,255
Finance, insurance and real estate	902	3,403,516,683	28,695,170	25,254,315	2,370,699	586,049	927,151	216	260,665
Banking	101	1,833,411,591	10,390,335	9,665,400	1,328,655	29,432	352,646	--	144,399
Insurance	143	1,255,022,166	13,105,881	10,840,085	645,570	405,549	279,084	209	91,896
Services	597	116,276,442	5,803,762	5,499,312	578,165	260,078	363,916	30	93,710
Passive income									
All industries, total	**635**	**2,474,303,566**	**155,241,298**	**147,333,794**	**20,282,162**	**139,018**	**267,946**	**6,037**	**64,137**
Agriculture, forestry and fishing	*10	*1,329,383	*193,524	*185,051	*20,870	*6	*638	--	--
Mining	*9	*9,812,151	*433,127	*255,106	*69,149	*955	*772	--	*83
Oil and gas extraction	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	*15	*7,293,998	*415,084	*384,049	*68,797	*341	*2,005	--	*3,106
Manufacturing	365	1,610,036,683	126,783,219	122,009,168	18,850,421	126,371	234,110	6,030	47,097
Food and kindred products	25	73,466,352	8,541,345	8,439,626	911,183	6,706	6,336	--	687
Chemicals and allied products	66	227,978,826	20,409,654	19,687,409	2,655,006	11,932	13,673	--	1,565
Petroleum (including integrated) and coal products	13	363,722,988	23,955,848	23,490,994	4,548,237	8,496	9,798	--	16,264
Primary metal industries	*9	*5,051,854	*816,740	*784,798	*104,628	*2,063	*813	--	*267
Machinery, except electrical	44	94,724,760	13,469,503	13,118,156	3,637,750	25,044	26,934	--	78
Electrical and electronic equipment	50	187,922,469	10,330,204	9,039,875	936,448	5,042	7,414	296	1,390
Motor vehicles and equipment	7	283,220,595	12,870,895	12,664,808	1,939,461	49,446	113,752	5,733	25,360
Transportation equipment, except motor vehicles	12	61,022,292	7,985,250	7,574,227	351,956	1,465	4,579	--	2
Instruments and related products	14	41,561,857	4,934,350	4,849,990	931,052	3,220	4,058	--	--
Transportation and public utilities	15	231,014,286	14,234,669	11,796,401	332,402	1,807	11,575	--	478
Wholesale and retail trade	60	184,384,367	7,329,653	7,003,735	348,571	3,193	5,926	--	3,474
Wholesale trade	47	42,005,669	2,337,896	2,212,879	135,724	2,588	4,829	--	718
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Retail trade	13	142,378,698	4,991,756	4,790,856	212,847	605	1,097	--	2,756
Finance, insurance and real estate	127	362,501,534	3,766,831	3,682,217	315,405	4,333	6,912	7	8,045
Banking	7	61,792,728	331,887	305,863	21,620	79	790	--	28
Insurance	23	290,429,089	2,546,859	2,539,157	225,648	2,778	4,468	7	7,879
Services	35	67,931,163	2,085,191	2,018,066	276,548	2,012	6,007	--	1,854

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
High withholding tax interest									
All industries, total	**371**	**2,273,932,229**	**72,286,763**	**68,078,216**	**9,424,536**	**46,275**	**1,750**	**(1)**	**13,930**
Agriculture, forestry and fishing	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Mining	4	12,697,247	635,563	403,860	45,351	1,396	206	--	3,048
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	97	165,485	6,769	6,681	49	47	--	--	--
Manufacturing	110	724,306,094	53,426,284	51,540,572	8,082,444	13,741	137	--	1,759
Food and kindred products	7	14,605,493	2,248,088	2,226,998	192,796	54	1	--	--
Chemicals and allied products	20	62,152,594	5,336,207	5,122,862	786,106	3,356	8	--	209
Petroleum (including integrated) and coal products	5	169,713,521	9,714,067	9,534,298	1,539,479	197	7	--	--
Primary metal industries	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Machinery, except electrical	*10	*81,220,367	*9,936,347	*9,897,574	*3,059,621	*5,385	--	--	*11
Electrical and electronic equipment	17	24,834,960	3,305,396	2,952,481	374,493	315	--	--	92
Motor vehicles and equipment	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation equipment, except motor vehicles	4	54,748,302	7,382,001	6,858,269	118,458	2,068	--	--	1,247
Instruments and related products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation and public utilities	6	52,348,140	2,752,049	2,733,691	70,998	50	--	--	99
Wholesale and retail trade	30	143,633,107	4,356,056	4,040,918	210,421	3,331	283	--	999
Wholesale trade	24	29,800,405	1,396,219	1,276,976	130,655	2,450	283	--	328
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Retail trade	6	113,832,703	2,959,836	2,763,943	79,766	881	--	--	671
Finance, insurance and real estate	100	1,338,766,226	10,756,879	9,007,260	996,473	27,170	1,125	(1)	8,026
Banking	35	845,443,436	4,259,032	3,928,981	667,881	17,416	199	--	3,791
Insurance	25	490,554,126	6,397,790	4,990,184	323,954	9,034	926	(1)	4,131
Services	*20	*1,255,055	*238,655	*234,946	*3,398	*342	--	--	--
Financial services income									
All industries, total	**311**	**4,175,957,672**	**98,609,989**	**90,912,920**	**2,779,972**	**620,718**	**802,709**	**--**	**236,457**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	5	91,231	6,516	6,226	12	(1)	--	--	--
Manufacturing	100	917,677,262	62,981,201	60,696,269	9,824,085	60,479	160,662	--	36,809
Food and kindred products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Chemicals and allied products	16	88,258,268	8,223,692	7,988,021	1,154,804	45	5	--	(1)
Petroleum (including integrated) and coal products	4	106,278,819	4,774,493	4,628,830	761,003	17	2	--	--
Primary metal industries	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Machinery, except electrical	7	101,253,517	12,161,581	11,991,435	3,579,433	484	985	--	820
Electrical and electronic equipment	*10	*156,495,813	*6,597,715	*5,813,068	*672,223	*7,900	*699	--	*1,174
Motor vehicles and equipment	4	276,586,439	12,632,028	12,426,391	1,905,166	46,584	110,694	--	33,971
Transportation equipment, except motor vehicles	6	59,717,506	7,975,897	7,567,081	345,350	5,092	42,266	--	--
Instruments and related products	4	26,319,669	1,454,738	1,437,998	203,633	23	--	--	--
Transportation and public utilities	*9	*103,706,200	*6,922,871	*4,554,024	*120,062	*385	*1,885	--	*209
Wholesale and retail trade	11	204,950,911	4,984,427	4,742,504	558,123	152,983	16,529	--	2,069
Wholesale trade	6	101,987,973	2,938,996	2,771,453	525,789	147,403	16,529	--	498
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Retail trade	5	102,962,938	2,045,431	1,971,051	32,334	5,580	--	--	1,571
Finance, insurance and real estate	174	2,888,393,354	21,595,796	18,881,314	2,157,671	1,404,417	592,762	--	197,370
Banking	74	1,729,848,712	9,428,738	8,769,859	1,325,406	998,057	344,654	--	134,880
Insurance	47	972,374,192	9,858,806	7,976,505	593,588	311,085	124,225	--	55,185
Services	11	60,113,115	1,918,122	1,831,527	116,049	2,454	30,872	--	--

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Shipping income									
All industries, total	**32**	**693,787,014**	**33,065,703**	**32,306,131**	**4,687,222**	**30,257**	**6,692**	**14**	**1,129**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	--	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	16	335,319,057	26,916,592	26,279,604	4,264,670	1,015	4,704	14	--
Food and kindred products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--
Chemicals and allied products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--
Petroleum (including integrated) and coal products	4	193,828,164	14,399,680	14,277,481	2,849,883	142	3,428	--	--
Primary metal industries	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--
Machinery, except electrical	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--	--
Transportation equipment, except motor vehicles	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--
Instruments and related products	--	--	--	--	--	--	--	--	--
Transportation and public utilities	8	50,809,144	3,582,190	3,503,217	19,655	16,297	435	--	--
Wholesale and retail trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	4	291,037,330	1,780,898	1,823,969	292,775	265	--	--	--
Banking	(2)	(2)	(2)	(2)	(2)	(2)	--	--	--
Insurance	(2)	(2)	(2)	(2)	(2)	(2)	--	--	--
Services	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Dividends from each noncontrolled section 902 corporation									
All industries, total	**400**	**3,124,206,551**	**133,822,966**	**126,004,468**	**19,422,924**	**167,468**	**689,218**	**296**	**56,255**
Agriculture, forestry and fishing	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Mining	*7	*11,269,013	*817,921	*646,201	*149,136	*3,312	*7,362	--	*10,519
Oil and gas extraction	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	4	6,034,406	412,812	387,936	72,470	808	15	--	--
Manufacturing	199	1,462,315,661	107,561,469	103,450,751	16,970,157	137,080	555,604	80	32,874
Food and kindred products	18	58,013,676	7,661,565	7,505,634	1,001,371	3,130	18,787	80	1,202
Chemicals and allied products	44	197,806,480	16,405,152	15,759,811	2,239,034	41,285	102,008	--	15,566
Petroleum (including integrated) and coal products	12	360,259,907	23,715,021	23,250,167	4,539,911	43,293	344,263	--	2,151
Primary metal industries	7	7,778,694	923,763	907,868	114,065	3,492	3,363	--	1,476
Machinery, except electrical	16	96,290,610	11,674,657	11,584,199	3,526,577	2,302	2,853	--	1,231
Electrical and electronic equipment	20	166,752,053	7,166,409	6,145,476	698,249	1,228	11,811	--	1,958
Motor vehicles and equipment	10	285,354,076	12,836,291	12,628,799	1,936,641	16,956	37,799	--	4,800
Transportation equipment, except motor vehicles	7	38,289,954	6,142,555	5,629,906	302,060	187	1,320	--	258
Instruments and related products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Transportation and public utilities	12	193,863,936	11,596,005	9,135,390	228,261	6,022	10,380	--	3,383
Wholesale and retail trade	44	140,744,609	3,783,716	3,496,886	208,973	844	20,496	--	5,888
Wholesale trade	38	26,006,804	1,339,168	1,248,294	124,666	672	6,305	--	989
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Retail trade	6	114,737,805	2,444,548	2,248,592	84,308	173	14,191	--	4,899
Finance, insurance and real estate	108	1,302,297,735	8,990,922	8,245,785	1,669,152	18,391	89,791	202	2,717
Banking	13	1,068,167,887	5,744,304	5,258,413	1,173,590	5,410	6,630	--	1,267
Insurance	9	171,907,913	1,603,916	1,461,336	263,563	7,514	53,406	202	31
Services	23	6,835,273	528,263	515,757	108,670	878	4,840	14	606

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Dividends from an IC-DISC or former DISC									
All industries, total	**47**	**360,043,405**	**19,737,975**	**18,886,902**	**2,068,330**	**3,480**	**2,189**	**-**	**2,230**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Oil and gas extraction	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	22	357,522,642	19,551,019	18,733,831	2,056,971	3,090	931	--	502
Food and kindred products	4	13,646,723	1,620,984	1,619,340	12,851	--	--	--	--
Chemicals and allied products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Petroleum (including integrated) and coal products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Primary metal industries	--	--	--	--	--	--	--	--	--
Machinery, except electrical	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation equipment, except motor vehicles	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Instruments and related products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation and public utilities	--	--	--	--	--	--	--	--	--
Wholesale and retail trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Wholesale trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Petroleum and petroleum products	--	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Banking	--	--	--	--	--	--	--	--	--
Insurance	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Services	(2)	(2)	(2)	(2)	(2)	(2)	(2)	--	(2)
Distributions from a FSC or former FSC									
All industries, total	**17**	**105,322,944**	**13,592,754**	**13,194,380**	**1,006,454**	**-**	**153**	**-**	**-**
Agriculture, forestry and fishing	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Mining	--	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Food and kindred products	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Chemicals and allied products	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Petroleum (including integrated) and coal products	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Primary metal industries	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Machinery, except electrical	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--	--
Transportation equipment, except motor vehicles	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--
Instruments and related products	--	--	--	--	--	--	--	--	--
Transportation and public utilities	--	--	--	--	--	--	--	--	--
Wholesale and retail trade	--	--	--	--	--	--	--	--	--
Wholesale trade	--	--	--	--	--	--	--	--	--
Petroleum and petroleum products	--	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	--	--	--	--	--	--	--	--
Banking	--	--	--	--	--	--	--	--	--
Insurance	--	--	--	--	--	--	--	--	--
Services	(2)	(2)	(2)	(2)	(2)	-	(2)	--	--

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Income and taxes from returns with Form 1118 filed in support of foreign tax credit claimed					Computation of foreign tax credit			
	Number of returns	Total assets	Net income (less deficit)	Income subject to U.S. tax	Foreign tax credit claimed	Total foreign taxes paid or accrued	Total taxes deemed paid	Reduction in taxes	Carryover Total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All other income from sources outside the U.S.									
All industries, total	**3,404**	**3,577,748,709**	**214,822,276**	**203,552,718**	**25,302,658**	**385,065**	**18,264,262**	**1,697,445**	**3,558,743**
Agriculture, forestry and fishing	*8	*1,481,152	*206,682	*198,264	*20,978	*3,435	*16,689	--	*149
Mining	114	36,052,256	2,987,400	2,701,730	702,590	537,422	317,103	140,827	295,083
Oil and gas extraction	99	17,592,952	1,975,517	1,929,096	575,308	403,147	310,344	124,954	169,019
Construction	107	9,649,421	656,911	610,792	92,256	10,096	36,848	--	47,936
Manufacturing	1,287	1,984,197,261	159,623,920	153,019,972	21,814,678	5,948,998	16,492,199	1,492,219	2,876,675
Food and kindred products	54	108,601,264	11,486,676	11,047,349	1,264,423	309,988	907,595	413	120,194
Chemicals and allied products	174	274,838,412	25,882,443	25,047,246	3,026,668	761,613	2,642,148	11,980	106,826
Petroleum (including integrated) and coal products	20	372,473,729	24,274,990	23,785,114	4,565,965	1,940,690	3,158,101	1,473,678	1,938,032
Primary metal industries	33	19,844,698	2,099,689	1,963,917	209,682	54,176	168,332	--	26,405
Machinery, except electrical	236	161,306,650	18,416,761	17,895,864	4,558,892	115,582	3,456,526	3,950	243,994
Electrical and electronic equipment	159	227,617,668	13,783,813	12,383,242	1,420,862	345,413	1,158,115	153	94,025
Motor vehicles and equipment	22	292,326,689	13,102,558	12,884,576	1,963,761	460,533	1,079,390	--	64,363
Transportation equipment, except motor vehicles	43	87,090,033	10,078,629	9,325,339	385,575	78,240	253,274	1,877	86,716
Instruments and related products	60	50,211,973	5,580,205	5,464,156	1,003,908	313,594	751,768	2	50,481
Transportation and public utilities	71	346,713,548	22,516,769	20,002,385	406,231	78,462	387,422	2,319	28,299
Wholesale and retail trade	747	307,607,326	13,475,131	12,801,719	1,032,727	433,405	455,255	62,057	175,802
Wholesale trade	564	132,052,347	5,401,015	5,001,142	714,239	337,420	236,978	62,057	151,444
Petroleum and petroleum products	*6	*6,017,727	*420,045	*416,170	*105,086	*107,978	*66,599	*59,588	*17,440
Retail trade	182	175,554,980	8,074,116	7,800,576	318,488	95,985	218,277	--	24,358
Finance, insurance and real estate	512	781,322,868	9,863,885	9,016,211	662,277	131,473	236,561	7	44,509
Banking	17	153,936,149	1,168,827	918,748	37,047	8,470	375	--	4,434
Insurance	80	445,851,217	5,313,549	5,064,641	387,947	74,872	96,059	--	24,670
Services	558	110,724,877	5,491,578	5,201,646	570,920	241,773	322,184	16	90,290

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All income types, total									
All industries, total	**469,384**	**409,818**	**419,530**	**203,511**	**225,455**	**2,205,184**	**31,656,290**	**99,875,060**	**226,638,849**
Agriculture, forestry and fishing	--	--	--	--	--	*416	*22,303	*68,531	*204,460
Mining	34,444	30,513	31,467	45,987	11,573	154,749	1,036,434	2,127,395	2,723,769
Oil and gas extraction	20,073	17,640	15,100	29,556	179	86,649	765,506	1,741,738	1,939,634
Construction	--	69	28	(1)	3,646	47,299	101,204	336,540	670,356
Manufacturing	423,629	345,698	330,839	103,336	134,660	1,657,555	25,236,647	71,527,072	154,828,014
Food and kindred products	--	--	672	2,366	18,298	100,748	1,375,447	3,955,252	11,509,453
Chemicals and allied products	--	455	3,038	3,813	4,221	112,638	3,688,560	9,946,935	25,442,350
Petroleum (including integrated) and coal products	410,771	326,374	282,970	65,119	69,181	802,032	5,991,202	13,928,567	23,785,114
Primary metal industries	123	350	193	709	5,077	21,731	261,285	724,062	1,966,196
Machinery, except electrical	--	158	908	1,556	10,535	232,975	4,778,315	14,149,753	17,979,594
Electrical and electronic equipment	--	222	34,439	17,811	7,302	38,866	1,636,126	5,446,719	12,473,166
Motor vehicles and equipment	--	--	--	--	233	128,261	2,041,124	6,792,541	12,944,561
Transportation equipment, except motor vehicles	11,696	16,874	7,653	7,505	10,395	34,603	475,368	1,822,003	9,353,509
Instruments and related products	--	--	--	128	828	49,525	1,123,436	3,442,621	5,475,112
Transportation and public utilities	5,111	538	1,651	1,932	1,989	21,247	544,869	2,869,251	22,944,540
Wholesale and retail trade	--	15,020	26,292	16,595	18,042	114,181	1,223,507	3,553,322	14,299,785
Wholesale trade	--	15,020	25,113	15,565	6,290	93,885	852,462	2,472,051	5,980,198
Petroleum and petroleum products	--	*7,603	*486	*8,060	--	*1,495	*141,292	*351,291	*419,217
Retail trade	--	--	1,179	1,030	11,752	20,295	371,045	1,081,271	8,319,586
Finance, insurance and real estate	3,486	17,016	27,405	28,125	48,745	135,888	2,773,650	16,884,331	25,471,537
Banking	--	11,253	20,657	16,087	11,789	84,614	1,526,478	12,198,801	9,665,400
Insurance	3,272	4,735	6,198	11,729	32,399	33,563	776,320	3,084,415	11,031,728
Services	2,714	963	1,848	7,535	6,801	73,849	717,674	2,508,617	5,496,389
Passive income									
All industries, total	**--**	**--**	**12,983**	**3,100**	**3,014**	**45,040**	**465,064**	**3,831,348**	**147,449,658**
Agriculture, forestry and fishing	--	--	--	--	--	--	*644	*4,561	*185,051
Mining	--	--	--	--	--	*83	*1,810	*52,432	*255,106
Oil and gas extraction	--	--	--	--	--	(2)	(2)	(2)	(2)
Construction	--	--	--	--	--	*3,106	*5,453	*39,709	*407,347
Manufacturing	--	--	11,804	*2,070	*2,507	*30,715	*401,548	*3,147,978	*122,005,747
Food and kindred products	--	--	--	--	96	592	13,729	128,205	8,441,903
Chemicals and allied products	--	--	--	--	--	1,565	27,171	288,670	19,681,487
Petroleum (including integrated) and coal products	--	--	11,803	2,052	2,409	--	34,558	426,006	23,490,994
Primary metal industries	--	--	--	--	--	*267	*3,143	*25,471	*784,798
Machinery, except electrical	--	--	--	--	--	78	52,055	300,615	13,118,156
Electrical and electronic equipment	--	--	--	16	2	1,372	13,550	293,144	9,039,875
Motor vehicles and equipment	--	--	--	--	--	25,360	182,824	735,728	12,664,808
Transportation equipment, except motor vehicles	--	--	--	--	--	2	6,046	362,768	7,574,227
Instruments and related products	--	--	--	--	--	--	7,279	79,256	4,849,990
Transportation and public utilities	--	--	--	--	--	478	13,860	232,978	11,796,401
Wholesale and retail trade	--	--	1,179	1,030	507	759	12,593	121,052	7,102,641
Wholesale trade	--	--	--	--	1	717	8,135	93,609	2,215,926
Petroleum and petroleum products	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Retail trade	--	--	1,179	1,030	505	42	4,458	27,443	4,886,715
Finance, insurance and real estate	--	--	--	--	--	8,045	19,283	146,608	3,682,221
Banking	--	--	--	--	--	28	896	2,839	305,863
Insurance	--	--	--	--	--	7,879	15,118	102,087	2,539,157
Services	--	--	--	--	(1)	1,854	9,873	86,029	2,015,143

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
High withholding tax interest									
All industries, total	--	--	--	--	**3,716**	**10,214**	**61,955**	**334,823**	**68,337,000**
Agriculture, forestry and fishing	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Mining	--	--	--	--	--	3,048	4,650	12,284	403,860
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	47	262	6,681
Manufacturing	--	--	--	--	2	1,758	15,637	87,265	51,542,849
Food and kindred products	--	--	--	--	--	--	55	400	2,229,275
Chemicals and allied products	--	--	--	--	--	209	3,574	14,736	5,122,862
Petroleum (including integrated) and coal products	--	--	--	--	--	--	204	3,051	9,534,298
Primary metal industries	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Machinery, except electrical	--	--	--	--	--	*11	*5,396	*41,488	*9,897,574
Electrical and electronic equipment	--	--	--	--	--	92	407	1,654	2,952,481
Motor vehicles and equipment	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Transportation equipment, except motor vehicles	--	--	--	--	--	1,247	3,316	15,394	6,858,269
Instruments and related products	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Transportation and public utilities	--	--	--	--	--	99	149	1,055	2,733,691
Wholesale and retail trade	--	--	--	--	88	911	4,612	20,914	4,136,777
Wholesale trade	--	--	--	--	--	328	3,060	17,194	1,276,976
Petroleum and petroleum products	--	--	--	--	--	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	88	583	1,552	3,719	2,859,802
Finance, insurance and real estate	--	--	--	--	3,626	4,399	36,320	209,638	9,167,908
Banking	--	--	--	--	11	3,779	21,406	146,599	3,928,981
Insurance	--	--	--	--	3,511	620	14,091	60,058	5,150,832
Services	--	--	--	--	--	--	*342	*2,336	*234,946
Financial services income									
All industries, total	**170**	**12,745**	**25,499**	**22,675**	**38,890**	**136,478**	**2,659,885**	**16,304,283**	**91,099,718**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	(1)	20	6,226
Manufacturing	--	--	--	--	--	36,809	257,950	1,076,009	60,690,348
Food and kindred products	--	--	--	--	--	(2)	(2)	(2)	(2)
Chemicals and allied products	--	--	--	--	--	(1)	50	25,319	7,982,100
Petroleum (including integrated) and coal products	--	--	--	--	--	--	19	9,986	4,628,830
Primary metal industries	--	--	--	--	--	(2)	(2)	(2)	(2)
Machinery, except electrical	--	--	--	--	--	820	2,289	17,538	11,991,435
Electrical and electronic equipment	--	--	--	--	--	*1,174	*9,773	*115,183	*5,813,068
Motor vehicles and equipment	--	--	--	--	--	33,971	191,248	719,338	12,426,391
Transportation equipment, except motor vehicles	--	--	--	--	--	--	47,358	155,407	7,567,081
Instruments and related products	--	--	--	--	--	--	23	1,469	1,437,998
Transportation and public utilities	--	--	--	--	--	*209	*2,478	*29,642	*4,554,024
Wholesale and retail trade	--	--	--	--	1,882	188	171,582	569,912	4,742,504
Wholesale trade	--	--	--	--	311	188	164,430	548,873	2,771,453
Petroleum and petroleum products	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	1,571	--	7,152	21,040	1,971,051
Finance, insurance and real estate	170	12,745	25,499	22,675	37,009	99,272	2,194,549	14,539,743	19,074,034
Banking	--	11,253	20,657	16,087	11,778	75,105	1,477,590	11,364,300	8,769,859
Insurance	--	1,344	4,350	6,396	25,224	17,871	490,495	2,221,246	8,169,221
Services	--	--	--	--	--	--	33,325	88,795	1,831,527

Footnotes at end of table.

Table 3.–Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry–Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Shipping income									
All industries, total	**–**	**–**	**–**	**–**	**961**	**168**	**38,064**	**577,055**	**32,306,131**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	--	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	--	--	--	--	--	--	5,705	57,926	26,279,604
Food and kindred products	--	--	--	--	--	--	(2)	(2)	(2)
Chemicals and allied products	--	--	--	--	--	--	(2)	(2)	(2)
Petroleum (including integrated) and coal products	--	--	--	--	--	--	3,570	22,869	14,277,481
Primary metal industries	--	--	--	--	--	--	(2)	(2)	(2)
Machinery, except electrical	--	--	--	--	--	--	(2)	(2)	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--	--
Transportation equipment, except motor vehicles	--	--	--	--	--	--	(2)	(2)	(2)
Instruments and related products	--	--	--	--	--	--	--	--	--
Transportation and public utilities	--	--	--	--	--	--	16,732	479,637	3,503,217
Wholesale and retail trade	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Wholesale trade	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Petroleum and petroleum products	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	--	--	--	--	--	265	5,798	1,823,969
Banking	--	--	--	--	--	--	(2)	(2)	(2)
Insurance	--	--	--	--	--	--	(2)	(2)	(2)
Services	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Dividends from each noncontrolled section 902 corporation									
All industries, total	**–**	**16**	**25**	**113**	**6,038**	**50,063**	**912,645**	**2,395,681**	**126,171,855**
Agriculture, forestry and fishing	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Mining	--	--	--	--	*692	*9,827	*21,193	*21,652	*646,201
Oil and gas extraction	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Construction	--	--	--	--	--	--	823	1,192	411,233
Manufacturing	--	--	--	--	4,748	28,126	725,478	1,446,290	103,447,107
Food and kindred products	--	--	--	--	335	867	23,040	43,065	7,507,911
Chemicals and allied products	--	--	--	--	225	15,341	158,858	303,388	15,753,890
Petroleum (including integrated) and coal products	--	--	--	--	649	1,502	389,706	757,189	23,250,167
Primary metal industries	--	--	--	--	--	1,476	8,332	16,635	907,868
Machinery, except electrical	--	--	--	--	1,231	--	6,385	10,455	11,584,199
Electrical and electronic equipment	--	--	--	--	873	1,085	14,997	21,785	6,145,476
Motor vehicles and equipment	--	--	--	--	230	4,571	59,556	92,752	12,628,799
Transportation equipment, except motor vehicles	--	--	--	--	--	258	1,765	3,020	5,629,906
Instruments and related products	--	--	--	--	(2)	(2)	(2)	(2)	(2)
Transportation and public utilities	--	--	--	--	--	3,383	19,785	44,398	9,135,390
Wholesale and retail trade	--	--	--	--	103	5,785	27,228	73,371	3,595,793
Wholesale trade	--	--	--	--	--	989	7,965	30,474	1,251,342
Petroleum and petroleum products	--	--	--	--	--	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	103	4,796	19,263	42,897	2,344,451
Finance, insurance and real estate	--	--	--	--	491	2,226	110,697	797,412	8,294,613
Banking	--	--	--	--	--	1,267	13,307	573,392	5,258,413
Insurance	--	--	--	--	31	--	60,748	142,916	1,510,159
Services	--	16	25	113	4	449	6,310	9,763	515,757

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Dividends from an IC-DISC or former DISC									
All industries, total	**151**	**268**	**28**	**28**	**28**	**1,728**	**7,900**	**87,913**	**18,886,902**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--
Mining	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Oil and gas extraction	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	151	268	28	28	28	--	4,523	80,778	18,733,831
Food and kindred products	--	--	--	--	--	--	--	301	1,619,340
Chemicals and allied products	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Petroleum (including integrated) and coal products	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Primary metal industries	--	--	--	--	--	--	--	--	--
Machinery, except electrical	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Transportation equipment,	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
except motor vehicles	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Instruments and related products	(2)	(2)	(2)	(2)	(2)	--	(2)	(2)	(2)
Transportation and public utilities	--	--	--	--	--	--	--	--	--
Wholesale and retail trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale trade	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Petroleum and petroleum products	--	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Banking	--	--	--	--	--	--	--	--	--
Insurance	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Services	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Distributions from a FSC or former FSC									
All industries, total	**--**	**--**	**--**	**--**	**--**	**--**	**153**	**381,651**	**13,194,380**
Agriculture, forestry and fishing	--	--	--	--	--	--	(2)	(2)	(2)
Mining	--	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--	--
Manufacturing	--	--	--	--	--	--	(2)	(2)	(2)
Food and kindred products	--	--	--	--	--	--	(2)	(2)	(2)
Chemicals and allied products	--	--	--	--	--	--	(2)	(2)	(2)
Petroleum (including integrated) and coal products	--	--	--	--	--	--	(2)	(2)	(2)
Primary metal industries	--	--	--	--	--	--	(2)	(2)	(2)
Machinery, except electrical	--	--	--	--	--	--	(2)	(2)	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--	--
Transportation equipment,									
except motor vehicles	--	--	--	--	--	--	(2)	(2)	(2)
Instruments and related products	--	--	--	--	--	--	--	--	--
Transportation and public utilities	--	--	--	--	--	--	--	--	--
Wholesale and retail trade	--	--	--	--	--	--	--	--	--
Wholesale trade	--	--	--	--	--	--	--	--	--
Petroleum and petroleum products	--	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	--	--	--	--	--	--	--	--
Banking	--	--	--	--	--	--	--	--	--
Insurance	--	--	--	--	--	--	--	--	--
Services	--	--	--	--	--	--	(2)	(2)	(2)

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued								
	Carryover--Continued						Total foreign taxes	Adjusted total taxable income from foreign sources	Total taxable income from all sources
	1983	1984	1985	1986	1987	Year unknown			
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
All other income from sources outside the U.S.									
All industries, total	**469,063**	**396,789**	**380,996**	**177,594**	**172,809**	**1,961,492**	**27,510,624**	**75,962,308**	**203,688,921**
Agriculture, forestry and fishing	--	--	--	--	--	*149	*20,273	*60,997	*198,264
Mining	34,444	30,513	31,467	45,987	10,880	141,791	1,008,781	2,040,369	2,701,730
Oil and gas extraction	20,073	17,640	15,100	29,556	1	86,647	757,556	1,679,670	1,929,096
Construction	--	69	28	(1)	3,646	44,193	94,880	295,356	634,089
Manufacturing	423,478	345,430	319,007	101,238	127,376	1,560,146	23,825,653	65,249,395	153,009,460
Food and kindred products	--	--	672	2,366	17,867	99,290	1,337,365	3,765,859	11,049,627
Chemicals and allied products	--	455	3,038	3,813	3,996	95,523	3,498,607	9,115,073	25,037,504
Petroleum (including integrated) and coal products	410,771	326,374	271,167	63,067	66,123	800,530	5,563,145	12,705,639	23,785,114
Primary metal industries	123	350	193	709	5,077	19,952	248,914	677,254	1,963,917
Machinery, except electrical	--	158	908	1,556	9,304	232,067	4,712,152	13,747,921	17,895,863
Electrical and electronic equipment	--	222	34,439	17,795	6,426	35,143	1,597,400	5,014,954	12,383,242
Motor vehicles and equipment	--	--	--	--	3	64,360	1,604,286	5,212,969	12,884,576
Transportation equipment, except motor vehicles	11,545	16,606	7,625	7,477	10,367	33,096	416,353	1,118,515	9,325,339
Instruments and related products	--	--	--	128	828	49,525	1,115,842	3,360,562	5,464,156
Transportation and public utilities	5,111	538	1,651	1,932	1,989	17,078	491,864	2,081,542	20,002,385
Wholesale and retail trade	--	15,020	25,113	15,565	15,463	104,641	1,002,406	2,756,059	12,900,630
Wholesale trade	--	15,020	25,113	15,565	5,978	89,768	663,785	1,769,887	5,004,195
Petroleum and petroleum products	--	*7,603	*486	*8,060	--	*1,291	*132,428	*295,687	*419,217
Retail trade	--	--	--	--	9,485	14,874	338,621	986,172	7,896,435
Finance, insurance and real estate	3,317	4,271	1,906	5,449	7,619	21,946	412,535	1,185,120	9,040,717
Banking	--	--	--	--	--	4,434	13,279	109,534	918,748
Insurance	3,272	3,391	1,848	5,333	3,633	7,193	195,601	554,436	5,063,568
Services	2,714	948	1,824	7,422	5,837	71,547	654,231	2,293,470	5,201,646

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Form 1118 foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
All income types, total								
All industries, total	**171,952**	**226,466,897**	**77,450,286**	**31,749,355**	**27,111,797**	**27,111,797**	**1,263**	**27,110,534**
Agriculture, forestry and fishing	--	*204,460	*69,200	*23,274	*21,042	*21,042	--	*21,042
Mining	--	2,723,769	925,272	723,241	702,684	702,684	--	702,684
Oil and gas extraction	--	1,939,634	658,787	592,382	575,353	575,353	--	575,353
Construction	23,298	647,059	222,818	113,758	92,380	92,380	--	92,380
Manufacturing	46,899	154,781,115	52,775,485	24,165,133	21,888,562	21,888,562	1,126	21,887,436
Food and kindred products	36,797	11,472,656	3,903,820	1,338,993	1,269,920	1,269,920	--	1,269,920
Chemicals and allied products	6,169	25,436,182	8,648,230	3,380,109	3,071,428	3,071,428	87	3,071,341
Petroleum (including integrated) and coal products	1,817	23,783,297	8,086,939	4,725,291	4,565,965	4,565,965	--	4,565,965
Primary metal industries	--	1,966,196	668,582	246,187	209,829	209,829	--	209,829
Machinery, except electrical	--	17,979,594	6,116,216	4,788,260	4,560,583	4,560,583	--	4,560,583
Electrical and electronic equipment	2	12,473,164	4,232,740	1,751,570	1,421,968	1,421,968	--	1,421,968
Motor vehicles and equipment	--	12,944,561	4,508,677	2,364,813	1,978,488	1,978,488	--	1,978,488
Transportation equipment, except motor vehicles	--	9,353,509	3,183,161	621,053	385,873	385,873	--	385,873
Instruments and related products	--	5,475,112	1,871,865	1,148,347	1,004,948	1,004,948	1,008	1,003,940
Transportation and public utilities	--	22,944,540	7,823,210	978,149	419,834	419,834	--	419,834
Wholesale and retail trade	98,911	14,200,873	4,889,698	1,195,069	1,038,112	1,038,112	137	1,037,975
Wholesale trade	3,052	5,977,146	2,033,449	827,844	719,537	719,537	137	719,399
Petroleum and petroleum products	*3,047	*416,170	*141,498	*119,439	*105,086	*105,086	--	*105,086
Retail trade	95,859	8,223,727	2,856,249	367,225	318,576	318,576	--	318,576
Finance, insurance and real estate	2,691	25,468,846	8,884,767	3,753,217	2,371,017	2,371,017	--	2,371,017
Banking	--	9,665,400	3,387,000	2,143,836	1,328,655	1,328,655	--	1,328,655
Insurance	2,114	11,029,614	3,895,214	1,086,634	645,888	645,888	--	645,888
Services	153	5,496,236	1,859,836	797,514	578,165	578,165	--	578,165
Passive income								
All industries, total	**122,974**	**147,326,684**	**50,374,120**	**1,328,265**	**441,592**	**20,283,411**	**1,249**	**20,282,162**
Agriculture, forestry and fishing	--	*185,051	*62,917	*1,548	*497	*20,870	--	*20,870
Mining	--	*255,106	*86,725	*17,825	*1,807	*69,149	--	*69,149
Oil and gas extraction	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	*23,298	*384,049	*130,577	*13,501	*5,441	*68,797	--	*68,797
Manufacturing	225	122,005,522	41,612,620	1,082,924	383,647	18,851,533	1,112	18,850,421
Food and kindred products	--	8,441,903	2,873,462	43,594	13,440	911,183	--	911,183
Chemicals and allied products	--	19,681,487	6,700,418	98,339	25,035	2,655,094	87	2,655,006
Petroleum (including integrated) and coal products	--	23,490,994	7,986,938	144,842	24,795	4,548,237	--	4,548,237
Primary metal industries	--	*784,798	*266,831	*8,660	*2,938	*104,628	--	*104,628
Machinery, except electrical	--	13,118,156	4,460,891	102,267	51,164	3,637,750	--	3,637,750
Electrical and electronic equipment	2	9,039,872	3,059,307	99,286	12,236	936,448	--	936,448
Motor vehicles and equipment	--	12,664,808	4,410,206	256,352	182,824	1,939,461	--	1,939,461
Transportation equipment, except motor vehicles	--	7,574,227	2,575,279	123,342	6,046	351,956	--	351,956
Instruments and related products	--	4,849,990	1,658,921	27,067	6,088	932,060	1,008	931,052
Transportation and public utilities	--	11,796,401	4,035,759	88,328	13,677	332,402	--	332,402
Wholesale and retail trade	98,907	7,003,735	2,400,498	41,257	8,818	348,708	137	348,571
Wholesale trade	3,047	2,212,879	753,147	31,850	7,577	135,862	137	135,724
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	95,859	4,790,856	1,647,350	9,407	1,241	212,847	--	212,847
Finance, insurance and real estate	449	3,681,772	1,359,824	53,629	18,729	315,405	--	315,405
Banking	--	305,863	103,958	965	434	21,620	--	21,620
Insurance	445	2,538,712	970,624	38,564	15,090	225,648	--	225,648
Services	96	2,015,048	685,200	29,252	8,977	276,548	--	276,548

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Total foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
High withholding tax interest								
All industries, total	**102,245**	**68,234,755**	**23,285,484**	**113,718**	**51,558**	**9,425,079**	**225**	**9,424,854**
Agriculture, forestry and fishing	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Mining	--	403,860	137,312	4,177	3,999	45,351	--	45,351
Oil and gas extraction	--	--	--	--	--	--	--	--
Construction	--	6,681	2,067	89	47	49	--	49
Manufacturing	6,169	51,536,681	17,546,176	29,967	14,748	8,082,531	87	8,082,444
Food and kindred products	--	2,229,275	761,155	137	54	192,796	--	192,796
Chemicals and allied products	6,169	5,116,693	1,747,720	5,300	3,270	786,193	87	786,106
Petroleum (including integrated) and coal products	--	9,534,298	3,241,662	1,037	152	1,539,479	--	1,539,479
Primary metal industries	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Machinery, except electrical	--	*9,897,574	*3,368,530	*14,109	*5,396	*3,059,621	--	*3,059,621
Electrical and electronic equipment	--	2,952,481	1,003,973	563	314	374,493	--	374,493
Motor vehicles and equipment	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Transportation equipment, except motor vehicles	--	6,858,269	2,331,811	5,234	3,316	118,458	--	118,458
Instruments and related products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Transportation and public utilities	--	2,733,691	929,454	358	149	70,998	--	70,998
Wholesale and retail trade	95,859	4,040,918	1,378,211	7,139	3,358	210,558	137	210,421
Wholesale trade	--	1,276,976	436,436	5,874	2,398	130,792	137	130,655
Petroleum and petroleum products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	95,859	2,763,943	941,775	1,265	959	79,766	--	79,766
Finance, insurance and real estate	217	9,167,691	3,174,885	70,831	28,718	996,790	--	996,790
Banking	--	3,928,981	1,404,065	49,681	14,896	667,881	--	667,881
Insurance	217	5,150,616	1,740,844	20,137	13,144	324,271	--	324,271
Services	--	*234,946	*79,882	*794	*342	*3,398	--	*3,398
Financial services income								
All industries, total	**1,997**	**91,097,720**	**31,232,257**	**3,532,427**	**2,388,503**	**12,780,514**	**225**	**12,780,290**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--
Mining	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Oil and gas extraction	--	--	--	--	--	--	--	--
Construction	--	6,226	2,117	7	(1)	12	--	12
Manufacturing	--	60,690,348	20,758,220	367,943	254,130	9,824,172	87	9,824,085
Food and kindred products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Chemicals and allied products	--	7,982,100	2,723,339	8,708	50	1,154,891	87	1,154,804
Petroleum (including integrated) and coal products	--	4,628,830	1,573,802	3,396	19	761,003	--	761,003
Primary metal industries	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Machinery, except electrical	--	11,991,435	4,080,443	5,965	1,564	3,579,433	--	3,579,433
Electrical and electronic equipment	--	*5,813,068	*1,976,474	*39,170	*9,773	*672,223	--	*672,223
Motor vehicles and equipment	--	12,426,391	4,328,855	247,056	190,303	1,905,166	--	1,905,166
Transportation equipment, except motor vehicles	--	7,567,081	2,572,807	52,838	47,358	345,350	--	345,350
Instruments and related products	--	1,437,998	495,677	506	2	203,633	--	203,633
Transportation and public utilities	--	*4,554,024	*1,541,569	*9,857	*2,270	*120,062	--	*120,062
Wholesale and retail trade	--	4,742,504	1,616,198	193,778	169,089	558,261	137	558,123
Wholesale trade	--	2,771,453	944,006	186,613	164,315	525,927	137	525,789
Petroleum and petroleum products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	--	1,971,051	672,192	7,164	4,774	32,334	--	32,334
Finance, insurance and real estate	1,997	19,072,036	6,623,724	2,930,571	1,933,876	2,157,988	--	2,157,988
Banking	--	8,769,859	3,009,800	1,863,177	1,302,943	1,325,406	--	1,325,406
Insurance	1,993	8,167,227	2,888,246	752,364	408,890	593,905	--	593,905
Services	--	1,831,527	622,071	30,216	29,137	116,049	--	116,049

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Total foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
Shipping income								
All industries, total	**-**	**32,306,131**	**10,985,596**	**195,580**	**32,346**	**4,687,447**	**225**	**4,687,222**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--
Mining	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--
Manufacturing	--	26,279,604	8,935,065	19,713	4,774	4,264,757	87	4,264,670
Food and kindred products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Chemicals and allied products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Petroleum (including integrated) and coal products	--	14,277,481	4,854,344	7,776	2,642	2,849,883	--	2,849,883
Primary metal industries	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Machinery, except electrical	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--
Transportation equipment, except motor vehicles	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Instruments and related products	--	--	--	--	--	--	--	--
Transportation and public utilities	--	3,503,217	1,190,893	162,439	16,732	19,655	--	19,655
Wholesale and retail trade	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Wholesale trade	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Petroleum and petroleum products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	1,823,969	620,149	1,972	265	292,775	--	292,775
Banking	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Insurance	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Services	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Dividends from each noncontrolled section 902 corporation								
All industries, total	**122,208**	**126,049,647**	**43,093,341**	**810,523**	**565,213**	**19,423,179**	**255**	**19,422,924**
Agriculture, forestry and fishing	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Mining	--	*646,201	*219,456	*7,362	*7,362	*149,136	--	*149,136
Oil and gas extraction	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	23,298	387,936	131,898	405	404	72,470	--	72,470
Manufacturing	--	103,447,107	35,301,567	469,048	444,071	16,970,275	118	16,970,157
Food and kindred products	--	7,507,911	2,554,947	14,682	13,740	1,001,371	--	1,001,371
Chemicals and allied products	--	15,753,890	5,365,007	102,897	95,705	2,239,121	87	2,239,034
Petroleum (including integrated) and coal products	--	23,250,167	7,905,057	257,444	250,514	4,539,911	--	4,539,911
Primary metal industries	--	907,868	308,675	5,662	4,259	114,065	--	114,065
Machinery, except electrical	--	11,584,199	3,938,669	3,553	3,135	3,526,577	--	3,526,577
Electrical and electronic equipment	--	6,145,476	2,090,827	6,844	6,529	698,249	--	698,249
Motor vehicles and equipment	--	12,628,799	4,397,836	32,154	32,113	1,936,641	--	1,936,641
Transportation equipment, except motor vehicles	--	5,629,906	1,914,168	1,027	926	302,060	--	302,060
Instruments and related products	--	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Transportation and public utilities	--	9,135,390	3,098,311	15,062	11,753	228,261	--	228,261
Wholesale and retail trade	98,907	3,496,886	1,193,294	24,935	17,432	209,111	137	208,973
Wholesale trade	3,047	1,248,294	426,738	10,350	2,847	124,803	137	124,666
Petroleum and petroleum products	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Retail trade	95,859	2,248,592	766,556	14,585	14,585	84,308	--	84,308
Finance, insurance and real estate	4	8,294,609	2,930,632	289,966	80,531	1,669,152	--	1,669,152
Banking	--	5,258,413	1,787,854	194,952	7,384	1,173,590	--	1,173,590
Insurance	--	1,510,159	624,228	67,546	46,114	263,563	--	263,563
Services	--	515,757	175,424	3,199	3,116	108,670	--	108,670

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Total foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
Dividends from an IC-DISC or former DISC								
All industries, total	--	**18,886,902**	**6,428,811**	**29,872**	**6,468**	**2,068,330**	--	**2,068,330**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--
Mining	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Oil and gas extraction	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Construction	--	--	--	--	--	--	--	--
Manufacturing	--	18,733,831	6,376,938	27,467	4,277	2,056,971	--	2,056,971
Food and kindred products	--	1,619,340	550,601	102	--	12,851	--	12,851
Chemicals and allied products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Petroleum (including integrated) and coal products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Primary metal industries	--	--	--	--	--	--	--	--
Machinery, except electrical	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation equipment, except motor vehicles	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Instruments and related products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Transportation and public utilities	--	--	--	--	--	--	--	--
Wholesale and retail trade	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Wholesale trade	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Petroleum and petroleum products	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Banking	--	--	--	--	--	--	--	--
Insurance	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Services	--	(2)	(2)	(2)	(2)	(2)	--	(2)
							--	
Distributions from a FSC or former FSC							--	
All industries, total	--	**13,194,380**	**4,486,371**	**129,775**	**153**	**1,006,541**	--	**1,006,454**
Agriculture, forestry and fishing	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Mining	--	--	--	--	--	--	--	--
Oil and gas extraction	--	--	--	--	--	--	--	--
Construction	--	--	--	--	--	--	--	--
Manufacturing	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Food and kindred products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Chemicals and allied products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Petroleum (including integrated) and coal products	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Primary metal industries	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Machinery, except electrical	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Electrical and electronic equipment	--	--	--	--	--	--	--	--
Motor vehicles and equipment	--	--	--	--	--	--	--	--
Transportation equipment, except motor vehicles	--	(2)	(2)	(2)	(2)	(2)	--	(2)
Instruments and related products	--	--	--	--	--	--	--	--
Transportation and public utilities	--	--	--	--	--	--	--	--
Wholesale and retail trade	--	--	--	--	--	--	--	--
Wholesale trade	--	--	--	--	--	--	--	--
Petroleum and petroleum products	--	--	--	--	--	--	--	--
Retail trade	--	--	--	--	--	--	--	--
Finance, insurance and real estate	--	--	--	--	--	--	--	--
Banking	--	--	--	--	--	--	--	--
Insurance	--	--	--	--	--	--	--	--
Services	--	(2)	(2)	(2)	(2)	(2)	--	(2)

Footnotes at end of table.

Table 3.--Total Assets, Foreign Taxes, Taxable Income, Foreign Income, U.S. Taxes, and Foreign Tax Credits, by Income Type and Selected Major Industry--Continued

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

Income type and selected major industry	Computation of foreign tax credit--Continued							
	Adjustments to total taxable income	Total taxable income (less adjustments)	U.S. taxes before credits	Limitation	Foreign tax credit	Total credits with respect to sources of income	Reduction in credit due to international boycott operations	Total foreign tax credit claimed
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)
All other income from sources outside the U.S.								
All industries, total	**163,561**	**203,525,360**	**69,478,627**	**25,609,196**	**23,625,964**	**25,303,922**	**1,263**	**25,302,658**
Agriculture, forestry and fishing	--	*198,264	*67,265	*20,736	*19,744	*20,978	--	*20,978
Mining	--	2,701,730	918,042	693,653	689,516	702,590	--	702,590
Oil and gas extraction	--	1,929,096	655,216	571,280	569,421	575,308	--	575,308
Construction	23,298	610,792	210,691	99,756	86,487	92,256	--	92,256
Manufacturing	40,506	152,968,954	52,154,998	22,038,370	20,782,762	21,815,804	1,126	21,814,678
Food and kindred products	36,797	11,012,830	3,747,504	1,274,554	1,241,436	1,264,423	--	1,264,423
Chemicals and allied products	--	25,037,504	8,512,678	3,096,950	2,947,068	3,026,755	87	3,026,668
Petroleum (including integrated) and coal products	1,817	23,783,297	8,086,939	4,309,496	4,287,843	4,565,965	--	4,565,965
Primary metal industries	--	1,963,917	667,807	230,266	201,965	209,682	--	209,682
Machinery, except electrical	--	17,895,863	6,084,224	4,651,563	4,499,289	4,558,892	--	4,558,892
Electrical and electronic equipment	--	12,383,242	4,201,859	1,605,707	1,393,117	1,420,862	--	1,420,862
Motor vehicles and equipment	--	12,884,576	4,488,214	1,818,454	1,570,048	1,963,761	--	1,963,761
Transportation equipment, except motor vehicles	--	9,325,339	3,173,559	381,866	327,943	385,575	--	385,575
Instruments and related products	--	5,464,156	1,868,140	1,120,318	998,729	1,004,916	1,008	1,003,908
Transportation and public utilities	--	20,002,385	6,791,434	702,103	375,254	406,231	--	406,231
Wholesale and retail trade	98,911	12,801,719	4,398,448	923,876	836,211	1,032,865	137	1,032,727
Wholesale trade	3,052	5,001,142	1,702,495	589,072	539,196	714,377	137	714,239
Petroleum and petroleum products	*3,047	*416,170	*141,498	*100,533	*100,533	*105,086	--	*105,086
Retail trade	95,859	7,800,576	2,695,953	334,804	297,016	318,488	--	318,488
Finance, insurance and real estate	694	9,040,023	3,177,477	406,245	308,897	662,277	--	662,277
Banking	--	918,748	315,018	34,334	2,997	37,047	--	37,047
Insurance	117	5,063,452	1,843,438	206,775	162,384	387,947	--	387,947
Services	153	5,201,493	1,760,271	724,456	527,092	570,920	--	570,920

[1] Less than $500.
[2] Data deleted or combined to avoid disclosure of information on individual corporations.
* Data should be used with caution because of the small number of returns on which it was based.
NOTE: Data by type of foreign income are not additive, since many corporations compute a foreign tax credit for more than one type of income.