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High-Income Tax Returns, Tax Year 2017 **2**

by Justin Bryan

This annual study provides detailed data on individual income tax returns with adjusted gross income or expanded income greater than $200,000. It also looks at high-income, nontaxable returns (HINTs) and the reason for nontaxability. For 2017, there were over 7.7 million individual income tax returns with an expanded income of $200,000 or more, accounting for 5.1 percent of all returns for the year. Of these, 10,988 returns had no worldwide income tax liability. This was a 14.9-percent decrease over the number of returns with no worldwide income tax liability for 2016. It was the sixth decrease in the past 8 years, and well below the peak of 19,551 returns for 2009.

Partnership Returns, Tax Year 2018 **58**

by Ron DeCarlo, Tuba Ozer-Gurbuz, and Nina Shumofsky

The number of partnerships in the United States continued to increase for Tax Year 2018. Partnerships filed more than 4.0 million returns for the year, representing more than 27 million partners. The real estate and leasing sector contained about half of all partnerships (50.4 percent) and nearly a third of all partners (31.4 percent).

High-Income Tax Returns for Tax Year 2017

by Justin Bryan

For Tax Year 2017, there were over 7.7 million individual income tax returns with an expanded income of $200,000 or more, accounting for 5.1 percent of all returns filed for the year. Of these, 10,988 returns had no worldwide income tax liability.[1] This was a 14.9-percent decrease over the number of returns with no worldwide income tax liability for 2016. It was the sixth decrease in the past 8 years, and well below the peak of 19,551 returns for 2009. This article presents detailed data for high-income returns for 1977 to 2017 and summary data for the period 1977 to 2016. Detailed data for the years 1974 through 2016 were published previously. (See the References section for more details.)

Income and Tax Concepts

Two income concepts are used in this article to classify tax returns as high income: the statutory concept of adjusted gross income (AGI) and the "expanded income" concept. The expanded income concept includes items reported on the tax return to obtain a more comprehensive measure of income than AGI. Specifically, expanded income is AGI *plus* tax-exempt interest, nontaxable Social Security benefits, the foreign-earned income exclusion, and items of "tax preference" for alternative minimum tax (AMT) purposes *less* unreimbursed employee business expenses, moving expenses, investment interest expense to the extent it does not exceed investment income, and miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor.[2,3,4]

AGI and expanded income differed for 46.4 million (30.3 percent) of the 152.9 million individual income tax returns filed for 2017 (Figure A). Expanded income exceeded AGI in two-thirds of these returns. The average difference between expanded income and AGI was $5,828, and the median difference was $3,458. Although expanded income is a more

Figure A

Individual Income Tax Returns With Positive, Zero, or Negative U.S. Income Tax: Differences Between Adjusted Gross Income (AGI) and Expanded Income, by Size of Adjusted Gross Income, Tax Year 2017

[Money amounts are in whole dollars]

Returns by tax status, size of AGI	All returns	Number of returns with difference between AGI and expanded income	Average difference of expanded income minus AGI	Median difference of expanded income minus AGI	Number of returns where expanded income is greater than AGI	Number of returns where AGI is greater than expanded income
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**152,903,231**	**46,402,879**	**5,828**	**3,458**	**31,119,717**	**15,283,162**
Under $50,000 [1]	90,764,878	19,434,708	13,714	14,308	16,430,819	3,003,888
$50,000 under $100,000	34,466,798	13,085,070	685	1,484	7,701,151	5,383,918
$100,000 under $200,000	19,951,450	9,679,000	-834	-138	4,635,945	5,043,055
$200,000 or more	7,720,105	4,204,102	711	300	2,351,802	1,852,300
Returns with positive U.S. income tax	**103,747,043**	**35,378,748**	**2,896**	**1,980**	**21,631,931**	**13,746,816**
Under $50,000 [1]	43,483,379	9,211,464	10,120	11,256	7,277,429	1,934,035
$50,000 under $100,000	32,770,218	12,396,244	962	1,602	7,434,492	4,961,751
$100,000 under $200,000	19,786,590	9,575,268	-757	-150	4,572,718	5,002,550
$200,000 or more	7,706,856	4,195,772	1,085	300	2,347,292	1,848,480
Returns with zero U.S. income tax	**18,392,638**	**7,917,180**	**19,252**	**18,696**	**7,520,866**	**396,314**
Under $50,000 [1]	17,885,781	7,540,240	20,313	19,147	7,243,227	297,013
$50,000 under $100,000	382,167	290,610	3,494	2,993	214,323	76,287
$100,000 under $200,000	111,494	78,027	-2,528	3,463	58,814	19,213
$200,000 or more	13,196	8,303	-188,206	2,487	4,503	3,800
Returns with negative U.S. income tax	**30,763,551**	**3,106,951**	**5,008**	**7,380**	**1,966,919**	**1,140,032**
Under $50,000 [1]	29,395,718	2,683,004	7,512	9,324	1,910,163	772,840
$50,000 under $100,000	1,314,413	398,216	-9,973	-5,829	52,336	345,880
$100,000 under $200,000	53,366	25,704	-24,255	-8,537	4,413	21,291
$200,000 or more	53	27	-58,430	-2,932	7	20

[1] Includes returns with adjusted gross deficit.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

[1] The Tax Reform Act of 1976 requires annual publication of data on individual income tax returns reporting incomes of $200,000 or more, including the number of such returns reporting no income tax liability and the importance of various tax provisions in making these returns nontaxable. The statutory requirement is contained in section 2123 of the Tax Reform Act of 1976 (90 Stat. at 1915).
[2] The definition of adjustments to AGI to obtain the expanded income given in the text is for the current year. See Appendix A for a discussion of AGI and expanded income and a list of adjustments covering all years since 1977.
[3] See Notes to Appendix A, note A4.
[4] Tax-exempt interest had to be reported on the individual income tax return starting with Tax Year 1987 and is included in expanded income starting with that year. Beginning with Tax Year 1991, tax-exempt interest was incorporated into the criteria used for sampling returns for Statistics of Income, thus increasing the reliability of the estimates of expanded income.

comprehensive measure of income than AGI, for some taxpayers the subtractions from AGI to arrive at expanded income exceeded the additions, resulting in expanded income that was less than AGI. Returns where expanded income exceeded AGI were concentrated among returns with $50,000 or less of AGI. Returns where AGI exceeded expanded income were concentrated among returns with more than $50,000 of AGI.

There are also two tax concepts in this article used to classify returns as taxable or nontaxable: "U.S. income tax" and "worldwide income tax." U.S. income tax is total Federal income tax liability, which includes the AMT, *less* all credits against income tax, and does not include payroll or self-employment taxes. To be considered taxable, a return had to have a positive income tax liability after accounting for all credits. A nontaxable return, on the other hand, could either have a zero or negative income tax liability after accounting for all credits (including refundable credits). Since the Federal income tax applies to worldwide income and allows a credit (subject to certain limits) for income taxes paid to foreign governments, a return could be classified as nontaxable under the U.S. income tax concept even though income taxes had been paid to a foreign government. Worldwide income tax addresses this circumstance by adding back the allowable foreign tax credit and foreign taxes paid on excluded foreign-earned income to U.S. income tax.[5,6] The sum of these two items is believed to be a reasonable proxy for foreign taxes paid.

Figure B shows a cross-tabulation of tax returns based on whether a return has positive, zero, or negative U.S. income tax liability and whether it also has positive, zero, or negative worldwide income tax. Returns with positive U.S. income tax liability have positive worldwide income tax liability; returns with zero U.S. tax liability have either positive or zero worldwide income tax liability; and returns with negative U.S. income tax liability have either positive or negative worldwide income tax liability. Just under one-third of the 152.9 million tax returns filed for 2017 had zero or negative U.S. income tax liability, and 96.2 percent of these returns had AGI of $50,000 or less—unsurprising given the progressive nature of the U.S. income tax. Only about 4 out of every 1,000 returns with zero or negative U.S. income tax liability had positive worldwide income tax liability, and 40.3 percent of these returns had AGI of $50,000 or more.

Number of High-Income Returns

For 2017, there were slightly more than 7.7 million individual income tax returns with an AGI of at least $200,000, and, likewise, over 7.7 million returns with an expanded income

Figure B
Individual Income Tax Returns With Positive, Zero, and Negative U.S. and Worldwide Income Tax: Number of Returns, by Size of Adjusted Gross Income, Tax Year 2017

Returns by U.S. tax status,size of AGI	All returns	Returns with positive worldwide income tax	Returns with zero worldwide income tax	Returns with negative worldwide income tax
	(1)	(2)	(3)	(4)
Returns with positive U.S. income tax	**103,747,043**	**103,747,043**	**0**	**0**
Under $50,000 [1]	43,483,379	43,483,379	0	0
$50,000 under $100,000	32,770,218	32,770,218	0	0
$100,000 under $200,000	19,786,590	19,786,590	0	0
$200,000 or more	7,706,856	7,706,856	0	0
Returns with zero U.S. income tax	**18,392,638**	**197,113**	**18,195,525**	**0**
Under $50,000 [1]	17,885,781	122,646	17,763,134	0
$50,000 under $100,000	382,167	41,835	340,333	0
$100,000 under $200,000	111,494	25,704	85,790	0
$200,000 or more	13,196	6,928	6,268	0
Returns with negative U.S. income tax	**30,763,551**	**19,040**	**0**	**30,744,510**
Under $50,000 [1]	29,395,718	6,418	0	29,389,301
$50,000 under $100,000	1,314,413	4,196	0	1,310,217
$100,000 under $200,000	53,366	8,420	0	44,946
$200,000 or more	53	6	0	47

[1] Includes returns with adjusted gross deficit.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. and worldwide income tax.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

[5] See Appendix B for a discussion of the tax concepts. In data published for years prior to 1989, either in articles presented in the *Statistics of Income Bulletin* or in chapters in *Statistics of Income—Individual Income Tax Returns* (see Reference section), the "U.S. income tax" concept was described as "total income tax," and the "worldwide income tax" concept was described as "modified total income tax."

[6] The inclusion of foreign taxes paid on excluded foreign-earned income, beginning with Tax Year 1990, represents an improvement in the worldwide income tax concept. However, it also represents a slight break in the year-to-year comparability of data for worldwide income tax. Nevertheless, the number of returns with foreign taxes paid on excluded foreign-earned income is extremely small compared to the number of returns with the foreign tax credit.

of $200,000 or more (Figure C). The number of returns with AGI above the $200,000 threshold increased 11.9 percent from 2016 and accounted for over 5.0 percent of all returns for 2017. Similarly, the returns with expanded incomes above the $200,000 threshold increased 11.3 percent from 2016 and accounted for slightly less than 5.1 percent of all returns for 2017.

The $200,000 threshold for high-income returns is measured in current-year (nominal) dollars. Because it is fixed in nominal terms, as time passes, more and more tax returns have had incomes exceeding this threshold simply due to inflation. Therefore, to facilitate a comparison of tax returns across time, Figure C also shows what the $200,000 threshold in 1976 would be each year after adjusting for inflation and the number and share of returns above this threshold.[7] For Tax Year 2017, this inflation-adjusted threshold was $861,582. Since 1977, the number of returns with AGI above this inflation-adjusted

Figure C

All Individual Income Tax Returns and Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2017

Tax year	All returns	$200,000 income threshold measured in current dollars			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)
1977	86,634,640	53,403	67,580	0.062	0.078
1978	89,771,551	68,506	85,137	0.076	0.095
1979	92,694,302	93,731	122,231	0.101	0.132
1980	93,902,459	117,250	149,826	0.125	0.160
1981	95,396,123	138,136	175,092	0.145	0.184
1982	95,337,432	169,367	207,291	0.178	0.217
1983	96,321,310	198,608	249,319	0.206	0.259
1984	99,438,708	243,760	310,042	0.245	0.312
1985	101,660,287	296,507	370,340	0.292	0.364
1986	103,045,170	374,363	529,460	0.363	0.514
1987	106,996,270	539,967	557,848	0.505	0.521
1988	109,708,280	725,345	737,659	0.661	0.672
1989	112,135,673	786,063	814,152	0.701	0.726
1990	113,717,138	834,957	860,940	0.734	0.757
1991	114,730,123	846,707	892,178	0.738	0.778
1992	113,604,503	954,747	989,522	0.840	0.871
1993	114,601,819	993,326	1,043,213	0.867	0.910
1994	115,943,131	1,109,498	1,153,829	0.957	0.995
1995	118,218,327	1,272,508	1,319,382	1.076	1.116
1996	120,351,208	1,523,407	1,572,114	1.266	1.306
1997	122,421,991	1,807,900	1,854,031	1.477	1.514
1998	124,770,662	2,085,211	2,132,301	1.671	1.709
1999	127,075,145	2,429,942	2,479,556	1.912	1.951
2000	129,373,500	2,771,577	2,807,804	2.142	2.170
2001	130,255,237	2,567,220	2,605,021	1.971	2.000
2002	130,076,443	2,414,128	2,464,515	1.856	1.895
2003	130,423,626	2,536,439	2,573,133	1.945	1.973
2004	132,226,042	3,021,435	3,067,602	2.285	2.320
2005	134,372,678	3,566,125	3,584,012	2.654	2.667
2006	138,394,754	4,064,883	4,094,953	2.937	2.959
2007	142,978,806	4,535,623	4,576,315	3.172	3.201
2008	142,450,569	4,375,660	4,416,986	3.072	3.101
2009	140,494,127	3,924,489	3,975,288	2.793	2.830
2010	142,892,051	4,296,307	4,347,756	3.007	3.043
2011	145,370,240	4,700,056	4,758,256	3.233	3.273
2012	144,928,472	5,251,992	5,308,871	3.624	3.663
2013	147,351,299	5,558,244	5,616,056	3.772	3.811
2014	148,606,578	6,223,813	6,279,428	4.188	4.226
2015	150,493,263	6,751,845	6,784,187	4.486	4.508
2016	150,272,154	6,900,370	6,941,686	4.592	4.619
2017	152,903,231	7,720,105	7,725,915	5.049	5.053

Footnotes at end of table.

[7] Inflation-adjusted dollars are based on the Consumer Price Index (CPI-U) as published by the U.S. Department of Labor, Bureau of Labor Statistics. The consumer price index approximates buying patterns of typical urban consumers. The annual index is the average of the monthly indices.

Figure C—Continued

All Individual Income Tax Returns and Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Income Concept, Tax Years 1977–2017—Continued

Tax year	Inflation-adjusted income threshold equal to $200,000 in 1976 dollars (whole dollars) [1]	$200,000 inflation-adjusted income threshold			
		Number of returns by income concept		Percentage of all returns by income concept	
		Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(6)	(7)	(8)	(9)	(10)
1977	213,005	45,931	58,991	0.053	0.068
1978	229,174	49,388	62,556	0.055	0.070
1979	255,184	55,542	76,479	0.060	0.083
1980	289,631	52,512	71,704	0.056	0.076
1981	319,508	50,880	71,146	0.053	0.075
1982	339,192	59,411	81,297	0.062	0.085
1983	350,088	67,310	93,977	0.070	0.098
1984	365,202	80,800	116,389	0.081	0.117
1985	378,207	95,740	134,715	0.094	0.133
1986	385,237	119,550	191,596	0.116	0.186
1987	399,297	161,408	169,942	0.151	0.159
1988	415,817	235,051	241,201	0.214	0.220
1989	435,852	217,685	228,530	0.194	0.204
1990	459,400	216,716	228,659	0.191	0.201
1991	478,735	183,442	195,743	0.160	0.171
1992	493,146	213,783	227,354	0.188	0.200
1993	507,909	201,236	212,853	0.176	0.186
1994	520,914	204,532	214,673	0.176	0.185
1995	535,677	237,770	248,077	0.201	0.210
1996	551,494	278,342	288,194	0.231	0.239
1997	564,148	335,040	345,869	0.274	0.283
1998	572,934	385,183	396,207	0.309	0.318
1999	585,589	436,118	446,583	0.343	0.351
2000	605,272	482,396	492,589	0.373	0.381
2001	622,495	391,901	400,906	0.301	0.308
2002	632,337	345,892	356,402	0.266	0.274
2003	646,749	356,727	367,012	0.274	0.281
2004	663,972	436,583	445,934	0.330	0.337
2005	686,467	519,216	527,126	0.386	0.392
2006	708,612	569,893	581,199	0.412	0.420
2007	728,794	606,026	618,154	0.424	0.432
2008	756,777	487,656	498,470	0.342	0.350
2009	754,084	372,665	383,354	0.265	0.273
2010	766,453	421,604	433,924	0.295	0.304
2011	790,647	430,127	440,529	0.296	0.303
2012	807,009	535,038	545,246	0.369	0.376
2013	818,830	470,906	480,987	0.320	0.326
2014	832,112	546,588	554,697	0.368	0.373
2015	833,100	583,951	591,942	0.388	0.393
2016	843,610	555,416	562,798	0.370	0.375
2017	861,582	625,053	629,676	0.409	0.412

[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details.
NOTE: See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

threshold has increased at an annual rate of approximately 6.7 percent. In comparison, the total number of returns has increased 1.4 percent per year since 1977.

Adjusting for inflation, the number of returns above the AGI threshold was 625,053 for Tax Year 2017 or 0.41 percent of all returns, up from 0.37 percent of all returns in 2016. Similarly, the number of returns above the inflation-adjusted threshold using the expanded income concept was 629,676 for Tax Year 2017 or 0.41 percent of all returns, up from 0.38 percent of all returns in 2016. Since 1977, the number of returns with expanded income above this threshold has increased at an annual rate of approximately 6.1 percent.

Although the number of returns reporting incomes of $200,000 or more generally increased annually from 1977 to 2017, the exceptions to this reflect the economic downturns in Tax Years 2001, 2002, 2008, and 2009. The general trend of a rise in the number of returns is similar when using the inflation-adjusted income threshold. However, the increases are much

smaller, and the number of returns above the inflation-adjusted threshold decreased in additional years, i.e., Tax Years 1980, 1981, 1989, 1990, 1991, 1993, 2013, and 2016. Many of these years also coincided with economic downturns.[8]

The difference in the number of high-income returns between the two income concepts significantly decreased beginning with 1987, when AGI began to include 100 percent of long-term capital gains. This change in the definition of AGI made it more comparable to the expanded-income concept. In addition, due to the inclusion of tax-exempt interest in expanded income in 1987, expanded income for years after 1986 is not strictly comparable to expanded income for years before 1987.

Nontaxable High-Income Returns

Of the 7.7 million income tax returns with an AGI of $200,000 or more, 13,249 showed no U.S. income tax liability for Tax Year 2017 (top panel of Figure D). Also, 22,266 of the 7.7 million tax returns with expanded income of $200,000 or more had no U.S. income tax liability. This represents a 12.4-percent increase for high-AGI returns and a 4.8-percent decrease for high-expanded-income returns with no U.S. income tax liability from the corresponding numbers of nontaxable high-income returns for 2016.

Of the returns with an AGI of $200,000 or more, 6,315 returns showed no worldwide income tax liability for Tax Year 2017. For returns with an expanded income of $200,000 or more, 10,988 had no worldwide income tax liability. This represents a 15.2-percent increase for high-AGI returns and 14.9-percent decrease for high-expanded-income returns with no worldwide income tax liability, compared to the number of returns in the same categories for 2016.

Tables 1 and 2 also show the number of all returns, taxable returns, and nontaxable returns cross-classified by broad AGI and expanded-income size classes. Most returns fall in the same broad income-size class under both income concepts, but the number of nontaxable returns under the expanded-income concept is generally greater than the AGI concept in each income class over $50,000. They also show that there were 7.6 million returns with incomes of $200,000 or more as measured by both AGI and expanded income, of which 10,399 returns had no U.S. income tax liability and 3,567 returns had no worldwide income tax.

Of the roughly 625,000 returns with an AGI over the inflation-adjusted high-income threshold, 634 returns had no U.S. income tax liability in 2017, up 6.0 percent from the previous year (lower panel of Figure D), while 236 returns showed no worldwide income tax liability, up 18.0 percent over the number for 2016. Measured using expanded income, of the almost 630,000 returns above the inflation-adjusted threshold, 653 returns had no U.S. income tax liability, down 6.6 percent from 2016, and 225 returns showed no worldwide income tax liability for 2017, down 17.3 percent over the previous year.

Moving from the nominal $200,000 threshold to an inflation-adjusted threshold does not generally change substantially the share of high-income returns that are nontaxable. Using AGI, 0.2 percent of high-income returns had no U.S. income tax liability with a nominal $200,000 threshold, while only 0.1 percent had no U.S. income tax liability for 2017 using an inflation-adjusted threshold. Similarly, 0.08 percent of high-income returns over the nominal threshold and 0.04 percent of high-income returns above the inflation-adjusted threshold had no worldwide income tax liability for the same year. When using expanded income with a nominal $200,000 threshold, 0.3 percent of high-income returns had no U.S. income tax, and 0.1 percent had no worldwide income tax for 2017, while an inflation-adjusted threshold showed that 0.1 percent had no U.S. income tax and even fewer (0.04 percent) had no worldwide income tax.

Figure E shows the evolution of the number and share of returns with an expanded income of $200,000 or more with no worldwide income tax. The number of returns above the threshold is read off the left vertical axis, and the share of returns above the threshold is read off the right vertical axis. Two series are shown for each measure, one using a nominal $200,000 threshold and one using an inflation-adjusted threshold.

In this figure, the spread between the two shares was small for the late 1970s, showed an increase for the early 1980s, and then narrowed before widening again after 1988. The spread generally narrowed after 1993 but increased or stayed consistent from 2002 to 2007. From 2008 to 2016, the spread widened considerably. The gap (almost 0.11 percentage point) for 2017 is smaller than many of the past years but was still wide compared with most of the years in this study.[9]

Reasons for Nontaxability

Taxpayers may have their tax liability reduced—possibly to zero or beyond—in numerous ways. These include claiming tax credits, which directly reduces an individual's tax liability; claiming various deductions, which reduces taxable income; and receiving income that is excluded from the calculation of taxable income.

It is possible for certain itemized deductions and certain exclusions from income to lead to nontaxability by themselves, but high-income returns are more often nontaxable for a combination of reasons, none of which alone would result in nontaxability. Moreover, some items, either singly or in combination, may eliminate "regular tax" liability (i.e., income tax excluding the AMT), but cannot eliminate an AMT liability, since these items give rise to adjustments or preferences for AMT purposes.

[8] The AMT exclusion phases out above certain levels of "alternative minimum taxable income," based on filing status. However, since taxpayers will have some AMT liability in the phase-out range, the phase-out income is not relevant for nontaxable, high-income returns.

[9] Note that before 1991, the number of nontaxable returns with expanded income of $200,000 or more was based on samples. Year-to-year differences in the number and percentages of nontaxable returns with expanded income of $200,000 or more may have represented sampling variability, in addition to actual changes in the number of such returns. Beginning with Tax Year 1991, nontaxable returns with expanded income of $200,000 or more were sampled at higher rates, which reduced the sampling variability of these returns and, therefore, provided improved estimates. Thus, the data for returns prior to 1991 are not entirely comparable with data for more recent years.

Figure D

Nontaxable Individual Income Tax Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2017

Tax year	$200,000 income threshold measured in current dollars							
	Number of nontaxable returns with income of $200,000 or more				Percentage of all returns with income of $200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
1977	60	85	37	64	0.112	0.126	0.069	0.095
1978	98	105	60	67	0.143	0.123	0.088	0.079
1979	70	114	28	64	0.075	0.093	0.030	0.052
1980	143	198	56	114	0.122	0.132	0.048	0.076
1981	226	304	79	114	0.164	0.174	0.057	0.065
1982	262	299	109	153	0.155	0.144	0.064	0.074
1983	447	579	321	437	0.225	0.232	0.162	0.175
1984	532	325	471	271	0.218	0.105	0.193	0.087
1985	612	613	442	454	0.206	0.166	0.149	0.123
1986	659	595	437	379	0.176	0.112	0.117	0.072
1987	857	472	740	364	0.159	0.085	0.137	0.065
1988	822	397	731	309	0.113	0.054	0.101	0.042
1989	1,081	779	987	691	0.138	0.096	0.126	0.085
1990	1,219	1,183	1,114	1,087	0.146	0.137	0.133	0.126
1991	1,253	1,933	1,131	1,740	0.148	0.217	0.134	0.195
1992	909	1,896	823	1,799	0.095	0.192	0.086	0.182
1993	1,022	2,392	932	1,950	0.103	0.229	0.094	0.187
1994	1,137	2,574	1,061	2,161	0.102	0.223	0.096	0.187
1995	998	2,676	896	1,746	0.078	0.203	0.070	0.132
1996	1,044	1,820	950	1,660	0.069	0.116	0.062	0.106
1997	1,189	1,814	1,048	1,562	0.066	0.098	0.058	0.084
1998	1,467	2,224	1,283	1,914	0.070	0.104	0.062	0.090
1999	1,605	2,525	1,398	2,174	0.066	0.102	0.058	0.088
2000	2,328	2,766	2,022	2,320	0.084	0.099	0.073	0.083
2001	3,385	4,910	2,875	4,119	0.132	0.188	0.112	0.158
2002	2,959	5,650	2,551	4,922	0.123	0.229	0.106	0.200
2003	2,824	5,839	2,416	4,934	0.111	0.227	0.095	0.192
2004	2,833	5,028	2,420	4,101	0.094	0.164	0.080	0.134
2005	7,389	10,680	4,224	5,420	0.207	0.298	0.118	0.151
2006	8,252	11,014	4,123	4,322	0.203	0.269	0.101	0.106
2007	11,600	14,794	5,497	5,197	0.256	0.323	0.121	0.114
2008	22,257	31,539	12,326	17,127	0.509	0.714	0.282	0.388
2009	20,752	35,061	10,080	19,551	0.529	0.882	0.257	0.492
2010	19,003	32,441	8,046	16,082	0.442	0.746	0.187	0.370
2011	19,563	32,902	7,557	15,000	0.416	0.691	0.161	0.315
2012	20,304	32,326	7,408	13,450	0.387	0.609	0.141	0.253
2013	12,517	25,926	4,266	12,794	0.225	0.462	0.077	0.228
2014	10,905	21,052	3,927	9,692	0.175	0.335	0.063	0.154
2015	11,082	22,297	4,373	10,947	0.164	0.329	0.065	0.161
2016	11,784	23,400	5,480	12,910	0.171	0.337	0.079	0.186
2017	13,249	22,266	6,315	10,988	0.172	0.288	0.082	0.142

Footnotes at end of figure.

Because they do not generate AMT adjustments or preferences, tax-exempt bond interest (not including private activity bonds), itemized deductions for interest expenses, miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor, casualty or theft losses, and medical expenses (exceeding 10 percent of AGI) could, by themselves, produce nontaxability.

Due to the AMT exemption of $84,500 for joint returns ($54,300 for single and head-of-household returns and $42,250 for returns of married taxpayers filing separately), a return could have been nontaxable even though it included some items that produced AMT adjustments or preferences.[10] Further, since the starting point for "alternative minimum taxable income" was taxable income for regular tax purposes, a taxpayer could have adjustments and preferences exceeding the AMT exclusion without incurring AMT liability. This situation could occur if taxable income for regular tax purposes was sufficiently negative due to itemized deductions and personal exemptions exceeding AGI, such that the taxpayer's AMT adjustments and preferences are less than the sum of the AMT exclusion and the amount by which regular taxable income is below zero. Note that, because

[10] The AMT exclusion phases out above certain levels of "alternative minimum taxable income," based on filing status. However, since taxpayers will have some AMT liability in the phase-out range, the phase-out income is not relevant for nontaxable, high-income returns.

Figure D—Continued

Nontaxable Individual Income Tax Returns With Income of $200,000 or More Measured in Current and Inflation-Adjusted Dollars, by Tax and Income Concept, Tax Years 1977–2017—Continued

Tax year	$200,000 inflation-adjusted income threshold [1]							
	Number of nontaxable returns with income of $200,000 or more				Percentage of all returns with income of $200,000 or more			
	Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept		Returns with no U.S. income tax, by income concept		Returns with no worldwide income tax, by income concept	
	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income	Adjusted gross income	Expanded income
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1977	54	75	32	56	0.118	0.127	0.070	0.095
1978	62	70	31	39	0.126	0.112	0.063	0.062
1979	38	71	15	39	0.068	0.093	0.027	0.051
1980	56	71	22	39	0.107	0.099	0.042	0.054
1981	53	87	21	55	0.104	0.122	0.041	0.077
1982	58	68	27	36	0.098	0.084	0.045	0.044
1983	138	135	113	108	0.205	0.144	0.168	0.115
1984	170	78	160	66	0.210	0.067	0.198	0.057
1985	190	155	137	99	0.198	0.115	0.143	0.073
1986	201	189	138	120	0.168	0.099	0.115	0.063
1987	312	126	271	85	0.193	0.074	0.168	0.050
1988	277	141	251	116	0.118	0.058	0.107	0.048
1989	293	128	269	106	0.135	0.056	0.124	0.046
1990	339	169	307	137	0.156	0.074	0.142	0.060
1991	301	305	273	277	0.164	0.156	0.149	0.142
1992	171	288	148	264	0.080	0.127	0.069	0.116
1993	180	323	160	300	0.089	0.152	0.080	0.141
1994	227	345	209	329	0.111	0.161	0.102	0.153
1995	202	281	174	252	0.085	0.113	0.073	0.102
1996	236	275	213	254	0.085	0.095	0.077	0.088
1997	256	247	222	214	0.076	0.071	0.066	0.062
1998	290	289	251	253	0.075	0.073	0.065	0.064
1999	351	343	296	293	0.080	0.077	0.068	0.066
2000	464	365	390	290	0.096	0.074	0.081	0.059
2001	694	648	567	519	0.177	0.162	0.145	0.129
2002	520	616	437	530	0.150	0.173	0.126	0.149
2003	407	567	339	485	0.114	0.154	0.095	0.132
2004	350	396	301	344	0.080	0.089	0.069	0.077
2005	1,166	1,236	625	624	0.225	0.234	0.120	0.118
2006	1,257	1,111	512	306	0.221	0.191	0.090	0.053
2007	1,524	1,369	565	314	0.251	0.221	0.093	0.051
2008	3,001	2,861	1,436	1,116	0.615	0.574	0.294	0.224
2009	2,268	2,841	874	1,252	0.609	0.741	0.235	0.327
2010	2,151	2,520	621	820	0.510	0.581	0.147	0.189
2011	2,327	2,754	633	884	0.541	0.625	0.147	0.201
2012	2,297	2,450	535	547	0.429	0.449	0.100	0.100
2013	901	1,158	217	398	0.191	0.241	0.046	0.083
2014	627	754	212	303	0.115	0.136	0.039	0.055
2015	617	753	220	329	0.106	0.127	0.038	0.056
2016	598	699	200	272	0.108	0.124	0.036	0.048
2017	634	653	236	225	0.101	0.104	0.038	0.036

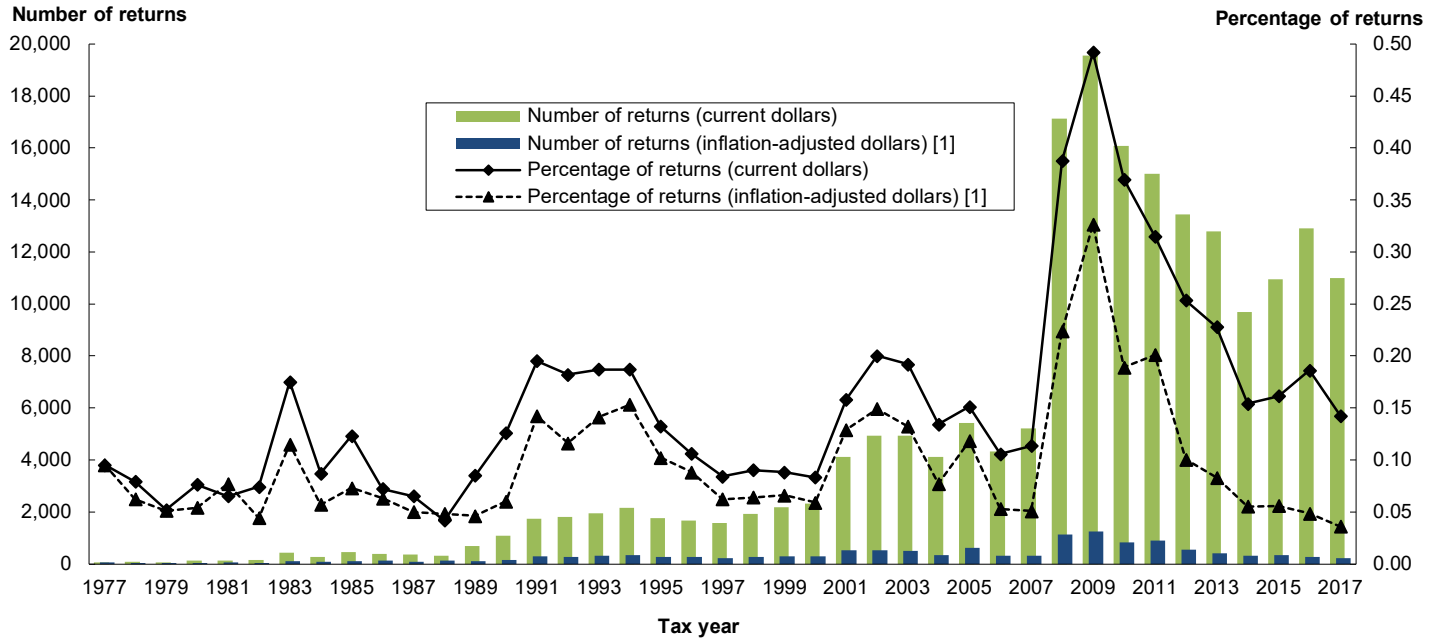
[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details. See Figure C, Column 6, for the yearly inflation-adjusted thresholds.
NOTES: See Figure M for the derivation of U.S. income tax and worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

of the AMT, taxpayers may have found it beneficial to report additional deduction items on their tax returns, even if the items did not produce a benefit for regular tax purposes.

The most important item in eliminating tax on the 6,315 returns without any worldwide income tax and AGI of $200,000 or more was total miscellaneous deductions, which includes deductions such as the gambling loss deduction, or property income, casualty, and theft deduction. This was the case in 38.5 percent (2,430) of those returns (Figure F). The next three categories that most frequently had the largest primary effect in eliminating taxes were: 1) medical and dental expense deduction (15.5 percent or 976 returns); 2) charitable contributions deduction (14.2 percent or 894 returns); and 3) taxes paid deduction (8.0 percent or 503 returns). The item that was most frequently the secondary effect in reducing regular tax liability for high-AGI returns with no worldwide income tax was the deduction for taxes paid (38.7

Figure E

Individual Income Tax Returns with Expanded Income of $200,000 or More: Number and Percentage of Returns With No Worldwide Income Tax Liability, Measured in Current and Inflation-Adjusted Dollars, Tax Years 1977–2017

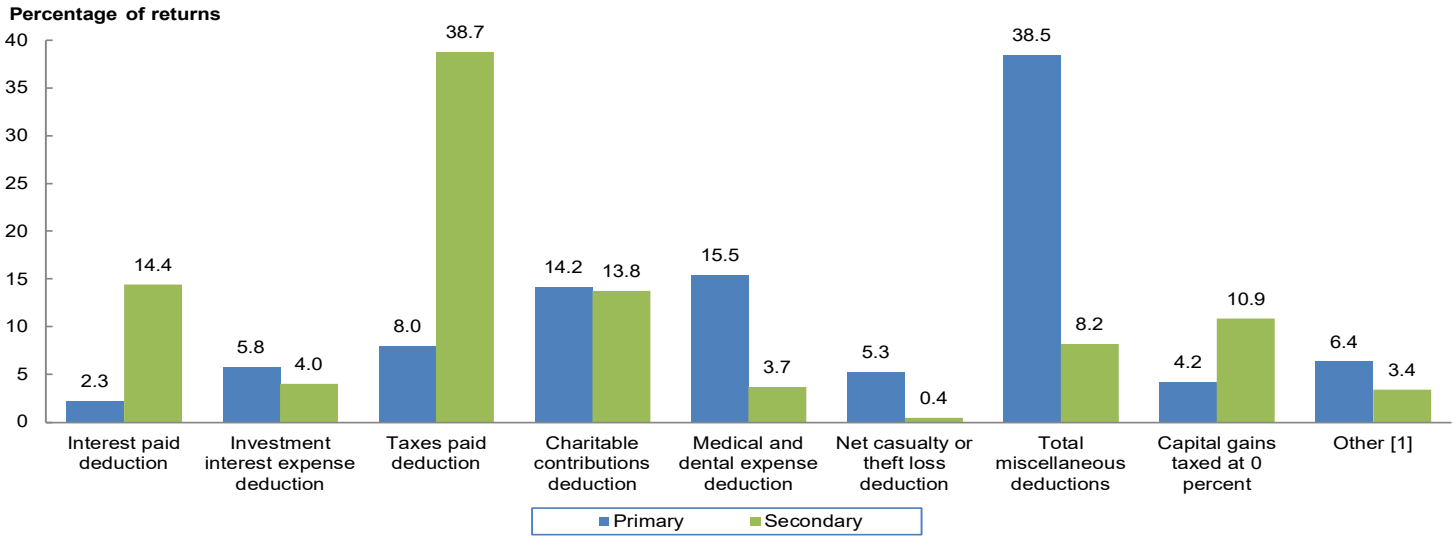


[1] Inflation-adjusted dollars were calculated using the U.S. Bureau of Labor Statistics' consumer price index for urban consumers with 1976 as the base year. See footnote 8 of this article for further details.
NOTES: See Figure M for the derivation of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits were factored in to determine tax liability. In order to maintain historical comparability, Tax Years 2007 and 2008 data were recalculated using the new criteria. However, 2007 and 2008 tables, published earlier, do not reflect these changes. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

percent or 2,440 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) interest paid deduction (14.4 percent or 906 returns); 2) the charitable contributions deduction (13.8 percent or 867 returns); and 3) capital gains taxed at 0 percent (10.9 percent or 684 returns).

Figure F

Individual Income Tax Returns With Adjusted Gross Income of $200,000 or More and No Worldwide Income Tax Liability: Percentage of Returns with Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2017



[1] Includes 16 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.
NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

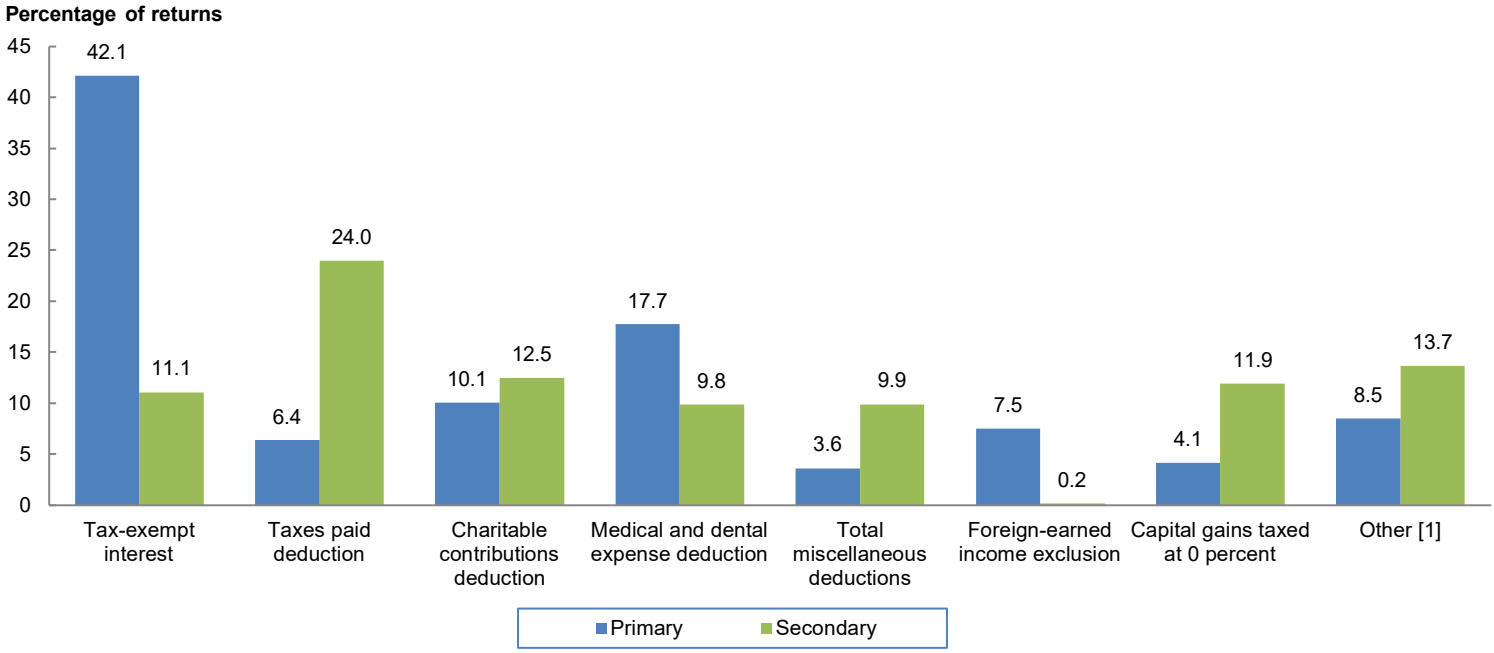
Of the 10,988 returns without any worldwide income tax and expanded incomes of $200,000 or more, the most important item in eliminating tax, on 42.1 percent of returns, was the exclusion for interest income on State and local Government bonds ("tax-exempt interest") (Figure G). The next three categories that most frequently had the largest primary effect on taxes were: 1) medical and dental expense deduction (17.7 percent or 1,948 returns); 2) charitable contributions deduction (10.1 percent or 1,106 returns); and 3) foreign-earned income exclusion (7.5 percent or 826 returns). The item that was most frequently the secondary effect in reducing regular tax liability on high-expanded-income returns with no worldwide income tax was the deduction for taxes paid (24.0 percent or 2,636 returns). The next three categories that most frequently had the largest secondary effect in eliminating taxes were: 1) charitable contributions deduction (12.5 percent or 1,374 returns); 2) capital gains taxed at 0 percent (11.9 percent or 1,306 returns); and 3) tax-exempt interest (11.1 percent or 1,216 returns).

Tables 7 and 8 in this article also classify tax returns by items having the largest and second largest effects in reducing or eliminating income tax. For returns on which each of the largest effects was identified, the tables show each of the second largest effects as well.[11] For example, Table 7 shows that on taxable returns with some U.S. income tax and expanded incomes of $200,000 or more, the taxes paid deduction was the most important item 65.8 percent of the time. Where this was the primary item, the interest paid deduction was the second most important item 59.2 percent of the time, and the charitable contributions deduction was the second most important item 26.4 percent of the time. The foreign tax credit was the main factor contributing to nontaxability for both AGI (47.2 percent of the time) and expanded-income returns with no income tax (36.1 percent of the time). However, in determining worldwide tax, this no longer has an effect (by definition).

Figure H presents another way of illustrating the importance of selected tax provisions in reducing or eliminating income tax liability. It shows the number of high-expanded-income tax returns with no worldwide income tax utilizing selected tax provisions by the percentage of income reduced. For example, the itemized deduction for medical and dental expenses reduced income by greater than 60 percent of expanded income on 1,310 (or 11.9 percent) of the 10,988 returns, but there were no medical and dental expense deductions on 4,820 returns or 43.9 percent. Conversely, the taxes paid deduction reduced expanded

Figure G

Individual Income Tax Returns with Expanded Income of $200,000 or More and No Worldwide Income Tax Liability: Percentage of Returns with Primary and Secondary Reasons for No Income Tax Liability, Tax Year 2017



[1] Includes 9 returns where the primary reason for nontaxability was not identified by the data items selected for this article. Does not include returns where there was no secondary reason for nontaxability.
NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

[11] Tax-exempt interest and the foreign-earned income exclusion were not included in Tables 7 and 8 as possible tax effects before Tax Year 1994. Thus, caution should be exercised in making comparisons with data prior to 1994 and after 1993.

Figure H

Individual Income Tax Returns With Expanded Income of $200,000 or More and No Worldwide Income Tax: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2017

Type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income		
			Under 30 percent	30 percent under 60 percent	60 percent or more
	(1)	(2)	(3)	(4)	(5)
Total itemized deductions	10,988	1,093	2,699	2,854	4,342
Interest paid deduction:					
Total	10,988	7,372	3,516	40	60
Investment interest expense deduction per income concept	10,988	8,516	2,377	54	41
Taxes paid deduction	10,988	1,156	8,887	633	312
Charitable contributions deduction	10,988	2,239	7,249	1,413	87
Medical and dental expense deduction	10,988	4,820	3,937	921	1,310
Net casualty or theft loss deduction	10,988	10,620	32	32	304
Net limited miscellaneous deduction per income concept	10,988	4,693	5,759	378	158
Nonlimited miscellaneous deduction	10,988	9,959	1,003	13	13
Deduction equivalent of:					
Total credits	10,988	10,073	469	250	196
General business credit	10,988	10,635	130	150	73
Tax preferences excluded from adjusted gross income	10,988	2,527	3,381	1,991	3,089
Nontaxable Social Security benefits	10,988	4,798	6,190	0	0
Capital gains taxed at 0 percent	10,988	5,823	4,528	637	0
Deduction equivalent of Section 965 future installments	10,988	10,984	4	0	0
Disaster loss deduction	10,988	10,948	0	0	40

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

income between 0 and 30 percent on 8,887 (or 80.9 percent) of the 10,988 returns, but reduced income by greater than 60 percent on only 312 returns. Tax preferences excluded from AGI, which included tax-exempt interest, reduced income by greater than 60 percent of expanded income on 3,089 (or 28.1 percent) of the 10,988 returns, more than any other item. In total, 8,461 returns (77.0 percent) had their income reduced by tax preferences excluded from AGI. Only the taxes paid deduction (9,832 returns or 89.5 percent) and the charitable contributions deduction (8,749 returns or 79.6 percent) were claimed by more returns. Tables 9 and 10 report the frequencies of returns in finer detail by the percentage of income reduced.

Distribution of Tax Levels

Figure I displays the distribution of high-expanded-income returns by the ratio of "adjusted" worldwide taxable income to expanded income. Taxable income was adjusted for this figure by subtracting the deduction equivalents of tax credits and other items from taxable income.[12] Thus, the figure shows the extent to which expanded income is reduced before taxes are imposed on the remaining income. The figure illustrates three important facts about high-income tax returns:

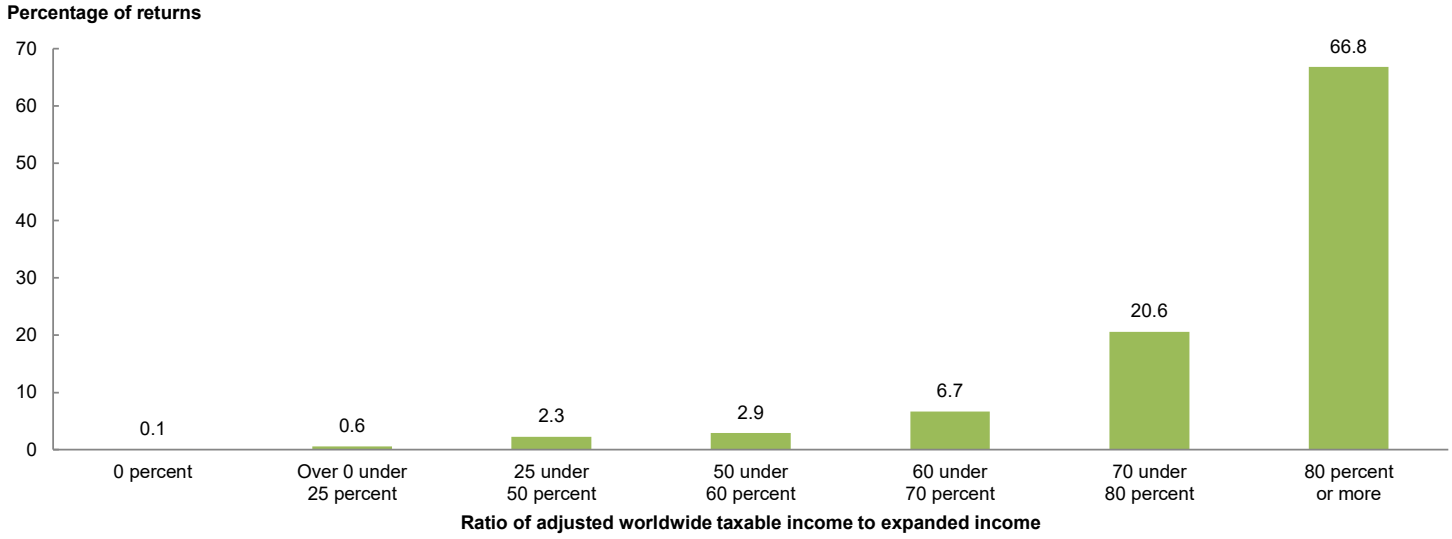
- Only a small portion of all high-income taxpayers did not pay any worldwide income taxes (0.1 percent).
- Another group of high-income taxpayers—small, but larger than the nontaxable group—could offset a very substantial fraction of income before being subject to tax. This type of high-income taxpayer pays income tax equal to only a small share of his or her income. Such taxpayers may be called "nearly nontaxable." About 0.6 percent of high-expanded-income taxpayers who reported at least some worldwide tax liability were able to reduce their adjusted taxable income to less than 25 percent of their expanded income.
- Overall, most high-income taxpayers were subject to tax on a large share of their income (66.8 percent of high expanded-income taxpayers had adjusted taxable income equal to 80 percent or more of expanded income; and 97.0 percent had adjusted taxable income equal to 50 percent or more of expanded income).

Figure J shows the distribution of all expanded-income returns by worldwide income tax burden. It classifies tax returns by size of expanded income and effective tax rate, i.e., income tax as a percentage of expanded income. This figure illustrates the wide dispersion of effective tax rates for all returns. For example, while 2.8 percent of returns with expanded incomes of $200,000 or more had worldwide income tax of less than 10 percent of income, 19.4 percent had effective tax rates of 25 percent or more. Also, 27.8 percent had effective tax rates between 20 and 25 percent. In contrast, only 2.7 percent of taxpayers with an expanded income between $100,000 and $200,000 had effective tax rates of 20 percent or more, including only 0.1 percent with effective tax rates of 25 percent or more.

[12] See Appendix B for a description of how the deduction equivalent of credits was computed.

Figure I

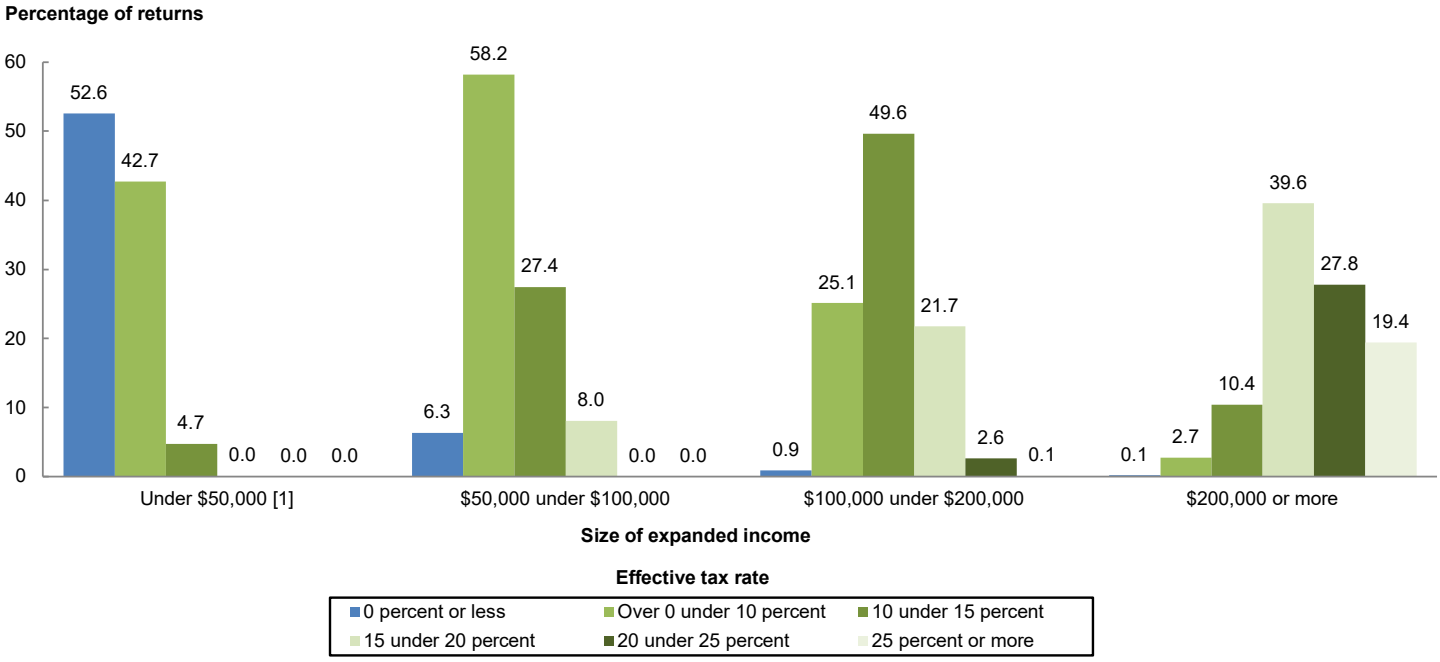
Individual Income Tax Returns With Expanded Income of $200,000 or More: Distribution of Returns by Ratio of Adjusted Worldwide Taxable Income to Expanded Income, Tax Year 2017



NOTES: Detail may not add to 100 percent because of rounding. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Figure J

Individual Income Tax Returns: Distribution of Returns by Effective Worldwide Income Tax Rates Within Expanded Income Size Groups, Tax Year 2017



[1] Includes returns with adjusted gross deficit or with negative expanded income.
NOTES: Detail may not add to 100 percent because of rounding. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Characteristics of High-Income Tax Returns

By comparing high-income nontaxable returns with taxable returns, some of the different characteristics of nontaxable returns can be deduced. For example, under the expanded-income concept, returns without worldwide income tax were much more likely (76.9 percent) than taxable returns (24.9 percent) to have tax-exempt interest, and when they did, the average amount for nontaxable returns ($180,916) was much higher than

the average amount for all taxable returns ($21,580) (Figure K). Similarly, nontaxable returns (33.6 percent) were much less likely than high-income taxable returns (87.2 percent) to have income from salaries and wages. Tables 5 and 6 show the aggregate frequencies and amounts of all the types of income, the items of tax preference, and the various deductions, credits, and income taxes on high-income returns.

More Detailed Data for 2017

Tables 1 through 12 present data based on income tax returns for 2017, mainly those with income of $200,000 or more (measured in current-year dollars) of AGI or expanded income. Most of the data are shown for taxable and nontaxable returns, both separately and combined. The odd-numbered tables use the U.S. income tax concept to classify returns as taxable or nontaxable, whereas the even-numbered tables use the worldwide income tax concept. In summary, the tables show:

- The numbers of returns under the two tax concepts, cross-classified by broad AGI and expanded-income size classes (Tables 1 and 2);
- The distributions of taxable income as a percentage of AGI and expanded income (Tables 3 and 4);
- The frequencies and amounts of various sources of income, exclusions, deductions, taxes, and tax credits, as well as the relationship between the two income concepts (Tables 5 and 6);
- The frequencies with which various deductions and tax credits are the most important and second most important items in reducing (or eliminating) income tax (Tables 7 and 8);
- The frequencies with which various itemized deductions, tax credits, and tax preference items occur as certain percentages of income (Tables 9 and 10); and
- The distributions of effective tax rates, i.e., income tax under each definition as a percentage of income as well as the percentage of income that is subject to preferential tax rates, by broad income-size classes (Tables 11 and 12).

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Figure K

Individual Income Tax Returns With Expanded Income of $200,000 or More: Percentage of Returns With, and Average Amount for, Selected Items, by Worldwide Income Tax Status, Tax Year 2017

Selected items	Returns with expanded income of $200,000 or more			
	Returns with worldwide income tax		Returns without worldwide income tax	
	Percentage of returns	Average amount	Percentage of returns	Average amount
	(1)	(2)	(3)	(4)
Salaries and wages	87.2	306,374	33.6	129,566
Tax-exempt interest	24.9	21,580	76.9	180,916
Qualified dividends	64.6	29,695	82.7	62,460
Social Security benefits (nontaxable)	19.4	4,852	56.3	4,473
Medical and dental expense deduction	3.9	24,021	56.1	75,334
Net limited miscellaneous deductions per adjusted gross income concept	15.9	23,201	58.1	53,618

NOTES: There were 7,725,915 returns with expanded income of $200,000 or more; 10,988 of these returns did not have any worldwide income tax. See Figure M for the derivation of worldwide income tax. See Appendix A: Income Concepts of this article for a discussion of expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

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Appendix A: Income Concepts

Congress wanted data on high-income taxpayers classified by an income concept that was more comprehensive than adjusted gross income (AGI), but that was based entirely on items already reported on income tax returns. To derive such an income concept, it was necessary to begin with a broad, inclusive concept of income. AGI must then be compared to this broad income concept, and the differences, (both additions and subtractions) from items reported on tax returns, identified.

This appendix begins by defining "Haig-Simons income," a very broad concept of income used by economists and others as a standard. AGI is then compared to Haig-Simons income, and the major differences between the two income concepts are listed. The next section defines "expanded income," a more comprehensive income measure than AGI, based entirely on tax return data, and the final section explains in some detail the adjustment to income for investment expenses.

Haig-Simons Income

The broadest measure of annual income generally used by economists and others is defined as the value of a household's consumption plus the change, if any, in its net worth. This income concept is referred to as Haig-Simons income, or H-S income, after the two economists who wrote extensively about it [A1]. The H-S income of a household that consumed $25,000 and saved $2,000 in a year would be $27,000. Alternatively, the H-S income of a household that consumed $25,000 and had no additions to savings but had assets that declined in value by $1,000 in a year, would be $24,000.

H-S income consists of three broad components: labor income, capital income (income from assets), and income from transfer payments. The major elements of each of these three components are as follows:

Labor income—This includes all forms of employee compensation (including wages and salaries), employee fringe benefits (such as employer-provided health insurance and accrued pension benefits or contributions), and the employer share of payroll taxes (such as Social Security taxes). Labor income also includes the labor share of self-employment income. Expenses of earning labor income would be deducted in arriving at H-S income. Deferred labor income (such as pension benefits) would be counted in the year it was earned, rather than in the year it was received.

Capital income—This includes all income from assets, including interest, dividends, rents, royalties, accrued capital gains (whether realized or not), the capital income share of self-employment income, and the rental value of consumer durables (most importantly, the rental value of owner-occupied housing). Capital income is measured in real (inflation-adjusted) terms and is net of real, economic depreciation and all other expenses (which could exceed capital income).

Transfer payments—These include payments in cash such as Social Security benefits, workers' compensation, unemployment benefits, Aid to Families with Dependent Children

(AFDC), and noncash benefits (such as Medicare, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP)).

For purposes of tax analysis, H-S income should be measured on a pretax basis, the amount that would be earned if there were no Federal income tax in place. Most items of income are unaffected, or little affected, by the income tax and so these are reported on a pretax basis. However, certain income items from tax-preferred sources may be reduced because of their preferential treatment. An example is interest from tax-exempt State and local Government bonds. The interest rate on tax-exempt bonds is generally lower than the interest rate on taxable bonds of the same maturity and risk, with the difference approximately equal to the tax rate of the typical investor in tax-exempt bonds. Thus, investors in tax-exempt bonds are effectively paying a tax, referred to as an "implicit tax," and tax-exempt interest as reported is measured on an after-tax, rather than a pretax, basis. Income from all tax-preferred sources should be "grossed up" by implicit taxes to measure H-S income properly.

Adjusted Gross Income

AGI is the statutory definition of income for Federal income tax purposes. AGI differs from H-S income by excluding some components of H-S income and by allowing accelerated business deductions and deductions unrelated to income, but also by disallowing or limiting certain expenses of earning income and certain losses. In addition, AGI is not "grossed up" for implicit taxes.

The components of H-S income excluded from AGI include most employee fringe benefits, the employer share of payroll taxes, accrued but deferred employee compensation, accrued but unrealized real capital gains, the rental value of consumer durables, nontaxable Social Security benefits, most other cash transfers, all noncash transfers, and the real income of borrowers due to inflation [A2].

Depreciation and certain other expenses allowed in determining AGI may be accelerated (relative to economic depreciation and other costs) in the early years of an investment, thus understating investment income. In later years, however, investment income in AGI will be overstated because depreciation and other accelerated expenses will then be understated. AGI also excludes some expenses not related to earning income, such as contributions to self-employed retirement (Keogh) plans, deductible contributions to Individual Retirement Arrangements (IRAs), the portion of Social Security contributions for self-employed workers that is analogous to the employer share of such contributions for employees, and contributions to medical savings accounts.

AGI generally exceeds H-S income to the extent that expenses of earning income and losses are limited or disallowed. Most of the expenses of earning income are deductible from AGI in calculating taxable income, but only if the taxpayer "itemizes" deductions and then, in some cases, only to the extent that the sum of all such items exceeds 2 percent of AGI. Expenses incurred in the production of income that are itemized deductions include certain expenses of employees (such as union dues; expenditures for items used on the job but not reimbursed by the employer; and the employees' travel, meal, and entertainment expenses); and expenses attributable to a taxpayer's (passive) investments (as opposed to active participation in a trade or business, for example), including, but not limited to, interest expense incurred in connection with investments in securities [A3]. Note that there are limits on certain types of deductible expenses, e.g., deductible meal and entertainment expenses are limited to 50 percent of total meal and entertainment expenses.

Although net capital losses reduce economic income, only the first $3,000 of net realized capital losses may be deducted in computing AGI. Any additional realized losses must be carried forward to future years. In a somewhat similar manner, passive losses (from investments in a trade or business in which the taxpayer does not materially participate) can also reduce economic income, but, in computing AGI, they can only be deducted from passive income from other, similar investments (although a larger amount may be deducted when the losses are from rental real estate activities).

AGI can also exceed H-S income because of differences in the timing of income between the two concepts. For example, a taxpayer may realize more capital gains in a year than he or she accrues in capital gains. Since AGI includes only realizations of capital gains, whereas H-S income includes only accruals, AGI in this circumstance would exceed H-S income.

Finally, just as AGI understates the income of borrowers due to inflation, it overstates the income of lenders, who include bond owners and owners of bank deposits.

Expanded Income

Expanded income is meant to be a measure of income that is conceptually closer to H-S income than AGI, but which is derived entirely from items already reported on income tax returns. Figure L shows the adjustments made to AGI to arrive at expanded income. Since the definition of AGI was changed by

Figure L
Derivation of Expanded Income from Adjusted Gross Income, Tax Years 1977–2017

Adjusted gross income (AGI)	
PLUS:	o Excluded capital gains (tax years prior to 1987)
	o Tax-exempt interest (1987 and later tax years)
	o Nontaxable Social Security benefits (1988 and later tax years)
	o Tax preferences for alternative minimum tax purposes [A5]
	o Foreign-earned income exclusion (1990 and later tax years)
MINUS:	o Unreimbursed employee business expenses [A4]
	o Nondeductible rental losses (Tax Years 1987 and 1988)
	o Moving expense deduction (Tax Years 1987 through 1993) [A4]
	o Investment interest expense deduction to the extent it does not exceed investment income
	o Miscellaneous itemized deductions not subject to the 2-percent-of-AGI floor (1989 and later tax years)
EQUALS:	o Expanded income

NOTE: Footnotes to this figure are included with the footnotes to Appendix A: Income Concepts, which also includes an explanation of adjusted gross income and expanded income.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

legislation several times since 1977, and certain reporting requirements also changed, the adjustments differ over the years, as indicated for each item [A4]. Most of these adjustments are relatively straightforward, but the adjustment for investment requires some explanation.

Investment Expenses

In measuring H-S income, it generally would be appropriate to deduct all expenses incurred in the production of income, including those related to any income-producing investments, without limit. Investment expenses that exceed investment income would then represent net economic losses. However, such a liberal deduction for investment-related expenses is not necessarily correct when not all income items have been included currently. (Investment income includes interest, dividends, and capital gains.)

If all income has not been included currently, full deduction of investment expenses might represent a mismatching of receipts and expenses and might result in understating income. For example, if a taxpayer borrowed funds to purchase securities, net income would be understated if the taxpayer deducted all interest payments on the loan but did not include as income any accrued gains on the securities. A similar mismatching of income and expenses would occur if investment expenses that should properly be capitalized were deducted when paid. In these instances, a more accurate measure of income might be obtained by postponing the deduction of the expense until the income was recognized for tax purposes.

Additional problems are created when a person with a loan has both income-producing assets, such as securities, and non-income-producing assets, such as a vacation home or yacht. It is not possible to determine what portion of the interest expense should be attributed to taxable income-producing assets, and, therefore, ought to be deductible against the gross receipts from such taxable assets. Because of these problems, it has been necessary to set arbitrary limits on the amount of investment expenses that are deductible in calculating expanded income.

Investment expenses that have not been deducted in determining AGI generally can appear on a Federal individual income tax return in two places. Investment interest expense is accounted for in the calculation of the itemized deduction for interest paid. Deductible investment interest expense is a separate part of the total interest deduction. Other investment expenses, such as management fees, are included in the miscellaneous category of itemized deductions [A5]. Beginning with 1987, most types of income-producing expenses included as miscellaneous itemized deductions are only deductible to the extent that their total exceeds 2 percent of AGI. To determine expenses that should be deductible in calculating an approximation of H-S income, investment expenses have been defined as deductible investment interest expenses. Other investment expenses could not be separated from the remainder of miscellaneous deductions. Hence, they have not been used in the adjustment for investment expenses.

To the extent that interest expenses do not exceed investment income, they are generally allowed as a deduction in the computation of deductible investment interest expenses and thus expanded income. Investment interest expenses that exceed investment income are not deductible in calculating expanded income. One consequence of this definition is that investment expenses can never turn positive investment income into investment losses. Generally, allowing investment expenses to offset all investment income is generous and tends to understate broadly measured income. However, in some instances, limiting investment expenses to investment income may overstate income by disallowing genuine investment losses.

Notes to Appendix A

[A1] Haig, Robert M. (ed.), *The Federal Income Tax*, Columbia University Press, 1921, and Simons, Henry C., *Personal Income Taxation*, University of Chicago Press, 1938.

[A2] Borrowers receive income due to inflation because the real value of debt is reduced by inflation. Even though inflation may be anticipated and reflected in interest rates, tax deductions for nominal interest payments overstate interest costs because part of these payments represent a return of principal to the lender, rather than interest.

[A3] See references and footnote A4.

[A4] For 1977, about 50 percent of net long-term capital gains were included in AGI. During 1978, the inclusion ratio was changed to 40 percent. This inclusion ratio remained unchanged through 1986. Beginning with 1987, there was no exclusion allowed for capital gains in computing AGI, and, thus, this adjustment was not made in computing expanded income for returns for years after 1986.

Beginning in 1987, taxpayers were required to report on their Federal income tax returns the amount of their tax-exempt interest income from State and local Government bonds. Since 1987, tax-exempt interest has been included in expanded income.

Taxpayers are also required to report Social Security benefits. Since 1988, nontaxable Social Security benefits have been included in expanded income. However, if none of a taxpayer's Social Security benefits are taxable, then gross Social Security benefits are not required to be shown on the income tax return. In such instances, which generally only affect lower- and middle-income taxpayers, Social Security benefits are not included in expanded income.

The subtraction of unreimbursed employee business expense and the moving expense deduction is to make the concept of expanded income comparable to years prior to 1987. All current year moving expenses beginning with Tax Year 1994 were deducted in the calculation of AGI as a statutory adjustment. Due to subtracting nonlimited miscellaneous deductions and not subtracting the nondeductible rental loss for 1989, the expanded income concept for 1989 is not strictly comparable to expanded income for 1988. Nor is the expanded income concept for 1990 strictly comparable to expanded income for 1989 because

of the addition of the foreign-earned income exclusion. Specific details on the definition of expanded income for any given year are available in the reports and publications found under the References section.

[A5] Some income deferrals and accelerated expense deductions may also be involved in income or losses from rental property, from royalties, from partnerships, and from S Corporations, only the net amounts of which are included in adjusted gross income.

Appendix B: Tax Concepts

This appendix discusses in more detail two tax concepts used in this article. The first section provides a summary of the U.S. taxation of worldwide income and the foreign tax credit. The two tax concepts used in this article are then defined in the next section. That section is followed by an explanation of deduction equivalent of credits and other items. A final section discusses the possible implications of the use of unaudited tax return data for this article.

U.S. Taxation of Worldwide Income and the Foreign Tax Credit

Citizens and residents of the United States, regardless of where they physically reside, must generally include in income for Federal income tax purposes income from all geographic sources. Thus, for example, dividends and interest received from a foreign corporation or income earned working abroad is subject to Federal income tax in the same manner as income received from sources inside the United States [B1]. Income from sources outside the United States may also be subject to tax by foreign governments.

To reduce, if not eliminate, the possibility of double taxation of the foreign-source income of U.S. citizens and residents, the Federal income tax allows a credit for income taxes paid to foreign governments. The foreign tax credit is generally limited to the amount of (pre-credit) U.S. tax liability attributable to foreign-source income. This limit prevents the foreign tax credit from offsetting the U.S. tax on U.S.-source income.

Due to taxing citizens and residents on a worldwide basis but allowing a foreign tax credit, some Federal income tax returns may report substantial income but little or no U.S. tax liability after credits. This may occur, for example, if a taxpayer has income only from foreign sources, e.g., the taxpayer may live abroad the entire year and have no income-producing assets in the United States. It may also occur if a taxpayer has foreign-source income that exceeds a net loss from U.S. sources and pays income taxes comparable to the U.S. tax to a foreign government [B2].

For taxpayers with income from foreign sources, these procedures understate the taxpayers' true worldwide income tax liabilities and effective income tax rates. For such taxpayers, it does not seem appropriate to classify U.S. income tax credits for foreign tax payments as reducing tax liabilities. This is particularly true for tax filers who appear to be nontaxable because they do not have any U.S. tax liability, but who have paid foreign income taxes. A more accurate measure of overall income tax burden, as well as the number of nontaxable returns, can be obtained by considering all income taxes—U.S. as well as foreign. Thus, a second tax concept, worldwide income tax, has been used in addition to the traditional U.S. income tax.

Two Tax Concepts

Two tax concepts are used in this article to classify tax returns as taxable (i.e., returns showing an income tax liability) or nontaxable (i.e., returns showing no income tax liability) and to measure the tax burdens on taxable returns: U.S. income tax and worldwide income tax. Worldwide income tax is defined for purposes of this article as U.S. income tax, *plus* the foreign tax credits reported on the U.S. income tax return, and foreign taxes paid on excluded foreign-earned income (obtained from *Foreign Tax Credit* (Form 1116)). The amount of the foreign tax credits and foreign taxes paid on excluded foreign-earned income is used as a proxy for foreign tax liabilities [B3]. The relationship of U.S. income tax to tax items reported on individual income tax returns, and to worldwide income tax, is shown in Figure M.

Comparing Exclusions, Deductions, Tax Credits, and Special Tax Computations

To compare the importance of various exclusions, deductions, tax credits, and special tax computations (such as the alternative minimum tax on tax preferences), the different types of items must be placed on the same basis. One way of doing so is to calculate the size of the deduction that would reduce (or increase) income tax by the same amount as a tax credit or

Figure M
Derivation of U.S. Individual Income Tax and Worldwide Income Tax Liabilities, Tax Year 2017

Tax at regular rates (tax generated)	
PLUS:	Additional taxes (such as tax on accumulation distributions from qualified retirement plans, Form 4972)
PLUS:	Alternative minimum tax (Form 6251)
PLUS:	Excess advance premium tax credit repayment
EQUALS:	Income tax before credits
MINUS:	Excess advance premium tax credit repayment
MINUS:	Tax credits (nonrefundable)
PLUS:	Net investment tax
MINUS:	Refundable tax credits [1]
EQUALS:	U.S. individual income tax
PLUS:	Foreign tax credit
PLUS:	Foreign taxes paid on excluded foreign-earned income (Form 1116)
EQUALS:	Worldwide income tax

[1] Includes the earned income credit, additional child tax credit, refundable American opportunity credit, regulated investment company credit, net premium tax credit, and the health insurance credit.
NOTE: See Appendix B: Tax Concepts for further discussion of the information in this figure.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

special computation. This amount is called the "deduction equivalent" of the tax credit or special computation.

The deduction equivalent of a tax credit or a special tax computation is the difference between the taxable income that, using the ordinary tax rate schedules, would yield the actual tax before the provision in question is considered and the actual tax after the provision. For example, the "deduction equivalent of all tax credits" is equal to the difference between "taxable income that would yield income tax before credits" and "taxable income that would yield income tax after credits."

Using this method of equating the value of deductions, exclusions, credits, and special tax computations, the order in which the various credits and special tax computations are calculated may affect the value of their deduction equivalents. Because the tax rate schedules are progressive, with successive increments to income taxed at successively higher tax rates, the deduction equivalent of the credit converted last to a deduction equivalent will be larger (for the same amount of a credit) than the item converted first, unless all relevant taxable income amounts are within a single tax-rate bracket.

The deduction equivalents of tax credits shown in Tables 9 and 10 were computed by assuming that deductions and exclusions reduce taxes before credits. As a result, the deduction equivalent of tax credits may be overstated.

Unaudited Data

Tax return data used for Statistics of Income have been tabulated as they were reported on tax returns filed with the Internal Revenue Service (IRS). Certain obvious arithmetic errors have been corrected and certain adjustments have been made to achieve consistent statistical definitions. Otherwise, the data have not been altered. Specifically, the data do not reflect any changes that either may have or could have been made because of IRS audits. While this is true of data throughout the entire Statistics of Income program, it is particularly relevant for high-income tax returns. Because of the greater complexity of these returns, there is a higher probability of error and a broader scope for disagreement about the proper interpretation of tax laws.

The fact that the data have been drawn from unaudited returns is of even greater importance for those high-income returns that are nontaxable. Almost any audit changes would make such returns taxable. Even where the tax consequences are minor, such returns could be reclassified from nontaxable to taxable, thereby changing the counts of nontaxable returns.

Notes to Appendix B

[B1] An exception is that certain income earned abroad may be excluded from AGI. Any foreign taxes paid on such income are not creditable against U.S. income tax. The tables in this article include such excluded income in expanded income. Foreign taxes paid on such income are reflected in worldwide income tax, as discussed later.

[B2] Although the foreign tax credit is an item of tax preference for AMT purposes, taxpayers below the AMT exclusion thresholds, or with preferences or deductions not subject to AMT, could completely offset pre-credit U.S. income tax liability with foreign tax credits.

[B3] Where foreign tax rates exceed U.S. rates, foreign tax credits will be less than foreign tax liabilities. In such cases, using foreign tax credits as a proxy for foreign tax liabilities understates worldwide income tax liability. In other cases, when foreign tax credits are for taxes paid on income from previous years, use of foreign tax credits as a proxy may overstate or understate worldwide taxes on current-year income.

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Table 1. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2017

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under $50,000 [1]	$50,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	**152,903,231**	**90,764,878**	**34,466,798**	**19,951,450**	**7,720,105**
Under $50,000 [1]	88,293,255	87,400,574	870,822	16,778	5,081
$50,000 under $100,000	36,906,784	3,287,058	33,050,490	561,703	7,534
$100,000 under $200,000	19,977,277	73,513	538,135	19,224,910	140,718
$200,000 or more	7,725,915	3,733	7,351	148,059	7,566,772
Returns with U.S. income tax					
Total	**103,747,043**	**43,483,379**	**32,770,218**	**19,786,590**	**7,706,856**
Under $50,000 [1]	41,771,544	41,059,159	702,633	6,647	3,106
$50,000 under $100,000	34,512,901	2,398,278	31,558,311	549,065	7,247
$100,000 under $200,000	19,758,948	24,574	503,983	19,090,262	140,130
$200,000 or more	7,703,650	1,369	5,291	140,617	7,556,373
Returns without U.S. income tax					
Total	**49,156,189**	**47,281,499**	**1,696,581**	**164,860**	**13,249**
Under $50,000 [1]	46,521,710	46,341,415	168,189	10,131	1,975
$50,000 under $100,000	2,393,884	888,780	1,492,179	12,638	287
$100,000 under $200,000	218,329	48,940	34,153	134,648	588
$200,000 or more	22,266	2,364	2,060	7,443	10,399

[1] Includes returns with adjusted gross deficit or with negative expanded income.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 2. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number of Returns, by Size of Income Under Alternative Concepts, Tax Year 2017

[All figures are estimates based on samples]

Returns by tax status, size of expanded income	All returns	Returns by size of adjusted gross income			
		Under $50,000 [1]	$50,000 under $100,000	$100,000 under $200,000	$200,000 or more
	(1)	(2)	(3)	(4)	(5)
All returns					
Total	**152,903,231**	**90,764,878**	**34,466,798**	**19,951,450**	**7,720,105**
Under $50,000 [1]	88,293,255	87,400,574	870,822	16,778	5,081
$50,000 under $100,000	36,906,784	3,287,058	33,050,490	561,703	7,534
$100,000 under $200,000	19,977,277	73,513	538,135	19,224,910	140,718
$200,000 or more	7,725,915	3,733	7,351	148,059	7,566,772
Returns with worldwide income tax					
Total	**103,963,196**	**43,612,443**	**32,816,249**	**19,820,714**	**7,713,790**
Under $50,000 [1]	41,872,858	41,160,468	702,636	6,648	3,107
$50,000 under $100,000	34,574,154	2,416,955	31,600,858	549,082	7,259
$100,000 under $200,000	19,801,256	33,276	506,827	19,120,935	140,219
$200,000 or more	7,714,927	1,745	5,928	144,049	7,563,204
Returns without worldwide income tax					
Total	**48,940,036**	**47,152,435**	**1,650,550**	**130,736**	**6,315**
Under $50,000 [1]	46,420,396	46,240,106	168,186	10,130	1,974
$50,000 under $100,000	2,332,630	870,103	1,449,632	12,620	275
$100,000 under $200,000	176,021	40,238	31,309	103,976	499
$200,000 or more	10,988	1,988	1,423	4,010	3,567

[1] Includes returns with adjusted gross deficit or with negative expanded income.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 3. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2017

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	**7,720,105**	**100.0**	**100.0**	**7,725,915**	**100.0**	**100.0**
Returns without U.S. income tax	**13,249**	**0.2**	**0.2**	**22,266**	**0.3**	**0.3**
Returns with U.S. income tax: Total	**7,706,856**	**99.8**	**N/A**	**7,703,650**	**99.7**	**N/A**
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	19,683	0.3	0.3	24,554	0.3	0.3
5 under 10 percent	12,497	0.2	0.4	15,155	0.2	0.5
10 under 15 percent	17,078	0.2	0.6	18,577	0.2	0.8
15 under 20 percent	12,502	0.2	0.8	14,327	0.2	0.9
20 under 25 percent	12,202	0.2	1.0	17,353	0.2	1.2
25 under 30 percent	15,804	0.2	1.2	21,204	0.3	1.4
30 under 35 percent	22,711	0.3	1.5	28,378	0.4	1.8
35 under 40 percent	28,635	0.4	1.8	35,233	0.5	2.3
40 under 45 percent	43,813	0.6	2.4	50,613	0.7	2.9
45 under 50 percent	61,498	0.8	3.2	70,951	0.9	3.8
50 under 60 percent	202,174	2.6	5.8	233,135	3.0	6.9
60 under 70 percent	511,940	6.6	12.4	525,876	6.8	13.7
70 under 80 percent	1,668,280	21.6	34.1	1,595,069	20.6	34.3
80 percent or more	5,078,041	65.8	99.8	5,053,224	65.4	99.7

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 4. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Distribution of Returns by Ratio of Adjusted Taxable Income to Income Per Concept, Tax Year 2017

[All figures are estimates based on samples]

Tax status, ratio of adjusted taxable income to income per concept	Adjusted gross income concept			Expanded income concept		
	Number of returns	Percentage of total	Cumulative percentage of total	Number of returns	Percentage of total	Cumulative percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)
Total	**7,720,105**	**100.0**	**100.0**	**7,725,915**	**100.0**	**100.0**
Returns without worldwide income tax	**6,315**	**0.1**	**0.1**	**10,988**	**0.1**	**0.1**
Returns with worldwide income tax: Total	**7,713,790**	**99.9**	**N/A**	**7,714,927**	**99.9**	**N/A**
Ratio of adjusted taxable income to income per concept:						
Over 0 under 5 percent	7,468	0.1	0.1	7,313	0.1	0.1
5 under 10 percent	7,314	0.1	0.2	7,730	0.1	0.2
10 under 15 percent	9,490	0.1	0.3	9,446	0.1	0.3
15 under 20 percent	7,888	0.1	0.4	9,503	0.1	0.4
20 under 25 percent	9,114	0.1	0.5	11,507	0.1	0.6
25 under 30 percent	11,488	0.1	0.7	14,382	0.2	0.8
30 under 35 percent	17,775	0.2	0.9	23,055	0.3	1.1
35 under 40 percent	25,418	0.3	1.2	31,577	0.4	1.5
40 under 45 percent	39,052	0.5	1.7	45,166	0.6	2.1
45 under 50 percent	50,682	0.7	2.4	62,714	0.8	2.9
50 under 60 percent	191,838	2.5	4.9	223,907	2.9	5.8
60 under 70 percent	500,951	6.5	11.4	516,644	6.7	12.5
70 under 80 percent	1,649,815	21.4	32.7	1,588,988	20.6	33.0
80 percent or more	5,185,496	67.2	99.9	5,162,994	66.8	99.9

N/A—Not applicable.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	6,793,027	2,075,182,361	6,783,803	2,072,531,079	9,225	2,651,282
Business or profession:						
Net income	1,385,967	135,666,252	1,383,956	135,384,355	2,010	281,897
Net loss	473,628	10,631,592	472,721	10,574,584	907	57,008
Farm:						
Net income	46,133	2,710,459	46,051	2,707,684	82	2,774
Net loss	112,454	5,852,740	112,196	5,825,405	258	27,335
Partnership and S Corporation net income after section 179 property deduction: [1]						
Net income	2,053,025	706,827,980	2,051,011	706,341,270	2,014	486,710
Net loss	606,057	63,668,218	603,766	63,184,520	2,290	483,698
Sales of capital assets:						
Net gain	3,705,674	729,020,355	3,701,262	728,266,779	4,411	753,576
Net loss	1,349,462	3,236,033	1,346,170	3,227,322	3,291	8,710
Sales of property other than capital assets:						
Net gain	344,946	26,277,120	344,078	26,232,830	868	44,290
Net loss	334,322	7,109,932	333,457	7,037,514	865	72,418
Taxable interest received	6,153,097	66,498,925	6,144,740	66,142,309	8,357	356,617
Tax-exempt interest	1,844,720	37,270,266	1,841,788	37,134,267	2,932	135,998
Dividends	5,114,065	183,912,624	5,107,372	183,161,772	6,693	750,852
Qualified dividends	4,914,955	146,080,513	4,908,802	145,440,045	6,153	640,468
Pensions and annuities in adjusted gross income	1,760,687	101,189,800	1,758,376	101,073,620	2,311	116,180
Rent:						
Net income	898,193	37,228,911	896,906	37,163,435	1,287	65,476
Net loss, total (deductible and nondeductible)	973,290	16,815,150	971,154	16,741,755	2,136	73,394
Nondeductible rental loss	733,189	10,594,863	731,609	10,558,159	1,580	36,704
Royalty:						
Net income	478,293	14,203,857	477,174	14,189,540	1,119	14,318
Net loss	25,024	227,802	24,949	226,713	75	1,089
Estate or trust:						
Net income	171,423	27,959,913	171,097	27,937,225	325	22,689
Net loss	20,354	1,994,199	20,238	1,962,470	116	31,729
State income tax refunds	2,850,502	17,192,466	2,848,628	17,160,428	1,874	32,038
Alimony received	16,928	2,340,255	16,908	2,338,386	20	1,869
Social Security benefits in adjusted gross income	1,415,305	38,725,073	1,412,300	38,643,817	3,005	81,256
Social Security benefits (nontaxable)	1,415,587	6,837,410	1,412,523	6,821,952	3,064	15,458
Unemployment compensation	153,450	973,261	153,335	972,442	115	819
Other income	903,543	23,880,246	901,349	23,713,380	2,194	166,866
Other loss	50,771	2,128,711	50,266	2,012,087	505	116,624
Foreign-earned income exclusion	34,054	3,194,356	32,433	3,028,159	1,621	166,197
Total income	7,720,105	4,174,832,240	7,706,856	4,169,297,929	13,249	5,534,312
Statutory adjustments, total	2,922,836	65,150,572	2,919,527	65,077,899	3,309	72,673
Payments to Individual Retirement Arrangements	171,575	1,616,156	171,385	1,614,457	190	1,699
Payments to self-employed retirement (Keogh) plans	516,983	18,675,701	516,730	18,655,969	253	19,733
Moving expenses adjustment	83,182	594,190	83,102	593,383	80	807
Adjusted gross income	**7,720,105**	**4,109,681,668**	**7,706,856**	**4,104,220,029**	**13,249**	**5,461,639**
Investment interest expense deduction	761,928	15,249,725	759,797	14,513,637	2,130	736,088
Total tax preferences excluded from adjusted gross income [2]	1,860,564	39,189,953	1,857,599	39,054,973	2,964	134,979
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	29,308	2,008,012	29,262	2,007,440	46	572
Passive activity loss (alternative minimum tax adjustment)	717,638	1,234,393	716,273	1,234,343	1,365	50

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**7,719,895**	**4,112,669,145**	**7,706,856**	**4,108,771,677**	**13,039**	**3,897,468**
Disaster loss deduction	5,268	130,362	5,226	117,447	42	12,915
Exemption	5,743,999	59,396,755	5,733,729	59,290,312	10,270	106,442
Itemized deductions:						
Total per adjusted gross income concept	7,196,984	550,807,246	7,188,386	547,559,684	8,597	3,247,562
Charitable contributions deduction	6,565,021	140,954,700	6,558,349	140,669,261	6,672	285,439
Interest paid deduction:						
Total per adjusted gross income concept	5,728,854	91,304,789	5,722,884	90,452,676	5,970	852,113
Total home mortgage interest	5,467,237	75,770,151	5,462,069	75,655,364	5,168	114,786
Medical and dental expense deduction	271,928	6,966,916	269,729	6,761,218	2,199	205,698
Net casualty or theft loss deduction	7,776	662,990	7,411	496,985	365	166,006
Taxes paid deduction	7,190,427	316,053,868	7,182,241	315,682,063	8,186	371,805
Net limited miscellaneous deductions per adjusted gross income concept	1,294,469	30,203,224	1,291,259	29,934,001	3,210	269,223
Nonlimited miscellaneous deductions	404,883	19,178,676	401,934	18,045,231	2,949	1,133,445
Excess of exemptions and deductions over adjusted gross income	12,291	2,987,790	8,701	2,241,220	3,590	746,569
Taxable income	7,707,781	3,495,869,723	7,698,152	3,493,074,873	9,629	2,794,851
Tax at regular rates	7,701,102	932,714,562	7,693,441	931,952,982	7,661	761,580
Alternative minimum tax (Form 6251)	4,264,237	34,096,720	4,263,820	34,093,251	417	3,468
Income tax before credits	7,709,858	966,871,295	7,702,114	966,106,241	7,744	765,054
Tax credits, total	3,507,501	25,600,196	3,499,758	24,844,106	7,743	756,089
Child care credit	753,669	433,475	753,508	433,394	161	81
Minimum tax credit	150,351	817,419	150,097	813,902	254	3,517
Foreign tax credit	2,621,579	19,190,720	2,614,639	18,461,304	6,941	729,416
General business credit	237,045	4,285,911	236,444	4,276,214	601	9,697
U.S. total income tax	7,706,856	964,997,278	7,706,856	964,997,278	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [3]	7,709,847	3,229,744,720	7,702,106	3,227,136,357	7,741	2,608,362
Income tax after credits	7,693,467	3,158,299,549	7,693,460	3,158,275,677	* 7	* 23,872
U.S. total income tax	7,706,856	3,221,069,360	7,706,856	3,221,069,360	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**7,720,105**	**4,109,681,668**	**7,706,856**	**4,104,220,029**	**13,249**	**5,461,639**
plus: Total tax preferences excluded from adjusted gross income [2]	1,860,564	39,189,953	1,857,599	39,054,973	2,964	134,979
Social Security benefits (nontaxable)	1,415,587	6,837,410	1,412,523	6,821,952	3,064	15,458
Foreign-earned income exclusion	34,054	3,194,356	32,433	3,028,159	1,621	166,197
minus: Investment interest expense deduction	761,928	15,249,725	759,797	14,513,637	2,130	736,088
Nonlimited miscellaneous deductions	404,883	19,178,676	401,934	18,045,231	2,949	1,133,445
Unreimbursed employee business expenses	1,457,254	11,805,841	1,456,424	11,794,568	830	11,273
Equals: Expanded income	**7,719,895**	**4,112,669,145**	**7,706,856**	**4,108,771,677**	**13,039**	**3,897,468**

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	6,730,295	2,061,337,443	6,716,667	2,057,748,871	13,628	3,588,572
Business or profession:						
Net income	1,393,153	136,030,396	1,390,520	135,721,004	2,633	309,393
Net loss	466,506	10,539,723	465,302	10,433,769	1,203	105,954
Farm:						
Net income	46,252	2,708,728	46,142	2,704,963	110	3,765
Net loss	110,369	5,775,138	109,987	5,737,973	382	37,165
Partnership and S Corporation net income after section 179 property deduction: [1]						
Net income	2,061,271	706,184,559	2,058,439	705,880,313	2,832	304,247
Net loss	611,737	63,609,532	607,812	62,917,360	3,925	692,172
Sales of capital assets:						
Net gain	3,760,761	730,564,820	3,752,625	729,683,155	8,136	881,664
Net loss	1,372,109	3,294,681	1,365,548	3,276,929	6,561	17,752
Sales of property other than capital assets:						
Net gain	348,653	26,279,733	347,220	26,220,888	1,433	58,845
Net loss	339,403	7,067,377	338,044	6,999,603	1,359	67,774
Taxable interest received	6,203,830	66,655,037	6,188,106	66,407,580	15,724	247,457
Tax-exempt interest	1,931,499	43,028,586	1,922,010	41,453,272	9,488	1,575,314
Dividends	5,188,932	187,103,509	5,175,160	186,187,736	13,772	915,773
Qualified dividends	4,989,569	148,462,061	4,976,891	147,754,965	12,678	707,096
Pensions and annuities in adjusted gross income	1,804,957	104,284,918	1,800,691	104,125,315	4,266	159,603
Rent:						
Net income	907,474	37,358,280	905,315	37,278,944	2,159	79,336
Net loss, total (deductible and nondeductible)	971,268	16,845,175	967,950	16,739,923	3,318	105,251
Nondeductible rental loss	730,909	10,609,250	728,831	10,554,641	2,078	54,608
Royalty:						
Net income	492,070	14,337,677	489,793	14,315,067	2,277	22,610
Net loss	25,097	228,682	24,952	226,708	145	1,974
Estate or trust:						
Net income	178,429	28,156,903	177,713	28,126,629	716	30,274
Net loss	20,499	2,026,184	20,288	1,957,712	211	68,471
State income tax refunds	2,828,575	17,167,634	2,825,588	17,126,822	2,987	40,812
Alimony received	16,778	2,282,040	16,762	2,280,394	16	1,646
Social Security benefits in adjusted gross income	1,502,000	41,261,919	1,495,183	41,090,455	6,816	171,464
Social Security benefits (nontaxable)	1,502,335	7,286,316	1,495,408	7,253,761	6,927	32,554
Unemployment compensation	148,494	951,538	148,404	950,872	90	666
Other income	909,634	24,022,660	906,163	23,844,946	3,471	177,714
Other loss	59,837	2,150,646	58,306	2,109,267	1,531	41,379
Foreign-earned income exclusion	67,645	7,009,914	61,165	6,204,767	6,480	805,147
Total income	7,725,909	4,164,127,120	7,703,650	4,158,879,366	22,260	5,247,755
Statutory adjustments, total	2,921,003	65,272,468	2,916,125	65,184,561	4,878	87,907
Payments to Individual Retirement Arrangements	173,579	1,632,732	173,235	1,629,819	344	2,913
Payments to self-employed retirement (Keogh) plans	517,626	18,661,357	517,301	18,640,036	325	21,322
Moving expenses adjustment	81,667	563,862	81,549	562,826	118	1,036
Adjusted gross income	**7,725,909**	**4,098,854,652**	**7,703,650**	**4,093,694,804**	**22,260**	**5,159,848**
Investment interest expense deduction	767,359	14,030,327	764,326	13,934,498	3,032	95,829
Total tax preferences excluded from adjusted gross income [2]	1,947,683	45,069,389	1,938,164	43,485,973	9,519	1,583,415
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	30,213	2,122,738	30,094	2,113,294	119	9,445
Passive activity loss (alternative minimum tax adjustment)	724,296	1,233,143	721,915	1,231,402	2,381	1,742

Footnotes at end of table.

Table 5. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with U.S. income tax		Returns without U.S. income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**7,725,915**	**4,123,787,153**	**7,703,650**	**4,116,329,283**	**22,266**	**7,457,871**
Disaster loss deduction	5,573	130,901	5,530	117,978	43	12,923
Exemption	5,755,549	59,019,116	5,735,729	58,825,359	19,820	193,756
Itemized deductions:						
Total per adjusted gross income concept	7,163,328	539,581,256	7,150,007	537,406,260	13,321	2,174,996
Total per expanded income concept	7,161,971	563,665,615	7,148,669	561,590,461	13,302	2,075,154
Charitable contributions deduction	6,534,945	141,153,522	6,523,988	140,772,537	10,956	380,985
Interest paid deduction:						
Total per adjusted gross income concept	5,657,762	89,099,279	5,650,280	88,875,341	7,482	223,939
Total per expanded income concept	5,404,798	75,068,952	5,398,905	74,940,842	5,892	128,110
Total home mortgage interest	5,388,760	74,791,767	5,382,902	74,664,961	5,857	126,806
Medical and dental expense deduction	304,325	7,626,579	297,637	7,151,015	6,688	475,564
Net casualty or theft loss deduction	7,677	695,206	7,301	496,403	376	198,803
Taxes paid deduction	7,156,967	315,716,901	7,144,130	315,183,633	12,836	533,267
Net limited miscellaneous deductions per adjusted gross income concept	1,236,717	28,887,881	1,229,286	28,525,223	7,431	362,657
Nonlimited miscellaneous deductions	356,601	10,828,445	355,380	10,812,007	1,221	16,438
Excess of exemptions and deductions over adjusted gross income	13,311	2,365,440	7,772	1,732,501	5,539	632,939
Taxable income	7,712,597	3,495,526,128	7,695,874	3,492,208,924	16,722	3,317,204
Tax at regular rates	7,702,937	932,544,368	7,690,947	931,668,676	11,989	875,692
Alternative minimum tax (Form 6251)	4,228,912	33,852,560	4,228,433	33,848,885	479	3,675
Income tax before credits	7,712,017	966,456,673	7,699,899	965,577,281	12,118	879,392
Tax credits, total	3,561,306	26,129,438	3,549,189	25,258,990	12,117	870,448
Child care credit	738,424	422,775	738,251	422,692	173	83
Minimum tax credit	152,188	820,628	151,800	816,892	388	3,735
Foreign tax credit	2,694,949	19,729,694	2,683,713	18,886,752	11,236	842,942
General business credit	237,304	4,288,194	236,672	4,278,400	632	9,795
U.S. total income tax	7,703,650	964,045,726	7,703,650	964,045,726	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [3]	7,712,014	3,227,865,719	7,699,899	3,224,711,808	12,115	3,153,911
Income tax after credits	7,690,537	3,154,119,360	7,690,530	3,154,095,488	* 7	* 23,872
U.S. total income tax	7,703,650	3,216,845,938	7,703,650	3,216,845,938	0	0
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**7,725,909**	**4,098,854,652**	**7,703,650**	**4,093,694,804**	**22,260**	**5,159,848**
plus: Total tax preferences excluded from adjusted gross income [2]	1,947,683	45,069,389	1,938,164	43,485,973	9,519	1,583,415
Social Security benefits (nontaxable)	1,502,335	7,286,316	1,495,408	7,253,761	6,927	32,554
Foreign-earned income exclusion	67,645	7,009,914	61,165	6,204,767	6,480	805,147
minus: Investment interest expense deduction	767,359	14,030,327	764,326	13,934,498	3,032	95,829
Nonlimited miscellaneous deductions	356,601	10,828,445	355,380	10,812,007	1,221	16,438
Unreimbursed employee business expenses	1,355,322	9,564,963	1,354,414	9,559,574	908	5,389
Equals: Expanded income	**7,725,915**	**4,123,787,153**	**7,703,650**	**4,116,329,283**	**22,266**	**7,457,871**

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

[3] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted Gross Income Concept						
Salaries and wages	6,793,027	2,075,182,361	6,789,791	2,074,720,123	3,236	462,238
Business or profession:						
Net income	1,385,967	135,666,252	1,384,832	135,560,535	1,134	105,717
Net loss	473,628	10,631,592	472,986	10,582,971	642	48,620
Farm:						
Net income	46,133	2,710,459	46,070	2,708,363	63	2,096
Net loss	112,454	5,852,740	112,266	5,829,575	188	23,165
Partnership and S Corporation net income after section 179 property deduction: [1]						
Net income	2,053,025	706,827,980	2,051,559	706,483,527	1,466	344,452
Net loss	606,057	63,668,218	604,297	63,237,829	1,759	430,389
Sales of capital assets:						
Net gain	3,705,674	729,020,355	3,702,461	728,443,454	3,212	576,901
Net loss	1,349,462	3,236,033	1,347,965	3,231,827	1,497	4,206
Sales of property other than capital assets:						
Net gain	344,946	26,277,120	344,241	26,237,261	705	39,859
Net loss	334,322	7,109,932	333,657	7,045,868	665	64,064
Taxable interest received	6,153,097	66,498,925	6,148,261	66,167,341	4,836	331,584
Tax-exempt interest	1,844,720	37,270,266	1,842,322	37,144,944	2,398	125,322
Dividends	5,114,065	183,912,624	5,109,891	183,304,723	4,174	607,900
Qualified dividends	4,914,955	146,080,513	4,910,923	145,555,972	4,032	524,542
Pensions and annuities in adjusted gross income	1,760,687	101,189,800	1,758,881	101,100,674	1,806	89,127
Rent:						
Net income	898,193	37,228,911	897,414	37,192,222	779	36,689
Net loss, total (deductible and nondeductible)	973,290	16,815,150	972,265	16,767,526	1,025	47,623
Nondeductible rental loss	733,189	10,594,863	732,535	10,574,592	654	20,271
Royalty:						
Net income	478,293	14,203,857	477,397	14,191,546	896	12,312
Net loss	25,024	227,802	24,959	227,429	65	372
Estate or trust:						
Net income	171,423	27,959,913	171,159	27,942,227	264	17,687
Net loss	20,354	1,994,199	20,250	1,964,284	104	29,915
State income tax refunds	2,850,502	17,192,466	2,849,067	17,164,374	1,435	28,092
Alimony received	16,928	2,340,255	16,913	2,339,003	15	1,252
Social Security benefits in adjusted gross income	1,415,305	38,725,073	1,412,663	38,652,939	2,642	72,134
Social Security benefits (nontaxable)	1,415,587	6,837,410	1,412,945	6,824,622	2,642	12,789
Unemployment compensation	153,450	973,261	153,358	972,635	92	626
Other income	903,543	23,880,246	902,265	23,801,551	1,278	78,694
Other loss	50,771	2,128,711	50,687	2,024,524	84	104,187
Foreign-earned income exclusion	34,054	3,194,356	34,041	3,193,405	13	951
Total income	7,720,105	4,174,832,240	7,713,790	4,172,131,114	6,315	2,701,126
Statutory adjustments, total	2,922,836	65,150,572	2,920,537	65,096,555	2,299	54,017
Payments to Individual Retirement Arrangements	171,575	1,616,156	171,480	1,615,274	95	882
Payments to self-employed retirement (Keogh) plans	516,983	18,675,701	516,813	18,658,812	170	16,890
Moving expenses adjustment	83,182	594,190	83,148	593,863	34	327
Adjusted gross income	**7,720,105**	**4,109,681,668**	**7,713,790**	**4,107,034,559**	**6,315**	**2,647,109**
Investment interest expense deduction	761,928	15,249,725	760,238	14,523,830	1,689	725,895
Total tax preferences excluded from adjusted gross income [2]	1,860,564	39,189,953	1,858,142	39,065,541	2,422	124,411
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	29,308	2,008,012	29,278	2,007,799	30	212
Passive activity loss (alternative minimum tax adjustment)	717,638	1,234,393	716,641	1,233,895	997	499

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**7,719,895**	**4,112,669,145**	**7,713,790**	**4,111,743,287**	**6,105**	**925,858**
Disaster loss deduction	5,268	130,362	5,228	117,657	40	12,706
Exemption	5,743,999	59,396,755	5,738,473	59,337,673	5,526	59,082
Itemized deductions:						
Total per adjusted gross income concept	7,196,984	550,807,246	7,190,753	547,721,447	6,230	3,085,799
Charitable contributions deduction	6,565,021	140,954,700	6,559,914	140,719,669	5,107	235,031
Interest paid deduction:						
Total per adjusted gross income concept	5,728,854	91,304,789	5,724,702	90,491,296	4,152	813,493
Total home mortgage interest	5,467,237	75,770,151	5,463,715	75,683,733	3,522	86,418
Medical and dental expense deduction	271,928	6,966,916	269,969	6,767,419	1,959	199,497
Net casualty or theft loss deduction	7,776	662,990	7,418	497,983	358	165,007
Taxes paid deduction	7,190,427	316,053,868	7,184,331	315,733,104	6,096	320,764
Net limited miscellaneous deductions per adjusted gross income concept	1,294,469	30,203,224	1,291,898	29,948,317	2,571	254,907
Nonlimited miscellaneous deductions	404,883	19,178,676	402,126	18,054,000	2,757	1,124,676
Excess of exemptions and deductions over adjusted gross income	12,291	2,987,790	8,704	2,241,320	3,587	746,470
Taxable income	7,707,781	3,495,869,723	7,705,083	3,495,634,800	2,698	234,924
Tax at regular rates	7,701,102	932,714,562	7,700,373	932,691,237	729	23,325
Alternative minimum tax (Form 6251)	4,264,237	34,096,720	4,263,988	34,094,172	249	2,548
Income tax before credits	7,709,858	966,871,295	7,709,047	966,845,418	811	25,876
Tax credits, total	3,507,501	25,600,196	3,506,691	25,578,519	810	21,677
Child care credit	753,669	433,475	753,582	433,422	87	53
Minimum tax credit	150,351	817,419	150,228	815,034	123	2,385
General business credit	237,045	4,285,911	236,674	4,279,333	371	6,578
Worldwide total income tax	7,713,790	984,492,799	7,713,790	984,492,799	0	0
Foreign taxes paid [3]	2,621,580	19,501,569	2,621,572	19,495,975	8	5,595
Foreign taxes paid on excluded foreign-earned income (Form 1116)	33,587	890,673	** 33,587	** 890,673	**	**
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	7,709,847	3,229,744,720	7,709,039	3,229,638,792	808	105,928
Income tax after credits [3]	7,708,270	3,212,430,142	7,708,261	3,212,404,853	9	25,289
Worldwide total income tax [3]	7,713,795	3,274,925,905	7,713,790	3,274,925,898	5	7
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**7,720,105**	**4,109,681,668**	**7,713,790**	**4,107,034,559**	**6,315**	**2,647,109**
plus: Total tax preferences excluded from adjusted gross income [2]	1,860,564	39,189,953	1,858,142	39,065,541	2,422	124,411
Social Security benefits (nontaxable)	1,415,587	6,837,410	1,412,945	6,824,622	2,642	12,789
Foreign-earned income exclusion	34,054	3,194,356	34,041	3,193,405	13	951
minus: Investment interest expense deduction	761,928	15,249,725	760,238	14,523,830	1,689	725,895
Nonlimited miscellaneous deductions	404,883	19,178,676	402,126	18,054,000	2,757	1,124,676
Unreimbursed employee business expenses	1,457,254	11,805,841	1,456,659	11,797,010	595	8,831
Equals: Expanded income	**7,719,895**	**4,112,669,145**	**7,713,790**	**4,111,743,287**	**6,105**	**925,858**

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued
[All figures are estimates based on samples--money amounts are in thousands of dollars]

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded Income Concept						
Salaries and wages	6,730,295	2,061,337,443	6,726,608	2,060,859,733	3,687	477,710
Business or profession:						
Net income	1,393,153	136,030,396	1,391,869	135,934,686	1,284	95,710
Net loss	466,506	10,539,723	465,682	10,445,352	823	94,371
Farm:						
Net income	46,252	2,708,728	46,168	2,706,026	84	2,702
Net loss	110,369	5,775,138	110,080	5,743,361	289	31,777
Partnership and S Corporation net income after section 179 property deduction: [1]						
Net income	2,061,271	706,184,559	2,059,193	706,031,679	2,078	152,881
Net loss	611,737	63,609,532	608,550	62,977,689	3,187	631,843
Sales of capital assets:						
Net gain	3,760,761	730,564,820	3,754,691	729,885,080	6,070	679,739
Net loss	1,372,109	3,294,681	1,368,228	3,283,578	3,881	11,102
Sales of property other than capital assets:						
Net gain	348,653	26,279,733	347,430	26,225,914	1,223	53,819
Net loss	339,403	7,067,377	338,330	7,010,667	1,073	56,710
Taxable interest received	6,203,830	66,655,037	6,193,755	66,440,109	10,075	214,928
Tax-exempt interest	1,931,499	43,028,586	1,923,048	41,499,846	8,450	1,528,740
Dividends	5,188,932	187,103,509	5,179,407	186,364,458	9,524	739,051
Qualified dividends	4,989,569	148,462,061	4,980,477	147,894,171	9,092	567,890
Pensions and annuities in adjusted gross income	1,804,957	104,284,918	1,801,506	104,163,249	3,451	121,669
Rent:						
Net income	907,474	37,358,280	906,161	37,312,849	1,313	45,431
Net loss, total (deductible and nondeductible)	971,268	16,845,175	969,789	16,776,922	1,479	68,253
Nondeductible rental loss	730,909	10,609,250	730,147	10,578,041	762	31,209
Royalty:						
Net income	492,070	14,337,677	490,142	14,318,096	1,928	19,581
Net loss	25,097	228,682	24,969	227,482	128	1,200
Estate or trust:						
Net income	178,429	28,156,903	177,797	28,131,975	632	24,928
Net loss	20,499	2,026,184	20,311	1,960,200	188	65,983
State income tax refunds	2,828,575	17,167,634	2,826,215	17,131,496	2,360	36,137
Alimony received	16,778	2,282,040	16,768	2,281,015	10	1,025
Social Security benefits in adjusted gross income	1,502,000	41,261,919	1,495,814	41,106,217	6,186	155,703
Social Security benefits (nontaxable)	1,502,335	7,286,316	1,496,145	7,258,630	6,190	27,686
Unemployment compensation	148,494	951,538	148,443	951,195	51	344
Other income	909,634	24,022,660	907,403	23,943,356	2,231	79,304
Other loss	59,837	2,150,646	59,448	2,137,729	389	12,918
Foreign-earned income exclusion	67,645	7,009,914	66,801	6,851,197	844	158,717
Total income	7,725,909	4,164,127,120	7,714,927	4,162,261,536	10,982	1,865,584
Statutory adjustments, total	2,921,003	65,272,468	2,917,998	65,210,604	3,005	61,864
Payments to Individual Retirement Arrangements	173,579	1,632,732	173,429	1,631,423	150	1,309
Payments to self-employed retirement (Keogh) plans	517,626	18,661,357	517,407	18,643,399	219	17,958
Moving expenses adjustment	81,667	563,862	81,637	563,604	30	259
Adjusted gross income	**7,725,909**	**4,098,854,652**	**7,714,927**	**4,097,050,932**	**10,982**	**1,803,720**
Investment interest expense deduction	767,359	14,030,327	764,886	13,941,714	2,472	88,614
Total tax preferences excluded from adjusted gross income [2]	1,947,683	45,069,389	1,939,208	43,533,029	8,475	1,536,360
Total alternative minimum tax preference items (excluding tax-exempt interest from private activity bonds)	30,213	2,122,738	30,117	2,113,956	96	8,783
Passive activity loss (alternative minimum tax adjustment)	724,296	1,233,143	722,455	1,231,166	1,841	1,977

Footnotes at end of table.

Table 6. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Income, Deductions, Credits, and Tax, Tax Year 2017—Continued

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

Income concept, item	Returns with income of $200,000 or more					
	Total		Returns with worldwide income tax		Returns without worldwide income tax	
	Number of returns	Amount	Number of returns	Amount	Number of returns	Amount
	(1)	(2)	(3)	(4)	(5)	(6)
Expanded income	**7,725,915**	**4,123,787,153**	**7,714,927**	**4,120,369,803**	**10,988**	**3,417,351**
Disaster loss deduction	5,573	130,901	5,533	118,195	40	12,706
Exemption	5,755,549	59,019,116	5,744,821	58,918,680	10,728	100,436
Itemized deductions:						
Total per adjusted gross income concept	7,163,328	539,581,256	7,153,429	537,601,704	9,899	1,979,552
Total per expanded income concept	7,161,971	563,665,615	7,152,074	561,781,212	9,897	1,884,403
Charitable contributions deduction	6,534,945	141,153,522	6,526,195	140,832,802	8,750	320,720
Interest paid deduction:						
Total per adjusted gross income concept	5,657,762	89,099,279	5,652,814	88,920,082	4,948	179,197
Total per expanded income concept	5,404,798	75,068,952	5,401,181	74,978,368	3,616	90,584
Total home mortgage interest	5,388,760	74,791,767	5,385,169	74,702,340	3,590	89,427
Medical and dental expense deduction	304,325	7,626,579	298,157	7,161,920	6,168	464,659
Net casualty or theft loss deduction	7,677	695,206	7,309	497,434	368	197,772
Taxes paid deduction	7,156,967	315,716,901	7,147,133	315,246,956	9,834	469,944
Net limited miscellaneous deductions per adjusted gross income concept	1,236,717	28,887,881	1,230,330	28,545,420	6,387	342,461
Nonlimited miscellaneous deductions	356,601	10,828,445	355,570	10,815,535	1,031	12,910
Excess of exemptions and deductions over adjusted gross income	13,311	2,365,440	7,861	1,733,975	5,450	631,465
Taxable income	7,712,597	3,495,526,128	7,707,061	3,495,196,826	5,536	329,302
Tax at regular rates	7,702,937	932,544,368	7,702,139	932,521,420	798	22,948
Alternative minimum tax (Form 6251)	4,228,912	33,852,560	4,228,629	33,849,899	283	2,661
Income tax before credits	7,712,017	966,456,673	7,711,093	966,431,041	924	25,632
Tax credits, total	3,561,306	26,129,438	3,560,383	26,108,010	923	21,428
Child care credit	738,424	422,775	738,351	422,728	73	47
Minimum tax credit	152,188	820,628	152,033	818,197	155	2,430
General business credit	237,304	4,288,194	236,950	4,281,842	354	6,352
Worldwide total income tax	7,714,927	984,332,080	7,714,927	984,332,080	0	0
Foreign taxes paid [3]	2,695,032	20,292,410	2,694,990	20,286,810	42	5,600
Foreign taxes paid on excluded foreign-earned income (Form 1116)	17,113	562,716	17,113	562,716	0	0
Taxable income which would yield:						
Income tax before credits less excess advance PTC repayment [4]	7,712,014	3,227,865,719	7,711,092	3,227,760,710	922	105,009
Income tax after credits [3]	7,710,494	3,211,454,919	7,710,451	3,211,429,574	43	25,346
Worldwide total income tax [3]	7,714,966	3,273,901,775	7,714,927	3,273,901,711	39	64
Reconciliation of adjusted gross income and expanded income:						
Adjusted gross income	**7,725,909**	**4,098,854,652**	**7,714,927**	**4,097,050,932**	**10,982**	**1,803,720**
plus: Total tax preferences excluded from adjusted gross income [2]	1,947,683	45,069,389	1,939,208	43,533,029	8,475	1,536,360
Social Security benefits (nontaxable)	1,502,335	7,286,316	1,496,145	7,258,630	6,190	27,686
Foreign-earned income exclusion	67,645	7,009,914	66,801	6,851,197	844	158,717
minus: Investment interest expense deduction	767,359	14,030,327	764,886	13,941,714	2,472	88,614
Nonlimited miscellaneous deductions	356,601	10,828,445	355,570	10,815,535	1,031	12,910
Unreimbursed employee business expenses	1,355,322	9,564,963	1,354,762	9,562,779	560	2,183
Equals: Expanded income	**7,725,915**	**4,123,787,153**	**7,714,927**	**4,120,369,803**	**10,988**	**3,417,351**

** Data combined to avoid disclosure of information for specific taxpayers.

[1] Section 179 of the Internal Revenue Code permits certain taxpayers to elect to deduct all or part of the cost of certain qualifying property in the year they place it in service, instead of taking depreciation deductions over a specified recovery period.

[2] Includes tax-exempt interest and tax preference items subject to alternative minimum tax.

[3] For returns without worldwide income tax, refundable credits offset the amount of foreign taxes paid.

[4] Excess advance premium tax credit repayment is included in income tax before credits on Form 1040 but is subtracted here because it is not considered a part of income tax since it is not based on earned income.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect							
			Interest paid deduction [1]		Investment interest expense deduction [1,2]		Taxes paid deduction [1]		Charitable contributions deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RETURNS WITH U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**7,410,950**	**100.0**	**828,960**	**11.2**	**34,450**	**0.5**	**5,064,022**	**68.3**	**610,710**	**8.2**
Interest paid deduction [1]	3,077,821	41.5	0	0.0	2,730	7.9	2,919,382	57.6	73,884	12.1
Investment interest expense deduction [1,2]	58,550	0.8	946	0.1	0	0.0	46,489	0.9	4,125	0.7
Taxes paid deduction [1]	1,646,199	22.2	760,535	91.7	21,965	63.8	0	0.0	467,135	76.5
Charitable contributions deduction	1,582,732	21.4	40,276	4.9	3,767	10.9	1,472,630	29.1	0	0.0
Medical and dental expense deduction [1]	58,516	0.8	** 4,093	** 0.5	** 90	** 0.3	39,779	0.8	** 5,590	** 0.9
Net casualty or theft loss deduction	1,181	[3]	**	**	**	**	* 377	* [3]	**	**
Total miscellaneous deductions [1]	351,029	4.7	** 18,320	** 2.2	2,930	8.5	274,947	5.4	24,865	4.1
Foreign tax credit	136,823	1.8	**	**	1,047	3.0	95,062	1.9	4,545	0.7
General business credit	32,423	0.4	1,060	0.1	440	1.3	22,853	0.5	2,854	0.5
All other tax credits	79,324	1.1	2,733	0.3	201	0.6	63,673	1.3	4,598	0.8
Capital gains taxed at 0 percent	83,173	1.1	** 996	** 0.1	1,259	3.7	34,152	0.7	22,986	3.8
Section 965 future installments	836	[3]	0	0.0	* 3	* [3]	123	[3]	83	[3]
Disaster loss deduction	690	[3]	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	301,654	4.1	**	**	* 18	* 0.1	94,554	1.9	* 44	* [3]
Returns with expanded income of $200,000 or more										
Total	**7,483,870**	**100.0**	**812,522**	**10.9**	**0**	**0.0**	**4,926,797**	**65.8**	**603,924**	**8.1**
Interest paid deduction [1]	3,078,350	41.1	0	0.0	0	0.0	2,915,114	59.2	78,242	13.0
Tax-exempt interest [4]	290,120	3.9	* 909	* 0.1	0	0.0	196,667	4.0	19,591	3.2
Taxes paid deduction [1]	1,623,849	21.7	756,445	93.1	0	0.0	0	0.0	448,917	74.3
Charitable contributions deduction	1,411,630	18.9	42,609	5.2	0	0.0	1,301,039	26.4	0	0.0
Medical and dental expense deduction [1]	51,965	0.7	** 3,789	** 0.5	0	0.0	33,381	0.7	** 6,106	** 1.0
Net casualty or theft loss deduction	1,174	[3]	**	**	0	0.0	* 329	* [3]	**	**
Total miscellaneous deductions [1]	152,869	2.0	** 2,560	** 0.3	0	0.0	93,271	1.9	13,012	2.2
Foreign tax credit	162,812	2.2	**	**	0	0.0	59,114	1.2	3,237	0.5
General business credit	31,312	0.4	1,077	0.1	0	0.0	22,138	0.4	2,754	0.5
All other tax credits	82,501	1.1	3,036	0.4	0	0.0	63,493	1.3	4,479	0.7
Foreign-earned income exclusion [4]	23,377	0.3	0	0.0	0	0.0	275	[3]	* 314	* 0.1
AMT tax preference [4]	4,170	0.1	0	0.0	0	0.0	3,035	0.1	252	[3]
Nontaxable Social Security benefits [4]	208,411	2.8	1,103	0.1	0	0.0	126,200	2.6	5,939	1.0
Capital gains taxed at 0 percent	95,832	1.3	** 995	** 0.1	0	0.0	30,166	0.6	** 21,080	** 3.5
Section 965 future installments	840	[3]	0	0.0	0	0.0	130	[3]	**	**
Disaster loss deduction	1,176	[3]	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	263,483	3.5	**	**	0	0.0	82,444	1.7	**	**

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect							
			Interest paid deduction [1]		Investment interest expense deduction [1,2]		Taxes paid deduction [1]		Charitable contributions deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
RETURNS WITHOUT U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**13,228**	**100.0**	**149**	**1.1**	**393**	**3.0**	**545**	**4.1**	**1,036**	**7.8**
Interest paid deduction	1,695	12.8	0	0.0	46	11.7	74	13.6	110	10.6
Investment interest expense deduction [2]	313	2.4	5	3.4	0	0.0	57	10.5	78	7.5
Taxes paid deduction	3,050	23.1	61	40.9	125	31.8	0	0.0	260	25.1
Charitable contributions deduction	1,158	8.8	25	16.8	77	19.6	195	35.8	0	0.0
Medical and dental expense deduction	261	2.0	** 13	** 8.7	22	5.6	** 31	** 5.7	** 65	** 6.3
Net casualty or theft loss deduction	29	0.2	**	**	6	1.5	**	**	**	**
Total miscellaneous deductions	684	5.2	** 15	** 10.1	69	17.6	100	18.3	125	12.1
Foreign tax credit	81	0.6	**	**	3	0.8	7	1.3	17	1.6
General business credit	156	1.2	4	2.7	7	1.8	24	4.4	32	3.1
All other tax credits	234	1.8	5	3.4	**	**	13	2.4	26	2.5
Capital gains taxed at 0 percent	** 964	** 7.3	** 21	** 14.1	** 38	** 9.7	** 44	** 8.1	** 323	** 31.2
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**	**	**
No second largest item	4,601	34.8	**	**	**	**	0	0.0	0	0.0
Returns with expanded income of $200,000 or more										
Total	**22,252**	**100.0**	**174**	**0.8**	**0**	**0.0**	**745**	**3.3**	**1,285**	**5.8**
Interest paid deduction	1,280	5.8	0	0.0	0	0.0	75	10.1	98	7.6
Tax-exempt interest [4]	1,369	6.2	13	7.5	0	0.0	153	20.6	183	14.2
Taxes paid deduction	3,200	14.4	68	39.1	0	0.0	0	0.0	289	22.5
Charitable contributions deduction	1,629	7.3	23	13.2	0	0.0	211	28.3	0	0.0
Medical and dental expense deduction	1,125	5.1	** 17	** 9.8	0	0.0	41	5.5	68	5.3
Net casualty or theft loss deduction	46	0.2	**	**	0	0.0	0	0.0	6	0.5
Total miscellaneous deductions	1,177	5.3	15	8.6	0	0.0	128	17.2	146	11.4
Foreign tax credit	2,148	9.7	**	**	0	0.0	6	0.8	16	1.2
General business credit	150	0.7	** 6	** 3.4	0	0.0	26	3.5	33	2.6
All other tax credits	256	1.2	** 5	** 2.9	0	0.0	16	2.1	** 25	** 1.9
Foreign-earned income exclusion [4]	3,383	15.2	**	**	0	0.0	5	0.7	**	**
AMT tax preference [4]	9	[3]	0	0.0	0	0.0	**	**	**	**
Nontaxable Social Security benefits [4]	656	2.9	**	**	0	0.0	** 15	** 2.0	** 56	** 4.4
Capital gains taxed at 0 percent	** 1,765	** 7.9	** 27	** 12.6	0	0.0	** 69	** 9.3	** 365	** 28.4
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	**	**	0	0.0	**	**	**	**
No second largest item	4,059	18.2	0	0.0	0	0.0	0	0.0	0	0.0

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]		Foreign tax credit		General business credit	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
RETURNS WITH U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**68,420**	**0.9**	**4,121**	**0.1**	**249,993**	**3.4**	**240,244**	**3.2**	**60,584**	**0.8**
Interest paid deduction [1]	4,703	6.9	**	**	29,079	11.6	14,887	6.2	7,930	13.1
Investment interest expense deduction [1,2]	* 18	* [3]	** 622	** 15.1	2,327	0.9	1,579	0.7	955	1.6
Taxes paid deduction [1]	37,854	55.3	2,505	60.8	166,674	66.7	55,440	23.1	32,197	53.1
Charitable contributions deduction	10,920	16.0	* 756	* 18.3	29,195	11.7	3,378	1.4	** 3,984	** 6.6
Medical and dental expense deduction [1]	0	0.0	0	0.0	3,876	1.6	* 815	* 0.3	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	* 314	* 0.1	0	0.0
Total miscellaneous deductions [1]	7,014	10.3	** 84	** 2.0	0	0.0	4,593	1.9	793	1.3
Foreign tax credit	** 99	** 0.1	**	**	4,657	1.9	0	0.0	4,287	7.1
General business credit	**	**	0	0.0	1,225	0.5	1,944	0.8	0	0.0
All other tax credits	* 19	* [4]	** 154	** 3.7	1,147	0.5	3,433	1.4	1,533	2.5
Capital gains taxed at 0 percent	7,793	11.4	**	**	** 11,813	** 4.7	2,341	1.0	957	1.6
Section 965 future installments	0	0.0	0	0.0	**	**	610	0.3	* 7	* [3]
Disaster loss deduction	0	0.0	0	0.0	0	0.0	215	0.1	**	**
No second largest item	0	0.0	0	0.0	**	**	150,694	62.7	** 7,942	** 13.1
Returns with expanded income of $200,000 or more										
Total	**69,786**	**0.9**	**3,779**	**0.1**	**71,634**	**1.0**	**158,604**	**2.1**	**60,963**	**0.8**
Interest paid deduction [1]	4,097	5.9	** 352	** 9.3	3,504	4.9	10,968	6.9	8,410	13.8
Tax-exempt interest [4]	4,931	7.1	**	**	9,674	13.5	11,840	7.5	3,410	5.6
Taxes paid deduction [1]	34,878	50.0	2,511	66.4	39,007	54.5	42,865	27.0	31,537	51.7
Charitable contributions deduction	9,999	14.3	** 762	** 20.2	9,680	13.5	** 3,016	** 1.9	** 3,904	** 6.4
Medical and dental expense deduction [1]	0	0.0	0	0.0	** 1,180	** 1.6	**	**	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	**	**	* 314	* 0.2	0	0.0
Total miscellaneous deductions [1]	** 3,876	** 5.6	**	**	0	0.0	2,691	1.7	290	0.5
Foreign tax credit	**	**	0	0.0	1,788	2.5	0	0.0	2,339	3.8
General business credit	**	**	0	0.0	**	**	880	0.6	0	0.0
All other tax credits	** 152	** 0.2	**	**	** 136	** 0.2	2,221	1.4	1,234	2.0
Foreign-earned income exclusion [4]	0	0.0	0	0.0	* 21	* [4]	22,577	14.2	**	**
AMT tax preference [4]	0	0.0	0	0.0	* 21	* [4]	**	**	** 199	** 0.3
Nontaxable Social Security benefits [4]	3,458	5.0	0	0.0	598	0.8	** 4,471	** 2.8	2,202	3.6
Capital gains taxed at 0 percent	8,396	12.0	** 154	** 4.1	** 6,026	** 8.4	2,192	1.4	999	1.6
Section 965 future installments	0	0.0	0	0.0	**	**	609	0.4	* 7	* [4]
Disaster loss deduction	0	0.0	0	0.0	0	0.0	* 153	* 0.1	* 72	* 0.1
No second largest item	0	0.0	0	0.0	**	**	53,807	33.9	6,359	10.4

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]		Foreign tax credit		General business credit	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)
RETURNS WITHOUT U.S. INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**1,005**	**7.6**	**335**	**2.5**	**2,472**	**18.7**	**6,242**	**47.2**	**245**	**1.9**
Interest paid deduction	76	7.6	59	17.6	458	18.5	747	12.0	33	13.5
Investment interest expense deduction [2]	18	1.8	5	1.5	51	2.1	43	0.7	7	2.9
Taxes paid deduction	343	34.1	183	54.6	1,322	53.5	479	7.7	98	40.0
Charitable contributions deduction	140	13.9	31	9.3	306	12.4	224	3.6	28	11.4
Medical and dental expense deduction	0	0.0	14	4.2	69	2.8	** 18	** 0.3	4	1.6
Net casualty or theft loss deduction	3	0.3	0	0.0	11	0.4	**	**	0	0.0
Total miscellaneous deductions	** 165	** 16.4	30	9.0	0	0.0	116	1.9	7	2.9
Foreign tax credit	**	**	0	0.0	11	0.4	0	0.0	3	1.2
General business credit	**	**	**	**	24	1.0	**	**	0	0.0
All other tax credits	** 11	** 1.1	**	**	22	0.9	** 61	** 1.0	8	3.3
Capital gains taxed at 0 percent	** 249	** 24.8	** 8	** 2.4	** 95	** 3.8	** 115	** 1.8	** 57	** 23.3
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**	**	**
No second largest item	**	**	3	0.9	103	4.2	4,439	71.1	0	0.0
Returns with expanded income of $200,000 or more										
Total	**1,985**	**8.9**	**338**	**1.5**	**411**	**1.8**	**8,040**	**36.1**	**248**	**1.1**
Interest paid deduction	70	3.5	57	16.9	24	5.8	540	6.7	33	13.3
Tax-exempt interest [4]	638	32.1	23	6.8	102	24.8	52	0.6	4	1.6
Taxes paid deduction	392	19.7	175	51.8	98	23.8	391	4.9	99	39.9
Charitable contributions deduction	153	7.7	27	8.0	96	23.4	164	2.0	29	11.7
Medical and dental expense deduction	0	0.0	14	4.1	** 42	** 10.2	** 12	** 0.1	4	1.6
Net casualty or theft loss deduction	6	0.3	0	0.0	**	**	**	**	0	0.0
Total miscellaneous deductions	234	11.8	14	4.1	0	0.0	35	0.4	5	2.0
Foreign tax credit	**	**	0	0.0	**	**	0	0.0	3	1.2
General business credit	** 4	** 0.2	**	**	** 5	** 1.2	**	**	0	0.0
All other tax credits	8	0.4	**	**	**	**	** 50	** 0.6	9	3.6
Foreign-earned income exclusion [4]	**	**	** 5	** 1.5	** 7	** 1.7	3,356	41.7	0	0.0
AMT tax preference [4]	0	0.0	0	0.0	**	**	**	**	**	**
Nontaxable Social Security benefits [4]	** 143	** 7.2	13	3.8	** 7	** 1.7	** 99	** 1.2	**	**
Capital gains taxed at 0 percent	** 337	** 17.0	** 7	** 2.1	** 30	** 7.3	** 104	** 1.3	** 62	** 24.2
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**	**	**
No second largest item	0	0.0	3	0.9	0	0.0	3,238	40.3	0	0.0

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	All other tax credits		Capital gains taxed at 0 percent		Setion 965 future installments		Disaster loss deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**87,538**	**1.2**	**156,000**	**2.1**	**1,390**	**[4]**	**4,517**	**0.1**
Interest paid deduction [1]	12,328	14.1	12,568	8.1	**	**	0	0.0
Investment interest expense deduction [1,2]	310	0.4	1,439	0.9	** 72	** 5.2	0	0.0
Taxes paid deduction [1]	35,663	40.7	65,863	42.2	368	26.5	0	0.0
Charitable contributions deduction	** 2,543	** 2.9	15,668	10.0	73	5.3	0	0.0
Medical and dental expense deduction [1]	**	**	** 4,304	** 2.8	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	311	0.4	17,036	10.9	177	12.7	0	0.0
Foreign tax credit	9,132	10.4	15,951	10.2	** 549	** 39.5	1,500	33.2
General business credit	1,021	1.2	649	0.4	**	**	327	7.2
All other tax credits	0	0.0	1,502	1.0	** 30	** 2.2	* 449	* 9.9
Capital gains taxed at 0 percent	** 1,294	** 1.5	0	0.0	**	**	** 41	** 0.9
Section 965 future installments	**	**	0	0.0	0	0.0	**	**
Disaster loss deduction	**	**	* 320	* 0.2	0	0.0	0	0.0
No second largest item	** 24,937	** 28.5	20,701	13.3	120	8.7	2,200	48.7
Returns with expanded income of $200,000 or more								
Total	**86,199**	**1.2**	**151,931**	**2.0**	**1,392**	**[4]**	**3,790**	**0.1**
Interest paid deduction [1]	13,291	15.4	12,405	8.2	** 107	** 7.7	0	0.0
Tax-exempt interest [4]	2,566	3.0	12,904	8.5	**	**	852	22.5
Taxes paid deduction [1]	35,121	40.7	57,975	38.2	497	35.7	0	0.0
Charitable contributions deduction	2,168	2.5	14,456	9.5	83	5.9	0	0.0
Medical and dental expense deduction [1]	0	0.0	** 3,860	** 2.5	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	* 61	* 0.1	14,672	9.7	33	2.4	0	0.0
Foreign tax credit	6,455	7.5	5,468	3.6	376	27.0	280	7.4
General business credit	1,040	1.2	492	0.3	54	3.9	* 180	* 4.7
All other tax credits	0	0.0	1,471	1.0	* 4	* 0.3	**	**
Foreign-earned income exclusion [4]	**	**	**	**	119	8.5	0	0.0
AMT tax preference [4]	** 55	** 0.1	** 167	** 0.1	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	3,321	3.9	20,390	13.4	**	**	**	**
Capital gains taxed at 0 percent	** 1,326	** 1.5	0	0.0	** 39	** 2.8	** 945	** 24.9
Section 965 future installments	**	**	0	0.0	0	0.0	**	**
Disaster loss deduction	**	**	* 320	* 0.2	0	0.0	0	0.0
No second largest item	20,796	24.1	7,352	4.8	80	5.7	1,533	40.5

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	All other tax credits		Capital gains taxed at 0 percent		Setion 965 future installments		Disaster loss deduction	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**233**	**1.8**	**** 532**	**** 4.0**	**	**	**41**	**0.3**
Interest paid deduction	49	21.0	** 40	** 7.5	**	**	3	7.3
Investment interest expense deduction [2]	3	1.3	** 46	** 8.6	**	**	0	0.0
Taxes paid deduction	87	37.3	** 92	** 17.3	**	**	0	0.0
Charitable contributions deduction	37	15.9	** 95	** 17.9	**	**	0	0.0
Medical and dental expense deduction	5	2.1	** 25	** 4.7	**	**	0	0.0
Net casualty or theft loss deduction	0	0.0	** 4	** 0.8	**	**	0	0.0
Total miscellaneous deductions	11	4.7	** 49	** 9.2	**	**	0	0.0
Foreign tax credit	5	2.1	** 32	** 6.0	**	**	0	0.0
General business credit	5	2.1	** 54	** 10.2	**	**	**	**
All other tax credits	0	0.0	** 87	** 16.4	**	**	**	**
Capital gains taxed at 0 percent	** 21	** 9.0	**	**	**	**	** 5	** 12.2
Section 965 future installments	0	0.0	** 0	** 0.0	**	**	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**
No second largest item	10	4.3	** 8	** 1.5	**	**	33	80.5
Returns with expanded income of $200,000 or more								
Total	**227**	**1.0**	**** 812**	**** 3.6**	**	**	**41**	**0.2**
Interest paid deduction	43	18.9	** 76	** 9.4	**	**	**	**
Tax-exempt interest [4]	6	2.6	** 146	** 18.0	**	**	** 7	** 17.1
Taxes paid deduction	92	40.5	** 110	** 13.5	**	**	0	0.0
Charitable contributions deduction	35	15.4	** 137	** 16.9	**	**	0	0.0
Medical and dental expense deduction	** 5	** 2.2	** 48	** 5.9	**	**	0	0.0
Net casualty or theft loss deduction	0	0.0	** 14	** 1.7	**	**	0	0.0
Total miscellaneous deductions	**	**	** 64	** 7.9	**	**	0	0.0
Foreign tax credit	4	1.8	** 40	** 4.9	**	**	0	0.0
General business credit	5	2.2	** 53	** 6.5	**	**	**	**
All other tax credits	0	0.0	** 94	** 11.6	**	**	**	**
Foreign-earned income exclusion [4]	**	**	**	**	**	**	0	0.0
AMT tax preference [4]	0	0.0	**	**	**	**	0	0.0
Nontaxable Social Security benefits [4]	** 6	** 2.6	** 24	** 3.0	**	**	** 11	** 26.8
Capital gains taxed at 0 percent	** 23	** 10.1	**	**	**	**	** 3	** 7.3
Section 965 future installments	0	0.0	** 0	** 0.0	**	**	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**
No second largest item	8	3.5	** 6	** 0.7	**	**	20	48.8

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
RETURNS WITH U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1,2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more								
Total	**35,634**	**0.5**	**280,512**	**3.7**	**6,426**	**0.1**	**209,979**	**2.8**
Interest paid deduction [1]	2,110	5.9	5,484	2.0	* 777	* 12.1	23,629	11.3
Tax-exempt interest [4]	167	0.5	0	0.0	196	3.1	26,275	12.5
Taxes paid deduction [1]	4,837	13.6	114,008	40.6	4,493	69.9	50,758	24.2
Charitable contributions deduction	904	2.5	22,632	8.1	465	7.2	** 878	** 0.4
Medical and dental expense deduction [1]	0	0.0	** 3,521	** 1.3	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	* 160	* 0.5	21,950	7.8	* 12	* 0.2	**	**
Foreign tax credit	16,860	47.3	35,611	12.7	101	1.6	31,155	14.8
General business credit	0	0.0	1,495	0.5	* 5	* 0.1	1,074	0.5
All other tax credits	* 444	* 1.2	2,888	1.0	107	1.7	2,812	1.3
Foreign-earned income exclusion [4]	0	0.0	**	**	0	0.0	0	0.0
AMT tax preference [4]	**	**	** 309	** 0.1	0	0.0	* 51	* [4]
Nontaxable Social Security benefits [4]	** 789	** 2.2	39,291	14.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	** 1,583	** 4.4	** 21,991	** 7.8	** 61	** 0.9	** 1,490	** 0.7
Section 965 future installments	0	0.0	**	**	**	**	0	0.0
Disaster loss deduction	**	**	409	0.1	0	0.0	**	**
No second largest item	7,777	21.8	10,924	3.9	* 208	* 3.2	71,858	34.2

Footnotes at end of table.

Table 7. Individual Income Tax Returns With and Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
RETURNS WITHOUT U.S. INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0
Foreign tax credit	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more								
Total	**3,052**	**13.7**	**4,837**	**21.7**	**19**	**0.1**	**37**	**0.2**
Interest paid deduction	94	3.1	157	3.2	**	**	9	24.3
Tax-exempt interest [4]	35	1.1	0	0.0	** 7	** 36.8	4	10.8
Taxes paid deduction	** 119	** 3.9	1,384	28.6	** 5	** 26.3	0	0.0
Charitable contributions deduction	**	**	728	15.1	**	**	4	10.8
Medical and dental expense deduction	32	1.0	841	17.4	0	0.0	** 9	** 24.3
Net casualty or theft loss deduction	0	0.0	15	0.3	0	0.0	**	**
Total miscellaneous deductions	20	0.7	513	10.6	0	0.0	**	**
Foreign tax credit	2,070	67.8	5	0.1	0	0.0	0	0.0
General business credit	**	**	17	0.4	0	0.0	0	0.0
All other tax credits	** 19	** 0.6	29	0.6	**	**	0	0.0
Foreign-earned income exclusion [4]	0	0.0	7	0.1	0	0.0	0	0.0
AMT tax preference [4]	**	**	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	** 5	** 0.2	** 281	** 5.8	** 7	** 36.8	0	0.0
Capital gains taxed at 0 percent	** 58	** 1.9	** 679	** 14.0	**	**	** 8	** 21.6
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	**	**	**	**	**	**	**	**
No second largest item	600	19.7	181	3.7	0	0.0	3	8.1

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

** Data combined to avoid disclosure of information for specific taxpayers.

[1] For taxable returns only, this does not include any possible effect on AMT.

[2] Investment interest expense deduction only has an effect when using the adjusted gross income concept.

[3] Less than 0.05 percent.

[4] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1,2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**7,262,684**	**100.0**	**844,537**	**11.6**	**36,097**	**0.5**	**5,119,983**	**70.5**
Interest paid deduction [1]	3,096,449	42.6	0	0.0	2,989	8.3	2,949,628	57.6
Investment interest expense deduction [1,2]	62,261	0.9	1,339	0.2	0	0.0	50,633	1.0
Taxes paid deduction [1]	1,622,330	22.3	774,695	91.7	23,470	65.0	0	0.0
Charitable contributions deduction	1,647,221	22.7	40,745	4.8	4,201	11.6	1,537,787	30.0
Medical and dental expense deduction [1]	58,318	0.8	** 4,094	** 0.5	** 90	** 0.2	40,378	0.8
Net casualty or theft loss deduction	868	[3]	**	**	**	**	* 377	* [3]
Total miscellaneous deductions [1]	360,546	5.0	18,487	2.2	3,219	8.9	286,965	5.6
General business credit	32,284	0.4	1,061	0.1	487	1.3	24,224	0.5
All other tax credits	79,104	1.1	2,743	0.3	207	0.6	66,264	1.3
Capital gains taxed at 0 percent	83,648	1.2	695	0.1	1,346	3.7	35,263	0.7
Section 965 future installments	264	[3]	0	0.0	* 3	* [3]	160	[3]
Disaster loss deduction	485	[3]	0	0.0	0	0.0	0	0.0
No second largest item	218,906	3.0	679	0.1	85	0.2	128,305	2.5
Returns with expanded income of $200,000 or more								
Total	**7,438,078**	**100.0**	**824,017**	**11.1**	**0**	**0.0**	**4,970,098**	**66.8**
Interest paid deduction [1]	3,100,946	41.7	0	0.0	0	0.0	2,939,437	59.1
Tax-exempt interest [4]	303,981	4.1	911	0.1	0	0.0	208,158	4.2
Taxes paid deduction [1]	1,614,383	21.7	767,441	93.1	0	0.0	0	0.0
Charitable contributions deduction	1,444,805	19.4	42,700	5.2	0	0.0	1,334,401	26.8
Medical and dental expense deduction [1]	52,113	0.7	** 3,789	** 0.5	0	0.0	33,671	0.7
Net casualty or theft loss deduction	861	[3]	**	**	0	0.0	* 329	* [3]
Total miscellaneous deductions [1]	156,751	2.1	2,606	0.3	0	0.0	98,132	2.0
General business credit	32,797	0.4	1,079	0.1	0	0.0	23,272	0.5
All other tax credits	84,566	1.1	3,046	0.4	0	0.0	65,655	1.3
Foreign-earned income exclusion [4]	2,488	[3]	0	0.0	0	0.0	933	[3]
AMT tax preference [4]	4,212	0.1	0	0.0	0	0.0	3,040	0.1
Nontaxable Social Security benefits [4]	211,198	2.8	1,243	0.2	0	0.0	129,272	2.6
Capital gains taxed at 0 percent	97,792	1.3	694	0.1	0	0.0	30,870	0.6
Section 965 future installments	256	[3]	0	0.0	0	0.0	153	[3]
Disaster loss deduction	1,086	[3]	0	0.0	0	0.0	0	0.0
No second largest item	329,843	4.4	509	0.1	0	0.0	102,775	2.1

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**614,455**	**8.5**	**69,281**	**1.0**	**4,440**	**0.1**	**254,744**	**3.5**
Interest paid deduction [1]	74,913	12.2	4,716	6.8	* 312	* 7.0	29,891	11.7
Investment interest expense deduction [1,2]	4,286	0.7	* 19	* [3]	* 310	* 7.0	2,761	1.1
Taxes paid deduction [1]	472,333	76.9	38,512	55.6	2,508	56.5	171,655	67.4
Charitable contributions deduction	0	0.0	11,142	16.1	* 764	* 17.2	30,495	12.0
Medical and dental expense deduction [1]	** 5,592	** 0.9	0	0.0	0	0.0	** 3,881	** 1.5
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	25,717	4.2	** 7,073	** 10.2	** 92	** 2.1	0	0.0
General business credit	2,969	0.5	**	**	**	**	1,239	0.5
All other tax credits	4,625	0.8	**	**	**	**	1,316	0.5
Capital gains taxed at 0 percent	23,697	3.9	** 7,820	** 11.3	** 453	** 10.2	12,358	4.9
Section 965 future installments	84	[3]	0	0.0	0	0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	239	[3]	**	**	**	**	** 1,148	** 0.5
Returns with expanded income of $200,000 or more								
Total	**606,772**	**8.2**	**70,344**	**0.9**	**4,098**	**0.1**	**74,373**	**1.0**
Interest paid deduction [1]	79,015	13.0	4,107	5.8	* 312	* 7.6	3,573	4.8
Tax-exempt interest [4]	20,169	3.3	4,943	7.0	41	1.0	10,365	13.9
Taxes paid deduction [1]	452,492	74.6	35,205	50.0	2,514	61.3	41,159	55.3
Charitable contributions deduction	0	0.0	10,140	14.4	** 770	** 18.8	10,127	13.6
Medical and dental expense deduction [1]	** 6,110	** 1.0	0	0.0	0	0.0	** 1,180	** 1.6
Net casualty or theft loss deduction	**	**	0	0.0	0	0.0	**	**
Total miscellaneous deductions [1]	13,324	2.2	3,869	5.5	**	**	0	0.0
General business credit	2,830	0.5	**	**	0	0.0	125	0.2
All other tax credits	4,498	0.7	** 156	** 0.2	**	**	26	[4]
Foreign-earned income exclusion [4]	403	0.1	0	0.0	** 9	** 0.2	105	0.1
AMT tax preference [4]	254	[3]	0	0.0	0	0.0	* 22	* [3][4]
Nontaxable Social Security benefits [4]	5,953	1.0	3,498	5.0	0	0.0	1,084	1.5
Capital gains taxed at 0 percent	21,560	3.6	8,426	12.0	** 452	** 11.0	** 6,607	** 8.9
Section 965 future installments	84	[3]	0	0.0	0	0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	79	[3][4]	0	0.0	**	**	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		All other tax credits		Capital gains taxed at 0 percent		Section 965 future installments	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITH WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**62,610**	**0.9**	**91,083**	**1.3**	**158,721**	**2.2**	**2,001**	**[3]**
Interest paid deduction [1]	8,168	13.0	12,683	13.9	12,810	8.1	338	16.9
Investment interest expense deduction [1,2]	994	1.6	332	0.4	1,511	1.0	76	3.8
Taxes paid deduction [1]	32,904	52.6	36,452	40.0	69,110	43.5	692	34.6
Charitable contributions deduction	** 4,083	** 6.5	** 2,555	** 2.8	15,821	10.0	90	4.5
Medical and dental expense deduction [1]	**	**	**	**	** 4,314	** 2.7	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	**	**	0	0.0
Total miscellaneous deductions [1]	827	1.3	320	0.4	17,745	11.2	181	9.0
General business credit	0	0.0	1,143	1.3	721	0.5	51	2.6
All other tax credits	1,602	2.6	0	0.0	1,808	1.1	** 51	** 2.5
Capital gains taxed at 0 percent	** 986	** 1.6	** 1,304	** 1.4	0	0.0	**	**
Section 965 future installments	**	**	**	**	0	0.0	0	0.0
Disaster loss deduction	* 121	* 0.2	**	**	* 320	* 0.2	**	**
No second largest item	12,924	20.6	** 36,292	** 39.8	34,561	21.8	** 522	** 26.1
Returns with expanded income of $200,000 or more								
Total	**61,933**	**0.8**	**88,526**	**1.2**	**154,583**	**2.1**	**2,002**	**[3]**
Interest paid deduction [1]	8,487	13.7	13,628	15.4	12,451	8.1	* 319	* 15.9
Tax-exempt interest [4]	3,807	6.1	3,672	4.1	13,615	8.8	158	7.9
Taxes paid deduction [1]	32,092	51.8	35,493	40.1	59,652	38.6	786	39.2
Charitable contributions deduction	** 3,978	** 6.4	** 2,177	** 2.5	14,539	9.4	97	4.8
Medical and dental expense deduction [1]	**	**	**	**	** 3,876	** 2.5	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	**	**	0	0.0
Total miscellaneous deductions [1]	315	0.5	* 63	* 0.1	15,084	9.8	45	2.2
General business credit	0	0.0	1,100	1.2	541	0.4	60	3.0
All other tax credits	1,298	2.1	0	0.0	1,722	1.1	21	1.1
Foreign-earned income exclusion [4]	**	**	**	**	724	0.5	194	9.7
AMT tax preference [4]	** 200	** 0.3	** 55	** 0.1	* 165	* 0.1	0	0.0
Nontaxable Social Security benefits [4]	2,261	3.7	3,510	4.0	20,866	13.5	** 76	** 3.8
Capital gains taxed at 0 percent	1,024	1.7	** 1,295	** 1.5	0	0.0	**	**
Section 965 future installments	* 7	* [4]	**	**	0	0.0	0	0.0
Disaster loss deduction	* 72	* 0.1	* 44	* [4]	* 320	* 0.2	0	0.0
No second largest item	8,390	13.5	27,488	31.1	11,028	7.1	246	12.3

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Disaster loss deduction		Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
RETURNS WITH WORLDWIDE INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**4,734**	**0.1**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [1,2]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction [1]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	342	7.2	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	** 498	** 10.5	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	** 3,894	** 82.3	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more										
Total	**3,945**	**0.1**	**63,792**	**0.9**	**292,616**	**3.9**	**6,445**	**0.1**	**214,534**	**2.9**
Interest paid deduction [1]	0	0.0	8,102	12.7	6,299	2.2	* 777	* 12.1	24,439	11.4
Tax-exempt interest [4]	863	21.9	2,623	4.1	0	0.0	200	3.1	34,456	16.1
Taxes paid deduction [1]	0	0.0	12,344	19.4	118,054	40.3	4,508	69.9	52,644	24.5
Charitable contributions deduction	0	0.0	1,781	2.8	23,204	7.9	** 487	** 7.6	** 574	** 0.3
Medical and dental expense deduction [1]	0	0.0	** 35	** 0.1	** 3,834	** 1.3	0	0.0	**	**
Net casualty or theft loss deduction	0	0.0	**	**	**	**	0	0.0	0	0.0
Total miscellaneous deductions [1]	0	0.0	216	0.3	22,768	7.8	**	**	* 307	* 0.1
General business credit	* 180	* 4.6	181	0.3	2,317	0.8	**	**	1,106	0.5
All other tax credits	**	**	1,373	2.2	3,647	1.2	** 123	** 1.9	** 2,862	** 1.3
Foreign-earned income exclusion [4]	** 147	** 3.7	0	0.0	67	[3]	**	**	**	**
AMT tax preference [4]	0	0.0	* 148	* 0.2	317	0.1	0	0.0	60	[3]
Nontaxable Social Security benefits [4]	** 807	** 20.5	**	**	41,688	14.2	**	**	0	0.0
Capital gains taxed at 0 percent	**	**	** 4,666	** 7.3	** 22,292	** 7.6	** 62	** 1.0	** 1,494	** 0.7
Section 965 future installments	**	**	0	0.0	**	**	**	**	0	0.0
Disaster loss deduction	0	0.0	**	**	430	0.1	0	0.0	**	**
No second largest item	** 1,948	** 49.4	32,323	50.7	47,698	16.3	** 287	** 4.5	96,592	45.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Total		Item with the largest tax effect					
			Interest paid deduction [1]		Investment interest expense deduction [1,2]		Taxes paid deduction [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**6,299**	**100.0**	**143**	**2.3**	**369**	**5.9**	**503**	**8.0**
Interest paid deduction	906	14.4	0	0.0	43	11.7	71	14.1
Investment interest expense deduction [2]	252	4.0	5	3.5	0	0.0	54	10.7
Taxes paid deduction	2,440	38.7	60	42.0	123	33.3	0	0.0
Charitable contributions deduction	867	13.8	25	17.5	73	19.8	190	37.8
Medical and dental expense deduction	232	3.7	** 13	** 9.1	** 28	** 7.6	** 28	** 5.6
Net casualty or theft loss deduction	27	0.4	**	**	**	**	**	**
Total miscellaneous deductions	515	8.2	13	9.1	63	17.1	98	19.5
General business credit	107	1.7	3	2.1	7	1.9	19	3.8
All other tax credits	105	1.7	5	3.5	3	0.8	12	2.4
Capital gains taxed at 0 percent	684	10.9	** 19	** 13.3	** 29	** 7.9	31	6.2
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	162	2.6	**	**	**	**	0	0.0
Returns with expanded income of $200,000 or more								
Total	**10,979**	**100.0**	**166**	**1.5**	**0**	**0.0**	**700**	**6.4**
Interest paid deduction	689	6.3	0	0.0	0	0.0	73	10.4
Tax-exempt interest [4]	1,216	11.1	11	6.6	0	0.0	150	21.4
Taxes paid deduction	2,636	24.0	67	40.4	0	0.0	0	0.0
Charitable contributions deduction	1,374	12.5	23	13.9	0	0.0	207	29.6
Medical and dental expense deduction	1,081	9.8	** 17	** 10.2	0	0.0	39	5.6
Net casualty or theft loss deduction	44	0.4	**	**	0	0.0	0	0.0
Total miscellaneous deductions	1,087	9.9	15	9.0	0	0.0	125	17.9
General business credit	96	0.9	**	**	0	0.0	21	3.0
All other tax credits	114	1.0	** 8	** 4.8	0	0.0	14	2.0
Foreign-earned income exclusion [4]	18	0.2	**	**	0	0.0	5	0.7
AMT tax preference [4]	7	0.1	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [4]	553	5.0	5	3.0	0	0.0	** 15	** 2.1
Capital gains taxed at 0 percent	1,306	11.9	20	12.0	0	0.0	51	7.3
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	758	6.9	0	0.0	0	0.0	0	0.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	Charitable contributions deduction		Medical and dental expense deduction [1]		Net casualty or theft loss deduction		Total miscellaneous deductions [1]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**894**	**14.2**	**976**	**15.5**	**332**	**5.3**	**2,430**	**38.6**
Interest paid deduction	108	12.1	75	7.7	59	17.8	455	18.7
Investment interest expense deduction [2]	74	8.3	17	1.7	5	1.5	51	2.1
Taxes paid deduction	248	27.8	338	34.6	181	54.5	1,316	54.2
Charitable contributions deduction	0	0.0	139	14.2	31	9.3	304	12.5
Medical and dental expense deduction	** 64	** 7.2	0	0.0	14	4.2	69	2.8
Net casualty or theft loss deduction	**	**	3	0.3	0	0.0	11	0.5
Total miscellaneous deductions	121	13.5	164	16.8	30	9.0	0	0.0
General business credit	20	2.2	**	**	**	**	19	0.8
All other tax credits	18	2.0	**	**	**	**	21	0.9
Capital gains taxed at 0 percent	241	27.0	** 240	** 24.6	** 7	** 2.1	81	3.3
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	**	**	3	0.9	103	4.2
Returns with expanded income of $200,000 or more								
Total	**1,106**	**10.1**	**1,948**	**17.7**	**335**	**3.1**	**397**	**3.6**
Interest paid deduction	95	8.6	69	3.5	57	17.0	24	6.0
Tax-exempt interest [4]	167	15.1	634	32.5	23	6.9	100	25.2
Taxes paid deduction	275	24.9	387	19.9	173	51.6	96	24.2
Charitable contributions deduction	0	0.0	151	7.8	27	8.1	95	23.9
Medical and dental expense deduction	65	5.9	0	0.0	14	4.2	** 42	** 10.6
Net casualty or theft loss deduction	6	0.5	6	0.3	0	0.0	**	**
Total miscellaneous deductions	141	12.7	** 236	** 12.1	14	4.2	0	0.0
General business credit	20	1.8	**	**	**	**	**	**
All other tax credits	** 16	** 1.4	7	0.4	**	**	** 4	** 1.0
Foreign-earned income exclusion [4]	**	**	3	0.2	**	**	**	**
AMT tax preference [4]	**	**	0	0.0	0	0.0	**	**
Nontaxable Social Security benefits [4]	** 56	** 5.1	140	7.2	** 18	** 5.4	** 9	** 2.3
Capital gains taxed at 0 percent	265	24.0	315	16.2	6	1.8	27	6.8
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	0	0.0	0	0.0	3	0.9	0	0.0

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued							
	General business credit		All other tax credits		Capital gains taxed at 0 percent		Section 965 future installments	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
RETURNS WITHOUT WORLDWIDE INCOME TAX								
Returns with adjusted gross income of $200,000 or more								
Total	**165**	**2.6**	**181**	**2.9**	**** 266**	**** 4.2**	**	**
Interest paid deduction	29	17.6	37	20.4	** 26	** 9.8	**	**
Investment interest expense deduction [2]	6	3.6	3	1.7	** 37	** 13.9	**	**
Taxes paid deduction	63	38.2	70	38.7	** 41	** 15.4	**	**
Charitable contributions deduction	18	10.9	32	17.7	** 55	** 20.7	**	**
Medical and dental expense deduction	** 5	** 3.0	** 11	** 6.1	** 17	** 6.4	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	** 4	** 1.5	**	**
Total miscellaneous deductions	**	**	**	**	** 18	** 6.8	**	**
General business credit	0	0.0	5	2.8	** 30	** 11.3	**	**
All other tax credits	7	4.2	0	0.0	** 30	** 11.3	**	**
Capital gains taxed at 0 percent	37	22.4	13	7.2	**	**	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
No second largest item	0	0.0	10	5.5	** 8	** 3.0	**	**
Returns with expanded income of $200,000 or more								
Total	**160**	**1.5**	**169**	**1.5**	**** 454**	**** 4.1**	**	**
Interest paid deduction	** 29	** 18.1	** 33	** 19.5	** 59	** 13.0	**	**
Tax-exempt interest [4]	**	**	**	**	** 85	** 18.7	**	**
Taxes paid deduction	62	38.8	70	41.4	** 55	** 12.1	**	**
Charitable contributions deduction	** 23	** 14.4	** 34	** 20.1	** 86	** 18.9	**	**
Medical and dental expense deduction	**	**	**	**	** 34	** 7.5	**	**
Net casualty or theft loss deduction	0	0.0	0	0.0	** 14	** 3.1	**	**
Total miscellaneous deductions	0	0.0	** 6	** 3.6	** 32	** 7.0	**	**
General business credit	0	0.0	**	**	** 29	** 6.4	**	**
All other tax credits	7	4.4	0	0.0	** 31	** 6.8	**	**
Foreign-earned income exclusion [4]	0	0.0	**	**	**	**	**	**
AMT tax preference [4]	0	0.0	0	0.0	**	**	**	**
Nontaxable Social Security benefits [4]	0	0.0	** 5	** 3.0	** 23	** 5.1	**	**
Capital gains taxed at 0 percent	39	24.4	13	7.7	**	**	**	**
Section 965 future installments	0	0.0	0	0.0	** 0	** 0.0	**	**
Disaster loss deduction	0	0.0	0	0.0	** 0	** 0.0	**	**
No second largest item	0	0.0	8	4.7	** 6	** 1.3	**	**

Footnotes at end of table.

Table 8. Individual Income Tax Returns With and Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number and Percentage of Returns Classified by Item With the Largest Tax Effect and by Item With the Second Largest Tax Effect, Tax Year 2017—Continued

[All figures are estimates based on samples]

Tax status, income concept, and item with the second largest tax effect	Item with the largest tax effect—continued									
	Disaster loss deduction		Foreign-earned income exclusion [4]		Tax-exempt interest [4]		AMT tax preference [4]		Nontaxable Social Security benefits [4]	
	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total	Number of returns	Percentage of total
	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)
RETURNS WITHOUT WORLDWIDE INCOME TAX										
Returns with adjusted gross income of $200,000 or more										
Total	**40**	**0.6**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**	**0**	**0.0**
Interest paid deduction	3	7.5	0	0.0	0	0.0	0	0.0	0	0.0
Investment interest expense deduction [2]	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Taxes paid deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Charitable contributions deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Medical and dental expense deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Net casualty or theft loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Total miscellaneous deductions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
General business credit	**	**	0	0.0	0	0.0	0	0.0	0	0.0
All other tax credits	**	**	0	0.0	0	0.0	0	0.0	0	0.0
Capital gains taxed at 0 percent	** 4	** 10.0	0	0.0	0	0.0	0	0.0	0	0.0
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	33	82.5	0	0.0	0	0.0	0	0.0	0	0.0
Returns with expanded income of $200,000 or more										
Total	**40**	**0.4**	**826**	**7.5**	**4,625**	**42.1**	**16**	**0.1**	**37**	**0.3**
Interest paid deduction	**	**	86	10.4	155	3.4	**	**	9	24.3
Tax-exempt interest [4]	** 7	** 17.5	29	3.5	0	0.0	** 6	** 37.5	4	10.8
Taxes paid deduction	0	0.0	** 104	** 12.6	1,360	29.4	** 5	** 31.3	0	0.0
Charitable contributions deduction	0	0.0	**	**	712	15.4	**	**	4	10.8
Medical and dental expense deduction	0	0.0	** 45	** 5.4	832	18.0	0	0.0	** 9	** 24.3
Net casualty or theft loss deduction	0	0.0	0	0.0	15	0.3	0	0.0	**	**
Total miscellaneous deductions	0	0.0	**	**	507	11.0	0	0.0	**	**
General business credit	**	**	0	0.0	12	0.3	0	0.0	0	0.0
All other tax credits	**	**	14	1.7	** 19	** 0.4	0	0.0	0	0.0
Foreign-earned income exclusion [4]	0	0.0	0	0.0	**	**	0	0.0	0	0.0
AMT tax preference [4]	0	0.0	**	**	**	**	0	0.0	0	0.0
Nontaxable Social Security benefits [4]	** 13	** 32.5	** 11	** 1.3	** 281	** 6.1	5	31.3	0	0.0
Capital gains taxed at 0 percent	**	**	**	**	551	11.9	0	0.0	8	21.6
Section 965 future installments	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Disaster loss deduction	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
No second largest item	20	50.0	537	65.0	181	3.9	0	0.0	3	8.1

* Estimate should be used with caution because of the small number of sample returns on which it is based.
** Data combined to avoid disclosure of information for specific taxpayers.
[1] For taxable returns only, this does not include any possible effect on AMT.
[2] Investment interest expense deduction only has an effect when using the adjusted gross income concept.
[3] Less than 0.05 percent.
[4] Tax-exempt interest, foreign-earned income exclusion, AMT tax preference, and nontaxable Social Security benefits only have an effect when using the expanded income concept.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2017
[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	13,249	4,652	1,018	683	300	235
Interest paid deduction:						
Total	13,249	7,279	3,997	1,030	312	135
Investment interest expense deduction per income concept	13,249	11,119	1,371	201	121	87
Taxes paid deduction	13,249	5,063	5,172	1,683	611	255
Charitable contributions deduction	13,249	6,577	4,331	562	334	360
Medical and dental expense deduction	13,249	11,050	810	222	115	106
Net casualty or theft loss deduction	13,249	12,884	11	7	4	6
Net limited miscellaneous deduction per income concept	13,249	10,039	1,727	742	339	142
Nonlimited miscellaneous deduction	13,249	10,300	639	55	37	35
Deduction equivalent of:						
Total credits	13,249	5,509	323	231	170	182
Foreign tax credit	13,249	6,308	578	36	22	26
General business credit	13,249	12,651	113	79	53	74
Tax preferences excluded from adjusted gross income	13,249	10,317	1,935	397	175	117
Nontaxable Social Security benefits	13,249	10,185	3,051	** 13	**	0
Capital gains taxed at 0 percent	13,249	10,306	663	673	766	841
Deduction equivalent of section 965 future installments	13,249	13,242	0	4	** 3	0
Disaster loss deduction	13,249	13,207	0	0	0	** 3
Expanded income concept						
Total itemized deductions	22,266	9,073	1,926	1,996	1,406	1,169
Interest paid deduction:						
Total	22,266	16,411	4,316	1,247	185	27
Investment interest expense deduction per income concept	22,266	19,273	2,624	184	80	33
Taxes paid deduction	22,266	9,499	7,779	2,953	1,040	380
Charitable contributions deduction	22,266	11,366	7,161	1,313	739	646
Medical and dental expense deduction	22,266	15,586	3,354	740	316	316
Net casualty or theft loss deduction	22,266	21,890	18	12	7	8
Net limited miscellaneous deduction per income concept	22,266	15,080	4,235	1,729	671	217
Nonlimited miscellaneous deduction	22,266	21,065	1,095	61	16	6
Deduction equivalent of:						
Total credits	22,266	10,151	756	483	397	425
Foreign tax credit	22,266	11,030	1,047	218	194	266
General business credit	22,266	21,635	136	85	62	70
Tax preferences excluded from adjusted gross income	22,266	12,762	2,364	1,007	837	732
Nontaxable Social Security benefits	22,266	15,338	6,890	** 37	**	0
Capital gains taxed at 0 percent	22,266	15,518	2,517	1,790	1,425	1,016
Deduction equivalent of section 965 future installments	22,266	22,259	0	4	** 3	0
Disaster loss deduction	22,266	22,223	** 4	0	**	**

Footnotes at end of table.

Table 9. Individual Income Tax Returns Without U.S. Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2017—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income				
	40 percent under 50 percent	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(7)	(8)	(9)	(10)	(11)
Adjusted gross income concept					
Total itemized deductions	218	290	734	2,007	3,112
Interest paid deduction:					
Total	91	78	45	157	125
Investment interest expense deduction per income concept	63	44	33	125	85
Taxes paid deduction	111	89	62	75	128
Charitable contributions deduction	253	783	0	42	7
Medical and dental expense deduction	112	133	157	391	153
Net casualty or theft loss deduction	10	12	15	104	196
Net limited miscellaneous deduction per income concept	81	49	28	41	61
Nonlimited miscellaneous deduction	41	55	82	827	1,178
Deduction equivalent of:					
Total credits	247	268	243	4,752	1,324
Foreign tax credit	72	140	146	4,603	1,318
General business credit	113	74	54	32	6
Tax preferences excluded from adjusted gross income	68	50	44	51	95
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	0	**	0
Disaster loss deduction	0	0	**	13	26
Expanded income concept					
Total itemized deductions	1,080	1,152	1,127	1,934	1,402
Interest paid deduction:					
Total	10	9	3	29	28
Investment interest expense deduction per income concept	10	16	11	8	26
Taxes paid deduction	167	133	59	97	158
Charitable contributions deduction	751	201	16	61	11
Medical and dental expense deduction	315	325	355	715	244
Net casualty or theft loss deduction	11	13	10	105	192
Net limited miscellaneous deduction per income concept	114	60	33	66	60
Nonlimited miscellaneous deduction	5	3	5	5	5
Deduction equivalent of:					
Total credits	658	1,213	1,517	6,633	32
Foreign tax credit	489	1,099	1,411	6,485	26
General business credit	114	67	56	35	6
Tax preferences excluded from adjusted gross income	684	724	760	2,015	380
Nontaxable Social Security benefits	0	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	0	**	0
Disaster loss deduction	0	0	**	16	23

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2017

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Total	No deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
			Under 10 percent	10 percent under 20 percent	20 percent under 30 percent	30 percent under 40 percent
	(1)	(2)	(3)	(4)	(5)	(6)
Adjusted gross income concept						
Total itemized deductions	6,315	85	35	105	90	99
Interest paid deduction:						
Total	6,315	2,163	2,514	779	267	117
Investment interest expense deduction per income concept	6,315	4,626	1,009	162	105	77
Taxes paid deduction	6,315	219	3,612	1,318	489	229
Charitable contributions deduction	6,315	1,208	3,133	413	271	304
Medical and dental expense deduction	6,315	4,356	636	194	105	98
Net casualty or theft loss deduction	6,315	5,957	9	6	3	6
Net limited miscellaneous deduction per income concept	6,315	3,744	1,297	585	301	132
Nonlimited miscellaneous deduction	6,315	3,558	502	36	28	31
Deduction equivalent of:						
Total credits	6,315	5,509	157	98	85	76
General business credit	6,315	5,947	62	39	31	45
Tax preferences excluded from adjusted gross income	6,315	3,920	1,520	330	159	103
Nontaxable Social Security benefits	6,315	3,673	** 2,642	**	0	0
Capital gains taxed at 0 percent	6,315	4,046	535	557	668	509
Deduction equivalent of section 965 future installments	6,315	6,311	0	** 4	**	0
Disaster loss deduction	6,315	6,275	0	0	0	0
Expanded income concept						
Total itemized deductions	10,988	1,093	484	1,132	1,083	949
Interest paid deduction:						
Total	10,988	7,372	2,395	962	159	22
Investment interest expense deduction per income concept	10,988	8,516	2,148	157	72	30
Taxes paid deduction	10,988	1,156	5,488	2,479	920	353
Charitable contributions deduction	10,988	2,239	5,502	1,092	655	567
Medical and dental expense deduction	10,988	4,820	2,951	690	296	297
Net casualty or theft loss deduction	10,988	10,620	16	9	7	8
Net limited miscellaneous deduction per income concept	10,988	4,693	3,606	1,519	634	209
Nonlimited miscellaneous deduction	10,988	9,959	950	43	10	6
Deduction equivalent of:						
Total credits	10,988	10,073	270	114	85	76
General business credit	10,988	10,635	57	45	28	36
Tax preferences excluded from adjusted gross income	10,988	2,527	1,753	864	764	658
Nontaxable Social Security benefits	10,988	4,798	6,184	** 6	**	0
Capital gains taxed at 0 percent	10,988	5,823	1,843	1,498	1,187	637
Deduction equivalent of section 965 future installments	10,988	10,984	0	** 4	**	0
Disaster loss deduction	10,988	10,948	0	0	0	0

Footnotes at end of table.

Table 10. Individual Income Tax Returns Without Worldwide Income Tax Liability and With Income of $200,000 or More Under Alternative Concepts: Number of Returns With Itemized Deductions, Credits, and Tax Preferences, by Percentage of Income Reduced, Tax Year 2017—Continued

[All figures are estimates based on samples]

Income concept and type of deduction, credit, or tax preference	Number of returns on which income was reduced by percentage of income			
	50 percent under 60 percent	60 percent under 70 percent	70 percent under 100 percent	100 percent or more
	(8)	(9)	(10)	(11)
Adjusted gross income concept				
Total itemized deductions	148	634	1,921	3,109
Interest paid deduction:				
Total	72	45	152	125
Investment interest expense deduction per income concept	41	33	120	85
Taxes paid deduction	82	61	74	128
Charitable contributions deduction	709	0	42	7
Medical and dental expense deduction	126	155	389	153
Net casualty or theft loss deduction	12	14	102	196
Net limited miscellaneous deduction per income concept	49	28	40	61
Nonlimited miscellaneous deduction	48	77	818	1,178
Deduction equivalent of:				
Total credits	82	74	117	4
General business credit	44	38	28	4
Tax preferences excluded from adjusted gross income	44	40	49	90
Nontaxable Social Security benefits	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	**	0
Disaster loss deduction	0	**	** 14	26
Expanded income concept				
Total itemized deductions	1,001	1,058	1,884	1,400
Interest paid deduction:				
Total	8	3	29	28
Investment interest expense deduction per income concept	14	8	7	26
Taxes paid deduction	124	58	96	158
Charitable contributions deduction	176	16	60	11
Medical and dental expense deduction	320	354	712	244
Net casualty or theft loss deduction	13	9	103	192
Net limited miscellaneous deduction per income concept	60	32	66	60
Nonlimited miscellaneous deduction	3	5	3	5
Deduction equivalent of:				
Total credits	68	76	116	4
General business credit	37	39	30	4
Tax preferences excluded from adjusted gross income	681	722	1,988	379
Nontaxable Social Security benefits	0	0	0	0
Capital gains taxed at 0 percent	0	0	0	0
Deduction equivalent of section 965 future installments	0	0	**	0
Disaster loss deduction	0	**	** 17	23

** Data combined to avoid disclosure of information for specific taxpayers.

NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.

SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017
[All figures are estimates based on samples]

Tax status, effective tax rate	Total			Size of adjusted gross income					
				Under $50,000 [1]			$50,000 under $100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All returns	**152,903,231**	**100.0**	**8.2**	**90,764,878**	**100.0**	**0.8**	**34,466,798**	**100.0**	**1.9**
Returns without U.S. income tax	**49,156,189**	**32.1**	**1.7**	**47,281,499**	**52.1**	**0.8**	**1,696,581**	**4.9**	**4.6**
Effective tax rate:									
0 percent	18,392,638	12.0	5.8	17,885,781	19.7	3.4	382,167	1.1	13.9
Under 0 over -10 percent	14,002,144	9.2	0.7	12,653,966	13.9	0.3	1,294,759	3.8	1.6
-10 over -20 percent	4,640,796	3.0	0.1	4,622,667	5.1	0.1	18,129	0.1	0.2
-20 percent and under	12,120,611	7.9	[2]	12,119,085	13.4	[2]	1,525	[2]	4.0
Returns with U.S. income tax	**103,747,043**	**67.9**	**8.7**	**43,483,379**	**47.9**	**0.9**	**32,770,218**	**95.1**	**1.8**
Effective tax rate:									
Over 0 under 5 percent	25,493,427	16.7	4.3	19,483,671	21.5	1.5	5,217,396	15.1	3.9
5 under 10 percent	38,969,076	25.5	3.0	20,073,853	22.1	0.5	14,390,159	41.8	1.7
10 under 15 percent	24,910,527	16.3	4.4	3,862,924	4.3	0.4	10,315,782	29.9	1.3
15 under 20 percent	10,284,514	6.7	11.2	39,625	[2]	44.5	2,833,605	8.2	0.7
20 under 25 percent	2,627,400	1.7	28.4	13,116	[2]	27.1	10,414	[2]	19.8
25 under 30 percent	1,102,678	0.7	11.4	3,258	[2]	16.4	411	[2]	1.3
30 under 35 percent	293,218	0.2	6.1	** 2,098	** [2]	** 2.6	** 2,331	** [2]	** 0.1
35 under 40 percent	57,046	[2]	3.0	**	**	**	**	**	**
40 under 60 percent	3,044	[2]	3.6	** 1,180	** [2]	** 0.5	** 14	** [2]	** 0.0
60 under 80 percent	1,293	[2]	49.3	**	**	**	**	**	**
80 percent or more	4,820	[2]	8.5	3,655	[2]	0.0	106	[2]	3.9

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued					
	$100,000 under $200,000			$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(10)	(11)	(12)	(13)	(14)	(15)
All returns	**19,951,450**	**100.0**	**3.4**	**7,720,105**	**100.0**	**18.6**
Returns without U.S. income tax	**164,860**	**0.8**	**13.6**	**13,249**	**0.2**	**6.6**
Effective tax rate:						
0 percent	111,494	0.6	15.2	13,196	0.2	6.6
Under 0 over -10 percent	53,366	0.3	9.9	53	[2]	10.2
-10 over -20 percent	0	0.0	0.0	0	0.0	0.0
-20 percent and under	0	0.0	0.0	0	0.0	0.0
Returns with U.S. income tax	**19,786,590**	**99.2**	**3.4**	**7,706,856**	**99.8**	**18.6**
Effective tax rate:						
Over 0 under 5 percent	706,237	3.5	13.6	86,123	1.1	16.5
5 under 10 percent	4,359,168	21.8	5.3	145,896	1.9	34.1
10 under 15 percent	9,903,672	49.6	2.8	828,149	10.7	24.8
15 under 20 percent	4,329,240	21.7	1.9	3,082,045	39.9	19.8
20 under 25 percent	480,801	2.4	0.9	2,123,069	27.5	30.3
25 under 30 percent	5,228	[2]	0.9	1,093,781	14.2	11.4
30 under 35 percent	81	[2]	19.5	290,802	3.8	6.1
35 under 40 percent	676	[2]	8.7	54,277	0.7	3.0
40 under 60 percent	446	[2]	6.3	2,460	[2]	3.6
60 under 80 percent	19	[2]	0.1	218	[2]	59.7
80 percent or more	1,024	[2]	0.7	36	[2]	21.4

Footnotes at end of table

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Total			Size of expanded income					
				Under $50,000 [1]			$50,000 under $100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
All returns	**152,903,231**	**100.0**	**8.0**	**88,293,255**	**100.0**	**0.6**	**36,906,784**	**100.0**	**1.8**
Returns without U.S. income tax	**49,156,189**	**32.1**	**1.4**	**46,521,710**	**52.7**	**0.6**	**2,393,884**	**6.5**	**3.9**
Effective tax rate:									
0 percent	18,392,638	12.0	3.3	17,090,931	19.4	1.6	1,108,630	3.0	6.2
Under 0 over -10 percent	14,147,226	9.3	0.7	12,839,148	14.5	0.2	1,260,560	3.4	1.8
-10 over -20 percent	4,797,815	3.1	0.1	4,774,647	5.4	0.1	23,169	0.1	0.2
-20 percent and under	11,818,510	7.7	[2]	11,816,984	13.4	[2]	1,525	[2]	4.0
Returns with U.S. income tax	**103,747,043**	**67.9**	**8.6**	**41,771,544**	**47.3**	**0.6**	**34,512,901**	**93.5**	**1.7**
Effective tax rate:									
Over 0 under 5 percent	26,288,634	17.2	4.2	18,510,352	21.0	1.0	6,976,606	18.9	3.5
5 under 10 percent	38,069,810	24.9	3.1	19,077,330	21.6	0.3	14,475,378	39.2	1.5
10 under 15 percent	24,927,790	16.3	4.5	4,121,037	4.7	0.3	10,096,881	27.4	1.1
15 under 20 percent	10,351,518	6.8	11.3	40,346	[2]	33.3	2,946,693	8.0	0.6
20 under 25 percent	2,647,264	1.7	27.8	10,066	[2]	33.3	9,570	[2]	21.1
25 under 30 percent	1,101,469	0.7	11.0	3,070	[2]	18.5	3,320	[2]	[2]
30 under 35 percent	293,819	0.2	6.1	** 3,245	** [2]	** 2.3	** 4,344	** [2]	** 0.1
35 under 40 percent	57,161	[2]	2.9	**	**	**	**	**	**
40 under 60 percent	2,290	[2]	2.2	** 218	** [2]	** 3.7	** 53	** [2]	** 5.8
60 under 80 percent	289	[2]	64.6	**	**	**	**	**	**
80 percent or more	6,999	[2]	2.2	5,880	[2]	5.5	56	[2]	0.2

Footnotes at end of table.

Table 11. Individual Income Tax Returns With and Without U.S. Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income—continued					
	$100,000 under $200,000			$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	**19,977,277**	**100.0**	**3.5**	**7,725,915**	**100.0**	**18.6**
Returns without U.S. income tax	**218,329**	**1.1**	**11.1**	**22,266**	**0.3**	**6.6**
Effective tax rate:						
0 percent	171,221	0.9	11.4	21,856	0.3	6.6
Under 0 over -10 percent	47,108	0.2	10.0	410	[2]	6.4
-10 over -20 percent	0	0.0	0.0	0	0.0	0.0
-20 percent and under	0	0.0	0.0	0	0.0	0.0
Returns with U.S. income tax	**19,758,948**	**98.9**	**3.4**	**7,703,650**	**99.7**	**18.6**
Effective tax rate:						
Over 0 under 5 percent	695,998	3.5	15.9	105,677	1.4	17.6
5 under 10 percent	4,345,544	21.8	5.6	171,559	2.2	35.4
10 under 15 percent	9,892,572	49.5	2.7	817,300	10.6	26.1
15 under 20 percent	4,311,225	21.6	1.6	3,053,253	39.5	20.2
20 under 25 percent	504,521	2.5	0.7	2,123,107	27.5	29.8
25 under 30 percent	5,972	[2]	2.9	1,089,107	14.1	11.0
30 under 35 percent	614	[2]	0.2	287,660	3.7	6.1
35 under 40 percent	1,002	[2]	6.1	54,116	0.7	2.9
40 under 60 percent	436	[2]	6.5	1,631	[2]	2.1
60 under 80 percent	31	[2]	24.1	209	[2]	67.5
80 percent or more	1,032	[2]	0.4	32	[2]	10.5

** Data combined to avoid disclosure of information for specific taxpayers.
[1] Includes returns with adjusted gross deficit or with negative expanded income.
[2] Less than 0.05 percent.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of U.S. income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017
[All figures are estimates based on samples]

Tax status, effective tax rate	Total			Size of adjusted gross income: Under $50,000 [1]		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(1)	(2)	(3)	(4)	(5)	(6)
All returns	**152,903,231**	**100.0**	**8.2**	**90,764,878**	**100.0**	**0.8**
Returns without worldwide income tax	**48,940,036**	**32.0**	**1.5**	**47,152,435**	**52.0**	**0.8**
Effective tax rate:						
0 percent	18,195,525	11.9	5.3	17,763,134	19.6	3.2
Under 0 over -10 percent	13,983,108	9.1	0.7	12,647,552	13.9	0.3
-10 over -20 percent	4,640,795	3.0	0.1	4,622,666	5.1	0.1
-20 percent and under	12,120,608	7.9	[2]	12,119,082	13.4	[2]
Returns with worldwide income tax	**103,963,196**	**68.0**	**8.7**	**43,612,443**	**48.0**	**0.9**
Effective tax rate:						
Over 0 under 5 percent	25,503,809	16.7	4.0	19,549,585	21.5	1.6
5 under 10 percent	38,949,297	25.5	2.8	20,105,511	22.2	0.5
10 under 15 percent	24,959,813	16.3	4.3	3,876,771	4.3	0.4
15 under 20 percent	10,325,358	6.8	10.9	44,710	[2]	44.7
20 under 25 percent	2,670,999	1.7	29.0	16,145	[2]	23.1
25 under 30 percent	1,139,489	0.7	12.0	3,262	[2]	16.4
30 under 35 percent	317,839	0.2	6.4	1,020	[2]	0.1
35 under 40 percent	68,771	[2]	3.2	1,083	[2]	4.3
40 under 60 percent	12,874	[2]	3.7	3,170	[2]	2.3
60 under 80 percent	5,535	[2]	17.6	3,102	[2]	0.1
80 percent or more	9,414	[2]	8.1	8,084	[2]	7.4

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued					
	$50,000 under $100,000			$100,000 under $200,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(7)	(8)	(9)	(10)	(11)	(12)
All returns	**34,466,798**	**100.0**	**1.9**	**19,951,450**	**100.0**	**3.4**
Returns without worldwide income tax	**1,650,550**	**4.8**	**4.2**	**130,736**	**0.7**	**13.7**
Effective tax rate:						
0 percent	340,333	1.0	13.2	85,790	0.4	15.2
Under 0 over -10 percent	1,290,562	3.7	1.6	44,946	0.2	10.7
-10 over -20 percent	18,129	0.1	0.2	0	0.0	0.0
-20 percent and under	1,525	[2]	4.0	0	0.0	0.0
Returns with worldwide income tax	**32,816,249**	**95.2**	**1.8**	**19,820,714**	**99.3**	**3.4**
Effective tax rate:						
Over 0 under 5 percent	5,210,471	15.1	3.9	690,366	3.5	13.9
5 under 10 percent	14,389,121	41.7	1.7	4,328,552	21.7	5.1
10 under 15 percent	10,347,218	30.0	1.3	9,927,620	49.8	2.9
15 under 20 percent	2,850,600	8.3	0.7	4,353,181	21.8	2.0
20 under 25 percent	13,611	[2]	19.6	501,461	2.5	1.0
25 under 30 percent	999	[2]	0.7	9,511	[2]	1.4
30 under 35 percent	1,342	[2]	0.3	2,478	[2]	11.4
35 under 40 percent	1,127	[2]	0.2	1,428	[2]	4.4
40 under 60 percent	436	[2]	34.3	3,988	[2]	1.6
60 under 80 percent	1,130	[2]	0.3	1,075	[2]	0.1
80 percent or more	196	[2]	4.3	1,054	[2]	0.7

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of adjusted gross income—continued			Total		
	$200,000 or more					
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(13)	(14)	(15)	(16)	(17)	(18)
All returns	**7,720,105**	**100.0**	**18.6**	**152,903,231**	**100.0**	**8.0**
Returns without worldwide income tax	**6,315**	**0.1**	**4.6**	**48,940,036**	**32.0**	**1.6**
Effective tax rate:						
0 percent	6,268	0.1	4.6	18,195,525	11.9	2.9
Under 0 over -10 percent	47	[2]	11.4	14,128,188	9.2	0.7
-10 over -20 percent	0	0.0	0.0	4,797,815	3.1	0.1
-20 percent and under	0	0.0	0.0	11,818,507	7.7	[2]
Returns with worldwide income tax	**7,713,790**	**99.9**	**18.6**	**103,963,196**	**68.0**	**8.6**
Effective tax rate:						
Over 0 under 5 percent	53,387	0.7	15.9	26,305,021	17.2	3.9
5 under 10 percent	126,112	1.6	35.8	38,063,944	24.9	2.9
10 under 15 percent	808,203	10.5	24.1	24,976,629	16.3	4.4
15 under 20 percent	3,076,866	39.9	19.5	10,398,628	6.8	11.1
20 under 25 percent	2,139,783	27.7	31.0	2,688,016	1.8	28.3
25 under 30 percent	1,125,717	14.6	12.0	1,136,944	0.7	11.6
30 under 35 percent	312,999	4.1	6.4	319,093	0.2	6.3
35 under 40 percent	65,134	0.8	3.2	64,941	[2]	3.0
40 under 60 percent	5,280	0.1	3.8	2,610	[2]	2.6
60 under 80 percent	228	[2]	58.7	335	[2]	47.1
80 percent or more	81	[2]	17.5	7,036	[2]	2.2

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income					
	Under $50,000 [1]			$50,000 under $100,000		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(19)	(20)	(21)	(22)	(23)	(24)
All returns	**88,293,255**	**100.0**	**0.6**	**36,906,784**	**100.0**	**1.8**
Returns without worldwide income tax	**46,420,396**	**52.6**	**0.7**	**2,332,630**	**6.3**	**3.5**
Effective tax rate:						
0 percent	16,995,025	19.2	1.5	1,051,569	2.8	5.7
Under 0 over -10 percent	12,833,743	14.5	0.2	1,256,367	3.4	1.8
-10 over -20 percent	4,774,647	5.4	0.1	23,169	0.1	0.2
-20 percent and under	11,816,981	13.4	[2]	1,525	[2]	4.0
Returns with worldwide income tax	**41,872,858**	**47.4**	**0.7**	**34,574,154**	**93.7**	**1.7**
Effective tax rate:						
Over 0 under 5 percent	18,579,197	21.0	1.1	6,987,401	18.9	3.5
5 under 10 percent	19,096,017	21.6	0.3	14,483,513	39.2	1.5
10 under 15 percent	4,131,737	4.7	0.3	10,124,922	27.4	1.1
15 under 20 percent	42,381	[2]	36.3	2,959,966	8.0	0.6
20 under 25 percent	11,082	[2]	33.5	10,033	[2]	19.3
25 under 30 percent	3,070	[2]	18.5	3,864	[2]	[2]
30 under 35 percent	** 3,245	** [2]	** 1.1	** 4,344	** [2]	** 0.1
35 under 40 percent	**	**	**	**	**	**
40 under 60 percent	** 218	** [2]	** 1.0	** 54	** [2]	** 4.3
60 under 80 percent	**	**	**	**	**	**
80 percent or more	5,912	[2]	5.5	56	[2]	0.2

Footnotes at end of table.

Table 12. Individual Income Tax Returns With and Without Worldwide Income Tax Liability: Number and Percentage of Returns by Effective Tax Rate, and by Size of Income Under Alternative Concepts, Tax Year 2017—Continued
[All figures are estimates based on samples]

Tax status, effective tax rate	Size of expanded income—continued					
	$100,000 under $200,000			$200,000 or more		
	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates	Number of returns	Percentage of total	Percentage of income subject to preferential tax rates
	(25)	(26)	(27)	(28)	(29)	(30)
All returns	**19,977,277**	**100.0**	**3.5**	**7,725,915**	**100.0**	**18.6**
Returns without worldwide income tax	**176,021**	**0.9**	**11.1**	**10,988**	**0.1**	**6.4**
Effective tax rate:						
0 percent	138,340	0.7	11.1	10,590	0.1	6.4
Under 0 over -10 percent	37,681	0.2	11.3	398	[2]	6.1
-10 over -20 percent	0	0.0	0.0	0	0.0	0.0
-20 percent and under	0	0.0	0.0	0	0.0	0.0
Returns with worldwide income tax	**19,801,256**	**99.1**	**3.4**	**7,714,927**	**99.9**	**18.6**
Effective tax rate:						
Over 0 under 5 percent	678,510	3.4	16.2	59,913	0.8	20.9
5 under 10 percent	4,335,251	21.7	5.5	149,163	1.9	37.3
10 under 15 percent	9,915,340	49.6	2.8	804,631	10.4	25.5
15 under 20 percent	4,339,230	21.7	1.7	3,057,051	39.6	20.0
20 under 25 percent	520,431	2.6	0.7	2,146,471	27.8	30.4
25 under 30 percent	7,321	[2]	2.5	1,122,688	14.5	11.7
30 under 35 percent	2,656	[2]	1.0	310,892	4.0	6.3
35 under 40 percent	1,010	[2]	6.1	61,888	0.8	3.0
40 under 60 percent	445	[2]	6.4	1,941	[2]	2.6
60 under 80 percent	31	[2]	24.1	255	[2]	48.3
80 percent or more	1,032	[2]	0.4	37	[2]	10.2

** Data combined to avoid disclosure of information for specific taxpayers.
[1] Includes returns with adjusted gross deficit or with negative expanded income.
[2] Less than 0.05 percent.
NOTES: Detail may not add to totals because of rounding. See Appendix A: Income Concepts of this article for a discussion of adjusted gross income and expanded income. See also Appendix B: Tax Concepts for a discussion of worldwide income tax. Starting in 2009, the portion of refundable credits that offset income taxes before credits was factored in to determine tax liability. As a result, data may not be comparable to data in Tax Years 2007 and 2008 published tables. Prior to 2007, the portion of refundable credits used to offset income taxes had no effect.
SOURCE: IRS, Statistics of Income Division, Individual High-Income Tax Returns, November 2020.

Partnership Returns, Tax Year 2018

by Ron DeCarlo, Tuba Ozer-Gurbuz, and Nina Shumofsky

The number of partnerships in the United States continued to increase for Tax Year 2018 while the number of partners declined slightly. Partnerships filed more than 4.0 million returns for the year, representing more than 27 million partners. The Real estate and rental and leasing sector comprised just over half of all partnerships (50.4 percent) and almost a third of all partners (31.4 percent).[1]

Total assets, total net income (loss), and total receipts all increased in 2018 compared to the prior year (Figure A). The Finance and insurance sector accounted for the largest portion of each of these three critical financial figures.[2]

The number of partnerships grew 2.7 percent (from 3,905,335 to 4,010,200) between 2017 and 2018 (Figure B). Since 2008, the number of partnerships has grown at an average annual rate of 2.5 percent. Partnerships classified as limited liability companies (LLCs) accounted for most of this growth.[3]

The number of partners decreased 0.2 percent for 2018 (from 27,500,929 the previous year to 27,448,391). Partnerships with less than 3 partners made up more than half (56.7 percent) of all partnerships (Figure C). These same-sized partnerships accounted for just under a quarter (24.9 percent) of all partnerships with total assets of $100 million or more. Partnerships with 100 or more partners accounted for only 0.4 percent of all partnerships but 39.8 percent of all partners in 2018.

Partnerships do not generally pay taxes on their income, but "pass through" any profits and losses to their partners,[4] who must include those profits and losses on their income tax returns.

Figure A

Partnership Returns: Percentage Changes in Selected Items, Tax Years 2009–2018

Tax year	Number of partnerships	Number of partners	Total assets	Total receipts	Total net income (loss)
	(1)	(2)	(3)	(4)	(5)
2009	0.7	9.5	-2.4	-18.1	-10.5
2010	2.5	6.1	5.4	14.3	44.9
2011	1.1	8.7	3.8	9.8	-2.2
2012	3.1	3.9	7.0	9.4	33.9
2013	2.1	8.5	9.8	7.1	-1.2
2014	4.4	0.8	8.1	5.6	9.0
2015	2.9	-2.2	4.7	-4.4	-6.8
2016	1.3	4.0	5.8	-2.3	1.4
2017	3.8	-2.4	11.9	16.1	2.3
2018	2.7	-0.2	6.0	7.7	9.2

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

For 2018, partnerships passed through $1,710.3 billion in total income (loss) minus total deductions available for allocation to their partners (Table 5). This amount represents a 1.1-percent decrease from 2017 when partnerships passed through $1,729.5 billion. The Finance and insurance sector accounted for both the largest amount reported ($999.9 billion) and the biggest change in passthrough dollars (a decrease of $119.1 billion) for 2018. Also, for the seventh consecutive year, partners who are partnerships received the largest portion of this income.[5]

Finance and insurance industry dominated assets, receipts, and net income (loss)

Historically, partnerships classified in the Real estate and rental and leasing sector have made up the largest share of partnerships

Highlights

- Partnerships filed more than 4 million returns for Tax Year 2018, a 2.7-percent increase over the number filed for 2017. These returns represented more than 27 million partners, down 0.2 percent from the previous year.
- Limited liability companies (LLCs) made up the majority of partnerships (70.4 percent), surpassing all other entity types for the 17th consecutive year.
- Limited partnerships represented only 11.1 percent of all partnerships but reported 30.0 percent of all profits and had the largest share of partners (38.9 percent).
- Real estate and rental and leasing accounted for about half (50.4 percent) of all partnerships and nearly a third (31.4 percent) of all partners. The Finance and insurance sector reported the largest shares of total net income (loss) (48.1 percent), total assets (55.2 percent), and total receipts (23.3 percent) for 2018.
- Total assets increased 6.0 percent between 2017 and 2018, from $32.4 trillion to $34.3 trillion. Fifteen of the twenty industrial sectors reported an increase.
- Receipts totaled $8.7 trillion for 2018, up 7.7 percent from the amount reported for 2017. Total net income (loss) or profits increased 9.2 percent to $884.7 billion for 2018 (up from $810.1 billion the previous year).
- Between 2017 and 2018, total income (loss) minus total deductions available for allocation decreased from $1,729.5 billion to $1,710.3 billion. Partners classified as partnerships received the largest share of income (loss) allocated to partners, $554.1 billion.

[1] This article references Tax Year 2017 data. For further information on these data, see Ron DeCarlo and Nina Shumofsky, "Partnership Returns, Tax Year 2017," *Statistics of Income Bulletin,* Fall 2019, Volume 39, Number 2.
[2] See the "Explanation of Selected Terms" section for information on the differences in calculating total receipts and total net income (loss).
[3] See the "Explanation of Selected Terms" section for more information on LLCs.
[4] The Bipartisan Budget Act of 2015 (BBA) created a new centralized partnership audit regime effective for partnership tax years beginning after 2017, which revised the auditing of some partnership returns. Any adjustment takes place at the partnership level and any taxes will be paid by the partnership.
[5] For further discussion of passthrough income, see the section of the article entitled "Partnerships allocated more than $1.7 trillion to their partners in 2018."

Figure B
Partnership Returns: Number of Partnerships and Partners, by Selected Industrial Groups, Tax Years 2017 and 2018

Industrial group	Number of partnerships		Percentage change	Number of partners		Percentage change
	2017	2018		2017	2018	
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	**3,905,335**	**4,010,200**	**2.7**	**27,500,929**	**27,448,391**	**-0.2**
Finance and insurance	379,436	388,433	2.4	7,292,667	7,522,935	3.2
Securities, commodity contracts, and other financial investments and related activities	298,510	280,362	-6.1	6,101,115	6,233,065	2.2
Securities and commodity contracts and exchanges	7,128	6,291	-11.7	433,008	442,343	2.2
Other financial investment activities	291,382	274,071	-5.9	5,668,107	5,790,722	2.2
Funds, trusts and other financial vehicles	45,712	65,582	43.5	960,468	896,606	-6.6
Other finance and insurance	35,213	42,488	20.7	231,083	393,265	70.2
Real estate and rental and leasing	1,933,749	2,021,496	4.5	8,539,307	8,615,870	0.9
Real estate	1,885,970	1,979,523	5.0	8,364,989	8,464,160	1.2
Lessors of residential buildings and dwellings and cooperative housing	622,449	688,501	10.6	2,745,119	2,687,699	-2.1
Lessors of nonresidential buildings (except miniwarehouses)	741,304	740,397	-0.1	2,948,624	2,978,209	1.0
Lessors of miniwarehouses and self-storage units	18,397	26,977	46.6	78,342	94,180	20.2
Lessors of other real estate property	92,671	117,638	26.9	454,338	545,917	20.2
Other real estate activities	411,149	406,010	-1.2	2,138,564	2,158,155	0.9
Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works)	47,779	41,973	-12.2	174,319	151,711	-13.0

NOTES: Detail may not add to totals because of rounding. For data on additional industries, see Table 10.
SOURCE: IRS, Statistics of Income Division, Partnerships, August 2020.

Figure C
Partnership Returns: Number of Partnerships and Partners, by Number of Partners per Partnership, Tax Year 2018

Number of partners per partnership	Total number of partnerships	Partnerships with $100,000,000 or more in assets	
		Number of partnerships	Percentage of total
	(1)	(2)	(3)
Number of partnerships, total	**4,010,200**	**35,432**	**0.01**
Number of partners per partnership:			
Less than 3	2,273,459	8,817	0.00
3 less than 5	1,061,645	7,750	0.01
5 less than 10	429,648	5,118	0.01
10 less than 20	123,584	3,471	0.03
20 less than 30	52,409	1,796	0.03
30 less than 40	18,638	1,351	0.07
40 less than 50	13,933	1,045	0.08
50 less than 60	5,611	721	0.13
60 less than 70	6,135	624	0.10
70 less than 80	4,792	655	0.14
80 less than 90	3,967	494	0.12
90 less than 100	1,815	419	0.23
100 or greater	14,565	3,171	0.22
1,000 or greater [1]	355	252	0.71

Number of partners per partnership	Total number of partners	Partnerships with $100,000,000 or more in assets	
		Number of partners	Percentage of total
	(4)	(5)	(6)
Number of partners, total	**27,500,929**	**8,845,308**	0.32
Number of partners per partnership:			
Less than 3	4,546,033	17,627	0.00
3 less than 5	3,557,716	25,960	0.01
5 less than 10	2,631,680	33,175	0.01
10 less than 20	1,712,739	47,617	0.03
20 less than 30	1,260,876	43,214	0.03
30 less than 40	637,977	46,186	0.07
40 less than 50	621,596	46,256	0.07
50 less than 60	305,868	39,141	0.13
60 less than 70	390,603	40,074	0.10
70 less than 80	349,761	48,497	0.14
80 less than 90	331,977	41,626	0.13
90 less than 100	170,165	39,584	0.23
100 or greater	10,931,400	8,376,351	0.77
1,000 or greater [1]	8,458,651	7,676,825	0.91

[1]These statistics are also included on the line entitled "100 or greater."
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

and partners. This sector accounted for about half of all partnerships for both 2018 (50.4 percent) and 2017 (49.5 percent), and it made up almost a third of all partners for 2018 (31.4 percent) and slightly less for 2017 (31.1 percent). While partnerships in this sector accounted for the majority of partnerships, they reported less than a fourth (22.2 percent) of total assets, only 9.0 percent of total receipts, and just 11.1 percent of total net income (loss) for 2018 (Figure D).

The Finance and insurance sector, however, represented the largest percentage of several key money amounts, compared to all other sectors for 2018. Partnerships classified in this sector reported the largest share of total assets (55.2 percent), total receipts (23.3 percent), and total net income (loss) (48.1 percent). However, this sector accounted for a smaller portion of total partnerships (9.7 percent) and partners (27.4 percent).

Total assets continued to increase

Total assets for all partnerships increased for the ninth year in a row. For 2018, most industrial sectors (15) reported an increase, compared to increases in all 19 sectors for 2017. For partnerships reporting balance sheet information, total assets rose 6.0 percent (from $32.4 trillion for 2017 to $34.3 trillion for 2018). The Finance and insurance sector accounted for the largest portion of this growth in asset accumulation, with an increase of $1.2 trillion (from $17.7 trillion to $19.0 trillion), followed by the Real estate and rental and leasing sector with an increase of $366.5 billion (from $7.3 trillion to $7.6 trillion) (Table 10).

Total receipts rose 7.7 percent between 2017 and 2018

Partnerships reported a 7.7-percent increase in total receipts (from $8.1 trillion to $8.7 trillion) between 2017 and 2018. Business receipts made up the majority of total receipts (67.4 percent) and increased $444.7 billion to $5.9 trillion for the year (Table 7).[6] The largest increase in total receipts was in the Manufacturing sector (from $941.9 billion to $1.1 trillion) though increases were reported in all sectors for 2018.

The Utilities sector reported the largest increase in total net income (loss)

Total net income (loss), or profits, increased 9.2 percent (from $810.1 billion to $884.7 billion) between 2017 and 2018 (Figure E). Interest income accounted for the largest portion of this increase ($37.7 billion). Fifteen industrial sectors reported an increase in profits (Table 10). The Utilities sector had the largest increase, $16.3 billion or 70.4 percent, while the Transportation and warehousing sector reported the largest overall decrease in profits (down $9.4 billion) for 2018.

Total net income (loss) is defined on a historical, pre-1986 definition of partnership income to allow for consistent comparisons with amounts reported for years before 1987. The aggregate amount includes the following fields: ordinary business income (loss); interest income; dividend income; royalties; net rental real estate income (loss) reported on *Rental Real Estate Income and Expenses of a Partnership or an S Corporation* (Form 8825); and other net rental income (loss). A more current

Figure D

Partnership Returns: Total Assets, Total Receipts, and Total Net Income (Loss), by Selected Industrial Group, Tax Years 2017 and 2018

[Money amounts are in thousands of dollars]

Industrial group	Total assets		Percentage change	Total receipts		Percentage change	Total net income (loss)		Percentage change
	2017	2018		2017	2018		2017	2018	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industries	**32,403,619,868**	**34,348,006,740**	**6.0**	**8,100,677,454**	**8,721,758,922**	**7.7**	**810,057,547**	**884,709,693**	**9.2**
Finance and insurance	17,721,488,621	18,954,124,306	7.0	1,993,651,635	2,032,212,084	1.9	422,033,750	426,317,947	1.0
Securities, commodity contracts, and other financial investments and related activities	15,244,334,053	16,272,592,851	6.7	1,717,463,866	1,722,106,877	0.3	358,915,204	357,509,117	-0.4
Securities and commodity contracts and exchanges	600,466,208	680,870,047	13.4	112,608,621	129,834,164	15.3	10,168,350	3,135,215	-69.2
Other financial investment activities	14,643,867,845	15,591,722,804	6.5	1,604,855,245	1,592,272,713	-0.8	348,746,854	354,373,902	1.6
Funds, trusts and other financial vehicles	2,159,477,905	2,319,414,827	7.4	185,021,375	211,120,692	14.1	48,525,715	53,841,089	11.0
Other finance and insurance	317,676,663	362,116,628	14.0	91,166,394	98,984,515	8.6	14,592,831	14,967,741	2.6
Real estate and rental and leasing	7,261,956,563	7,628,478,572	5.0	676,250,177	784,722,621	16.0	88,769,492	97,954,738	10.3
Real estate	7,039,636,294	7,380,340,393	4.8	612,078,105	703,809,034	15.0	81,001,766	86,988,620	7.4
Lessors of residential buildings and dwellings and cooperative housing	1,969,753,282	2,150,580,855	9.2	102,476,365	143,330,835	39.9	-12,168,039	-20,042,681	-64.7
Lessors of nonresidential buildings (except miniwarehouses)	3,212,744,911	3,297,609,363	2.6	238,013,161	250,505,822	5.2	76,743,108	90,590,576	18.0
Lessors of miniwarehouses and self-storage units	70,031,320	84,884,720	21.2	5,683,654	6,450,058	13.5	3,354,533	3,125,745	-6.8
Lessors of other real estate property	244,599,797	264,328,052	8.1	14,949,323	19,651,661	31.5	4,507,298	2,984,401	-33.8
Other real estate activities	1,542,506,983	1,582,937,403	2.6	250,955,602	283,870,658	13.1	8,564,866	10,330,579	20.6
Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works)	222,320,269	248,138,180	11.6	64,172,072	80,913,587	26.1	7,767,726	10,966,118	41.2

NOTES: Detail may not add to totals because of rounding. For data on additional industries, see Table 10.
SOURCE: IRS, Statistics of Income Division, Partnerships, August 2020.

[6] See the "Explanation of Selected Terms" section for the definition of total receipts and business receipts.

Figure E
Partnership Returns: Components of Total Net Income (Loss), Tax Years 2017 and 2018

[Money amounts are in thousands of dollars]

Item	2017	2018	Change	
			Amount	Percentage
	(1)	(2)	(3)	(4)
Total net income (loss) [1]	**810,057,547**	**884,709,693**	**74,652,146**	**9.2**
Ordinary business income (loss)	358,945,282	376,912,230	17,966,948	5.0
Interest income	203,084,474	240,778,269	37,693,795	18.6
Dividend income	174,554,145	184,802,736	10,248,591	5.9
Royalties	31,082,457	40,549,478	9,467,021	30.5
Net rental real estate income (loss)	41,740,974	40,492,618	-1,248,356	-3.0
Other net rental income (loss)	650,215	1,174,361	524,146	80.6

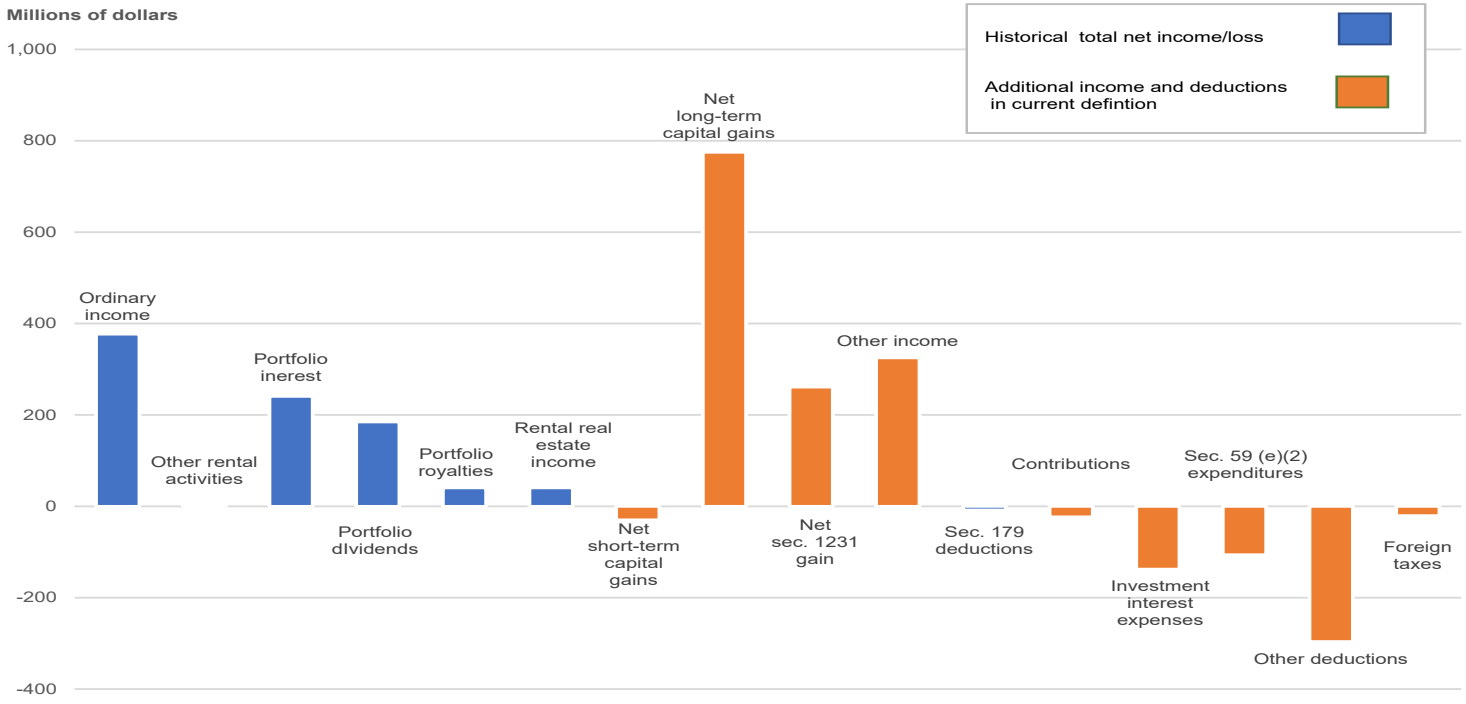
[1] Total net income (loss) is discussed in the Explanation of Selected Terms section.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, August 2020.

definition of partnership net income would include the following additional types of income and deductions: net short- and long-term capital gains, net section 1231 gain (loss), other income, section 179 deductions, contributions, investment interest expense, section 59(e)(2) expenditures, and other deductions. A comparison of the two definitions is shown in Figure F.

Limited liability companies made up the majority of all partnerships for the 17th consecutive year

Partnerships classify their business structures as one of six entity types: domestic general partnership, domestic limited partnership, domestic limited liability company, domestic limited liability partnership, foreign partnership, or "other" partnership.[7] Limited liability companies (LLCs) accounted for 70.4 percent of all partnerships, surpassing all other entity types for the 17th consecutive year. The number of LLCs rose to 2.8 million after increasing 4.6 percent between 2017 and 2018 (Figure G). Partners associated with LLCs increased 5.3 percent (from 11.4 million to 12.0 million) while LLC profits increased 25.4 percent (from $211.8 billion to $265.5 billion) (Figure H). LLCs were responsible for 30.0 percent of the overall profits for all partnerships for 2018, an increase from 26.1 percent in 2017.

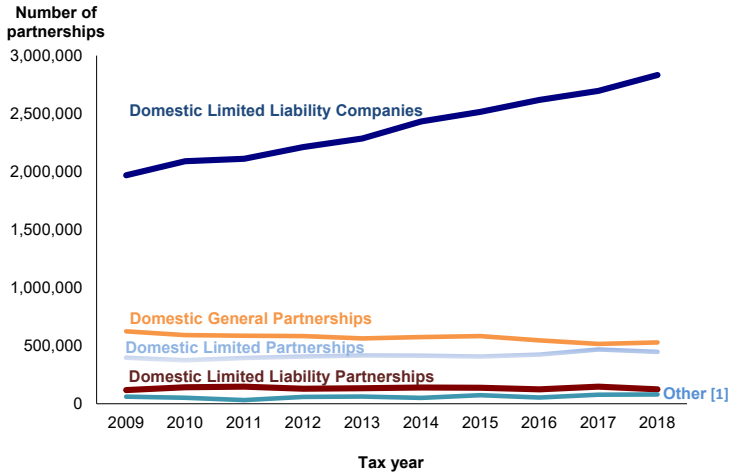
Figure F
Total Net Income (Loss) Historical Versus Current Definition, Tax Year 2018



NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

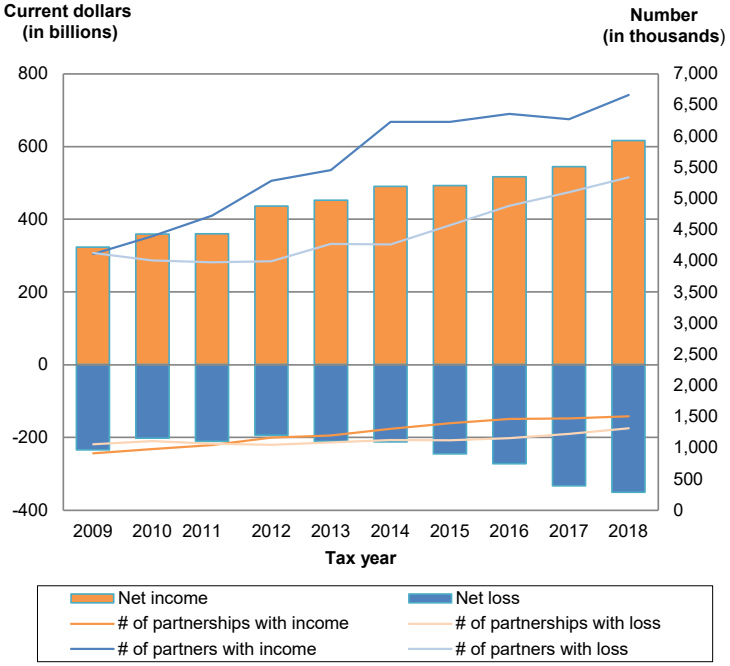
[7] See the "Explanation of Selected Terms" section for definitions of the different entity types.

Figure G
Number of Partnerships by Type of Entity, Tax Years 2009–2018



[1] Data for "other" partnerships include foreign partnerships, as well as partnerships which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Figure H
Domestic Limited Liability Companies: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2009–2018



NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Looking at gains and losses separately, the losses for LLCs ($350.9 billion) were more than double the combined losses for all other types of partnerships ($145.9 billion) and reduced the net profit amount for partnerships overall.

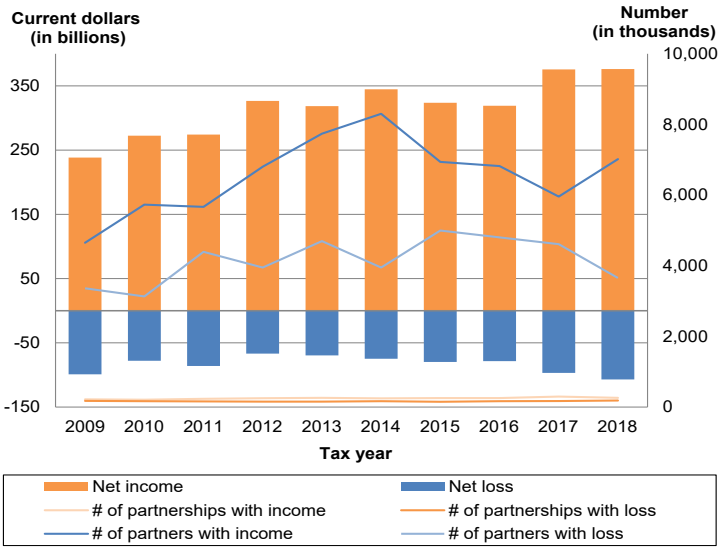
In contrast to LLCs, limited partnerships represented only 11.1 percent of all partnerships, but reported similar amounts of profits ($269.2 billion), and partners (10.7 million). Over the last 10 years, the number of limited partnerships has essentially remained constant, while the number of partners associated with those partnerships has risen 33.2 percent (Figure I). The total net income (loss) for limited partnerships decreased $9.5 billion (from $278.8 billion to $269.2 billion) between 2017 and 2018.

Prior to 2002, domestic general partnerships were consistently the most common type of partnership and have ranked second since that time. This type of partnership accounted for 13.2 percent (0.5 million) of all partnerships for Tax Year 2018. The number of domestic general partnerships increased 2.2 percent in 2018 (from 516,229 to 527,595) though the number of general partnerships has declined 18 percent overall since 2009 (Figure J).

Partnerships allocated over $1.7 trillion to their partners in 2018

Partners may be corporations, individuals, other partnerships, tax-exempt organizations, nominees, and other legal entities. For 2018, all partnerships reported a total of $2,301 billion in total income (loss) available for allocation before deductions

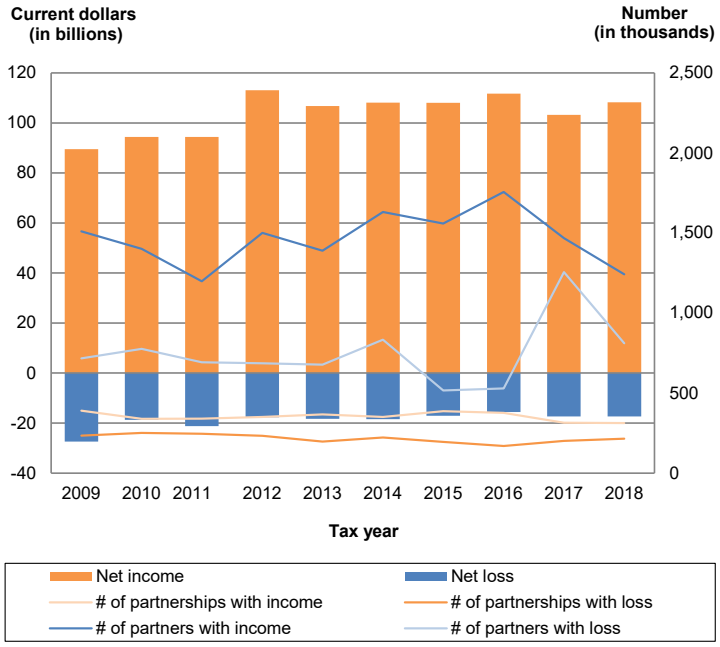
Figure I
Domestic Limited Partnerships: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2009–2018



NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Figure J

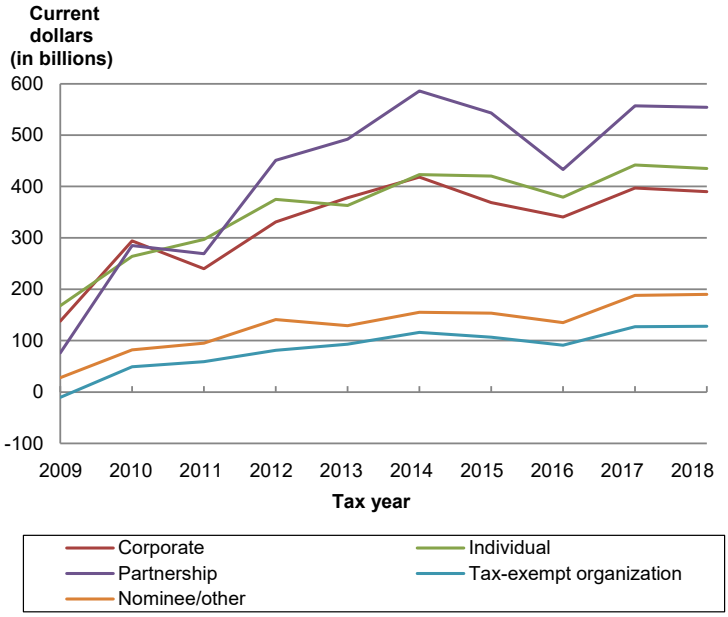
Domestic General Partnerships: Number of Partnerships and Partners, and Amount of Net Income (Loss), by Income and Loss, Tax Years 2009–2018



NOTE: For the full tabular data represented in this figure, see Tables 9a, 9b, and 9c.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Figure K

Partnership Returns: Income (Loss) Allocations, by Type of Partner, Tax Years 2009–2018



SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

(Table 5). For separately stated deductions (such as contributions and interest investment expense), all partnerships reported a total of $590.8 billion. The difference between total income (loss) and total deductions resulted in $1,710.3 billion of total income (loss) minus total deductions available for allocation to partners, a 1.1-percent decrease (or $19.2 billion) relative to 2017. Of the $1,710.3 billion available for allocation to partners, almost all (99.2 percent or $1,697.1 billion) was identified by type of partner. The difference between total income (loss) minus total deductions available for allocation and income (loss) allocated to partners was due to some partnerships' failure to report allocations, by type of partner, on their originally filed returns.

For the seventh consecutive year, partnerships surpassed both corporations and individuals as the top income (loss) recipients. Partnerships passed $554.1 billion through to partners classified as partnerships for 2018, a $3.3-billion decrease from the $557.4 billion passed through for 2017. In addition, partnerships passed $435 billion through to partners classified as individuals, and $389.9 billion through to partners classified as corporations (Figure K).

Since the North American Industry Classification System (NAICS) data were first reported in 1998, partnerships classified in the Finance and insurance sector have generally had the largest share of allocations, except in 2002. The trend continued for 2018, when this sector reported 76.7 percent of the total amount of allocations of net income to partners, up from 64.7 percent in 2017.

Increases in rental expenses drove a decrease in net rental real estate income (loss)

For all industries, net rental real estate income (loss) decreased 3.0 percent (to $40.5 billion) between 2017 and 2018 (Figure L). This decrease is the third decline in the last 10 years. While both rental income and expenses rose in 2018, the rise in rents ($40.8 billion) did not exceed the rise in expenditures ($44.0 billion) and resulted in an overall decrease (Table 4). The Finance and insurance sector reported the largest net decrease, from -$3.8 billion to -$5.5 billion. In contrast, the Real estate and rental and leasing sector reported the largest increase, from $44.9 billion to $45.8 billion for 2018.

Partnerships reported billions of dollars in differences between financial and tax reporting

Net Income (Loss) Reconciliation for Certain Partnerships (Schedule M-3) provides more detail on the differences between financial accounting net income and tax accounting net income. Differences are divided into two categories: temporary and permanent. Temporary (or timing) differences between book income and taxable income are due to items of revenue or expense that are recognized in different periods for tax and book reporting. Permanent differences are differences that partnerships never reverse; they are either nontaxable book revenues or nondeductible book expenses. For 2018, the partnerships that filed a Schedule M-3 reported $1,248 billion in income (loss) per income statement, $100.1 billion in temporary differences,

Figure L
Partnership Returns: Net Rental Real Estate Income (Loss), by Selected Industrial Group, Tax Years 2017 and 2018

Industrial group	2017	2018	Change	
			Amount	Percentage
	(1)	(2)	(3)	(4)
All industries	**41,740,974**	**40,492,618**	**-1,248,356**	**-3.0**
Real estate and rental and leasing	44,894,921	45,839,081	944,160	2.1
Real estate	44,399,999	45,641,104	1,241,105	2.8
Lessors of residential buildings and dwellings and cooperative housing	-14,791,043	-23,015,708	-8,224,665	-55.6
Lessors of nonresidential buildings (except miniwarehouses)	66,485,196	79,354,197	12,869,001	19.4
Lessors of miniwarehouses and self-storage units	3,219,837	2,591,019	-628,818	-19.5
Lessors of other real estate property	2,634,132	1,421,798	-1,212,334	-46.0
Other real estate activities	-13,148,123	-14,710,202	-1,562,079	-11.9

NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, August 2020.

$27.5 billion in permanent differences, and $1,374.9 billion in income (loss) per tax return.[8]

More than 90 percent of all partnerships filed their tax returns electronically

More than 90 percent of all partnerships filed their 2018 Federal tax returns electronically. In 1986, the Internal Revenue Service (IRS) first offered partnerships the option of using electronic media to file their Form 1065 returns. Beginning in Tax Year 2000, the IRS required partnerships with more than 100 partners to file their returns electronically; however, the IRS could waive the electronic filing rules if a partnership demonstrated that a hardship would result from the requirement. For returns with 100 or fewer partners, electronic filing was optional.

Some 3.6 million partnerships filed electronically for 2018, an increase of 3.3 percent from the 3.5 million partnerships that filed returns electronically for 2017. These partnerships represented 24 million partners for 2018, a 2.0-percent decrease from the 25 million partners for 2017. In addition, for 2018, returns filed electronically represented 90.0 percent of all partnerships, 89.1 percent of all partners, 89.5 percent of total assets, and 85.6 percent of total net income (loss), all increases from the previous year with the exception of the number of partners.

Data Sources and Limitations

SOI based the statistics for Tax Year 2018 on a stratified probability sample of 46,358 returns selected from a population of 4,310,202 partnerships. Tax Year 2018 covers returns processed by the IRS during Calendar Year 2019. All partnerships engaged in business in, or having income from sources within, the United States were required to file *U.S. Partnership Return of Income* (Form 1065) to report income or loss, deductions, tax credits, and other tax-related items generated by the partnership. The statistics are only for active partnerships, defined as those reporting any items of income or deduction derived from a trade or business, or from rental or portfolio income.

SOI stratified the population into classes based on industry, type of return, size of total assets, and size of certain receipt or income amounts from both ordinary business income (loss) and portfolio income (loss). From these classes, SOI selected returns at various probabilities (from 0.01 percent to 100 percent) and weighted them to represent the total population. SOI ruled that 754 sampled returns were either out of scope (due to inactivity or being duplications of other returns in the sample) or unavailable in time to meet the publication deadline. This resulted in a final sample of 45,604 returns and an estimated overall active population of 4,010,200 partnerships. Because the data presented in this article are based on a sample of returns, they are subject to sampling error. To use the data properly, the magnitude of the potential sampling error needs to be known. Coefficients of variation (CVs), the ratio of an estimate's standard error to the estimate, are used to measure this magnitude. Figure M presents the coefficients of variation for certain money amounts, for selected industrial sectors. The estimate is judged more reliable the smaller the coefficient of variation.

Notes for Data Tables

All money amounts and frequencies in the data tables were subject to rounding errors. As a result, a row or column of frequencies or amounts may fail to add exactly to the corresponding total amount. At the table level, SOI rounded money amounts to the nearest $1,000, and amounts of $500 or more to the next highest thousand. Total amounts between +$500 and -$500 were footnoted to indicate an amount that rounded to zero was present.

Whenever a cell frequency was low, SOI either combined or deleted the estimate to avoid disclosing information about specific partnerships. These cells are identified with a "[d]." In addition, an estimate based on fewer than 10 returns, not selected at the 100-percent rate, is indicated by an asterisk (*) and considered statistically unreliable. These estimates should typically be used in combination with other tabulated values due to the small sample size. The statistical reliability of each cell in the tables was determined separately from all other cells. Thus, it was possible for a total figure to be marked with an asterisk (*), indicating statistical unreliability, while a subset of the total is not so marked. For example, a sector amount could be based on 7 returns, 3 not sampled at the 100-percent rate. The amount

[8] Not all partnerships are required to file the Schedule M-3 and not all filers are required to complete the entire M-3. For more information, see the *2018 Instructions for Schedule M-3* (Form 1065).

Figure M
Partnership Returns: Coefficients of Variation for Selected Items by Industrial Sector, Tax Year 2018

[Coefficients of variation in percentages]

Industrial sector	Coefficients of variation			
	Number of partnerships	Total assets	Total income	Total deductions
	(1)	(2)	(3)	(4)
All industries	0.60	0.13	0.23	0.24
Agriculture, forestry, fishing, and hunting	9.62	5.23	4.36	4.20
Mining	17.12	1.25	1.42	1.50
Utilities	28.27	1.76	1.24	1.22
Construction	8.13	4.56	1.62	1.62
Manufacturing	12.51	0.72	0.63	0.65
Wholesale trade	12.71	1.44	0.80	0.80
Retail trade	8.39	1.61	1.10	1.11
Transportation and warehousing	14.86	0.83	1.63	1.58
Information	13.54	0.81	0.95	1.00
Finance and insurance	4.96	0.24	1.20	1.26
Real estate and rental and leasing	1.27	0.58	2.50	2.54
Professional, scientific, and technical services	7.18	1.92	1.22	1.29
Management of companies	15.40	1.63	3.23	3.58
Administrative and support and waste management and remediation services	13.18	3.54	3.71	3.82
Educational services	23.65	13.97	13.58	13.06
Health care and social assistance	7.38	2.19	1.36	1.41
Arts, entertainment, and recreation	15.32	2.85	2.92	3.07
Accommodation and food services	7.74	3.07	2.26	2.25
Other services	12.09	9.39	5.89	5.90
Nature of business not allocable*	0.00	0.00	0.00	0.00

Item [1]	Coefficients of variation —continued
	All industries
	(5)
Number of partnerships	0.6
Number of partners	1.89
Total assets	0.13
Total income	0.23
Business receipts	0.22
Total deductions	0.24
Cost of goods sold	0.31
Interest paid	1.03
Taxes and licenses	0.63
Depreciation	0.91
Ordinary business income	0.63
Ordinary business loss	1.21
Interest income	0.88
Portfolio income (loss) distributed directly to partners	0.68
Net rental real estate income	1.78
Net rental real estate loss	2.44
Other net rental income	6.26
Other net rental loss	9.19
Total net income (loss)	1.07
Total income (loss) minus total deductions available for allocation	2.32
Total receipts	0.44

* For 2018, there were no returns classified as Nature of business not allocable.
[1] All items in this figure can be found in Table 1 except for: Total income (loss) minus total deductions available for allocation (Table 5); and Total receipts (Table 7).
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

would receive an asterisk. However, an industry amount, within the sector, may include all 9 returns sampled at the 100-percent rate and would not receive an asterisk.

The IRS issued requirements for safeguarding Federal Tax Information (FTI) in *Tax Information Security Guidelines for Federal, State and Local Agencies* (Publication 1075). While FTI is subject to Internal Revenue Code section 6103(p)(4) safeguarding requirements, the increased availability of data on the internet and in the cloud, creates greater challenges for government agencies responsible for protecting the confidentiality of, and preventing the commingling of Federal Tax Information with other information. This article provides data tables that meet the requirements, with the understanding that periodic reviews could lead to further adjustments of content in future editions.

Explanation of Selected Terms

Assets and liabilities—A partnership was required to provide balance sheet information, in general, only if it had total receipts of $250,000 or more, total assets of $1,000,000 or more, filed and provided Schedules K-1 timely, and was not required to file *Net Income (Loss) Reconciliation for Certain Partnerships* (Schedule M-3, Form 1065). For partnerships with accounting periods ending before 2008, the total asset requirement was $600,000. SOI did not estimate the assets and liabilities of partnerships that did not provide this information. In addition, for returns with accounting periods ending after December 31, 2005, total assets should have been determined without offset by liabilities and not reported as a negative amount. If, however, the partnership continued to report negative total assets, no effort was made during data collection to change the amount.

Business receipts—Business receipts represent the gross receipts or sales less returns and allowances from trade or business income. Business receipts are typically the largest component of gross receipts for industry groups such as Manufacturing. SOI did not adjust business receipts to include rental real estate activity, which was reported separately on the partnership's return.

Electronically filed (ELF) partnerships—Certain partnerships with more than 100 partners were required to file their returns electronically. Other partnerships could volunteer to file electronically. Partnerships submitting returns electronically did so in lieu of paper returns.

Foreign partnerships—A foreign partnership that has gross income effectively connected with the conduct of a trade or business within the United States or has gross income derived from sources in the United States must file a Form 1065, even if its principal place of business was outside the United States or all its partners were foreign persons.

Limited liability companies (domestic)—A limited liability company (LLC) is an entity formed under State law by filing articles of organization as an LLC. Limited liability companies that choose to be classified as partnerships file *U.S. Partnership Return of Income* (Form 1065). SOI identified LLCs by their response to a question on *Other Information* (Schedule B, Form 1065). Limited liability companies combine the corporate characteristics of limited liability for all members with the passthrough income treatment of a partnership. (The owners of an LLC are called members, not partners.) These businesses offer more organizational flexibility than S corporations. (S corporations pass through their income, gains and losses, deductions, and credits to their shareholders for tax purposes, like

partnerships.) For example, unlike S corporations, LLCs are not limited in the number and type of owners. Unlike partners in limited partnerships, all members of LLCs have limited liability protection, even if they actively participate in the management of the business. In some cases, LLCs file as sole proprietorships on individual income tax returns or as corporations on corporation income tax returns. LLC data reported on these returns were not included in this article.

Figure N provides more detail about the members of LLCs. Members of an LLC choose a manager, who is similar to a general partner of a partnership or a director of a corporation. The manager may be one of the members. Figure N data are based on an examination of unedited IRS administrative records.

Limited liability partnerships (domestic)—A limited liability partnership (LLP) is formed under a State limited liability partnership law. Limited liability partnerships file *U.S. Partnership Return of Income* (Form 1065). SOI identified LLPs by their response to a question on *Other Information* (Schedule B, Form 1065). Organizationally, LLPs are available in some States only for professional partnerships, such as law firms or accounting firms. A partner in an LLP receives liability protection from the actions of other partners, but is liable for the partnership debts as well as the consequences of his or her own actions.

Nonrecourse loans—Nonrecourse loans are those partnership liabilities for which no partner bears the economic risk of loss.

North American Industry Classification System—Starting with the 1998 partnership study, SOI classified data using the North American Industry Classification System (NAICS), which replaced the Standard Industry Classification system (SIC). NAICS is a hierarchical system that classifies businesses, including partnerships, into sectors, subsectors, industry groups, and industries. Although the complete NAICS uses 20 sectors, SOI grouped the partnership data into 20 industrial divisions in Tax Year 1998 through Tax Year 2001 *SOI Bulletin* articles for presentation purposes and easier comparison between NAICS and SIC data. SOI dropped the industrial division for the Tax Year 2002 article and grouped the partnership data into the same 20 industrial sectors used in NAICS, except for: 1) excluding public administration, and 2) adding nature of business not allocable. Businesses are only classified in the nature of business not allocable sector when a more specific activity cannot be identified from the return. SOI classified data within these industrial sectors in industrial groups. The most detailed classification in this article and related data tables is the "industry." The 20 sectors used in this article are:

- Agriculture, forestry, fishing, and hunting;
- Mining;
- Utilities;
- Construction;
- Manufacturing;
- Wholesale trade;
- Retail trade;
- Transportation and warehousing;
- Information;
- Finance and insurance;
- Real estate and rental and leasing;
- Professional, scientific, and technical services;
- Management of companies (holding companies);
- Administrative and support and waste management and remediation services;
- Educational services;
- Health care and social assistance;
- Arts, entertainment, and recreation;

Figure N
Number of Members of Limited Liability Companies (LLC's), by Member and Entity Types, Tax Year 2018

Type and number of members	All entities	Corporations	Individuals	Partnerships	Limited liability companies	Exempt organizations	Nominees	Other entities
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total LLC Members [1]:								
Number of members	13,427,500	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of total	100.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A
LLC Members-Managers:								
Number of members	3,501,200	126,100	2,980,100	208,500	32,900	5,300	4,900	143,700
Percent of total	100.00	3.60	85.12	5.96	0.94	0.15	0.14	4.10
LLC Members:								
Number of members	8,375,300	280,700	5,677,900	791,400	96,400	63,200	31,400	1,434,600
Percent of total	100.00	3.35	67.79	9.45	1.15	0.75	0.37	17.13
Unallocable LLC Members:								
Number of members	1,551,000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Percent of total	100.00	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A—Not available.
[1] Limited liability companies were identified by checkbox "c" on the Form 1065, Schedule B, Line 1.
NOTES: Detail may not add to totals because of rounding. Frequencies are rounded to the nearest hundred. The checkboxes on the Schedule K-1, Item G, were used to distinguish between LLC members-managers and the LLC members. No distinction was made between managers-managed LLCs and members-managed LLCs.
SOURCE: IRS, Unedited administrative records, September 2020.

- Accommodation and food services;
- Other services; and
- Nature of business not allocable.

Detail of the activities included in each classification is available at https://www.census.gov/eos/www/naics/. NAICS is updated every fifth year. This website also contains descriptions of the relationships between various classification system updates.

SOI determined a partnership industry based on the activity from which the business derived the largest percentage of its total receipts. For industry coding purposes only, SOI defined total receipts as the sum of:

- gross receipts or sales less returns and allowances (i.e., business receipts in the statistics);
- ordinary income from other partnerships, estates, and trusts;
- net farm profit;
- net gain from Form 4797;
- other income (Form 1065, page 1, line 7);
- other gross rental income;
- interest income;
- dividend income;
- royalties;
- net short-term capital gain;
- net long-term capital gain;
- net section 1231 gain;
- other income (Form 1065, page 4, line 11);
- gross rents from rental real estate;
- net gain from the disposition of property from rental real estate activities; and
- net income from rental real estate activities from partnerships, estates, and trusts in which the partnership is a partner or beneficiary.

Total receipts for partnership industry coding purposes differs from total receipts used elsewhere in this article (see "Total receipts" in this section).

Partner—Partners can be individuals, corporations, other partnerships, or any other legal entity. One partner may be part of multiple partnerships. Partners are classified as either general or limited. General partners are those who assume liability for the partnership's debts and losses. Limited partners are those whose liability in the partnership is limited to their investment. A partnership must have at least two partners, at least one of which must be a general partner. A general partnership is composed entirely of general partners. A limited partnership has at least one general partner and one or more limited partners.

Partnership—A partnership is the relationship between two or more persons who join to carry on a trade or business. Each person contributes money, property, labor, or skill with the expectation of sharing in the profits and losses of the business, regardless of whether a formal partnership agreement was made. Every partnership that engages in a trade or business or has income from sources in the United States must file an annual information return with the Internal Revenue Service, *U.S. Partnership Return of Income* (Form 1065) showing the partnership's income or loss for the year. A partnership must file this return even if its principal place of business is outside the United States and even if all its members are nonresident aliens.

Total net income (loss)—Through Tax Year 1986, partnerships reported the amounts for total net income (loss) as ordinary income (loss) on Form 1065. After the tax law changes and tax form revisions in 1987, Statistics of Income studies began computing a similar total figure as the sum of the following:

- ordinary business income (loss);
- interest income;
- dividend income;
- royalties;
- net rental real estate income (loss) from Form 8825; and
- other net rental income (loss).

The sum of these components is a measure of overall partnership profit or loss, which allows for comparisons with total net income (loss), reported for years before 1987. The profit status of a partnership is determined based on the sum of these six amounts. Partnerships where the sum of these six amounts equals zero are included with loss partnerships. For 2004, the definition of total net income (loss) was revised because other portfolio income (loss) was excluded since it was no longer reported separately on *Partners' Distributive Share Items.* (Schedule K), but was included on Schedule K, Line 11, "Other income (loss)."

Total receipts—Total receipts is computed for the statistics to reflect similar computations published in other Statistics of Income (SOI) studies. It is the sum of positive income received by partnerships for the specific items listed below (*note that negative amounts or losses are included in the statistics as deduction items*):

- gross receipts or sales less returns and allowances (i.e., business receipts in the statistics);
- ordinary income from other partnerships, estates and trusts;
- net farm profit;
- net gain from Form 4797;
- other income (Form 1065, page 1, line 7);
- net rental real estate income;
- other net rental income;
- interest income;
- dividend income;
- royalties;
- net short-term capital gain;
- net long-term capital gain;
- net section 1231 gain; and

- other income (Form 1065, page 4, line 11).

Total receipts in Table 7 differ from total receipts presented in Table 11 in the Selected Historical and Projected Data accessible online at https://www.irs.gov/statistics/soi-tax-stats-historical-table-11. Table 11 excludes certain income items allocated directly to partners (such as net short-term and long-term capital gains, net gain under Internal Revenue Code section 1231, and other income (Schedule K, Line 11)).

Additional Tabular Data on Tax Stats Website

For additional partnership tabular data, see the Partnership section on IRS's Tax Stats Website at www.irs.gov/statistics/soi-tax-stats-partnership-statistics. This site contains tabular data including partnership returns by size of total assets, returns with foreign transactions, and data for prior years.

Ron DeCarlo, Tuba Ozer-Gurbuz, and Nina Shumofsky are economists with the Partnership and Special Projects Section. *This article was prepared under the direction of Joseph Koshansky, Chief. This article is dedicated to the memory of Wanput Reanrungroch who made significant contributions to the SOI Partnership study as a whole and specifically the tables attached to this annual article.*

Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Sector, Tax Year 2018
[All figures are estimates based on samples]

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of partnerships	**4,010,200**	**144,527**	**43,939**	**5,521**	**164,686**	**83,293**
Number of partners	**27,448,391**	**445,033**	**1,446,552**	**43,520**	**510,571**	**691,141**
Total assets	**34,348,006,740**	**256,308,849**	**834,241,704**	**517,962,314**	**269,292,566**	**931,663,723**
Income and deductions from a trade or business:						
Total income	**6,432,734,325**	**52,707,151**	**214,176,961**	**252,869,598**	**385,852,657**	**1,039,348,753**
Business receipts	5,904,280,531	40,477,281	190,502,632	240,416,203	379,488,747	1,013,803,989
Ordinary income from other partnerships and fiduciaries	177,348,686	1,346,521	9,231,026	4,707,041	1,298,469	3,775,873
Net gain, noncapital assets	49,562,115	2,196,595	5,942,868	3,008,411	1,390,933	2,208,559
Other income [1]	301,542,993	8,686,754	8,500,435	4,737,943	3,674,509	19,560,332
Total deductions	**6,055,822,095**	**55,804,873**	**176,501,718**	**258,625,281**	**371,862,965**	**1,007,107,634**
Cost of goods sold	3,343,267,462	27,426,721	79,424,575	203,062,977	308,659,706	831,580,325
Inventory, beginning of year	334,150,156	5,053,281	5,166,697	7,311,264	37,545,710	82,703,776
Purchases	2,367,367,406	16,795,435	19,206,098	158,238,794	84,767,221	677,211,223
Cost of labor	180,398,126	1,738,587	7,871,156	583,837	34,252,054	41,073,757
Additional inventory costs (Internal Revenue Code section 263A)	22,676,595	905,348	3,653,030	67,150	4,125,232	2,830,169
Other costs	802,742,121	7,943,707	49,121,219	40,856,210	185,820,798	119,759,255
Less: Inventory, end of year	364,066,943	5,009,637	5,593,625	3,994,277	37,851,309	91,997,855
Salaries and wages	700,374,995	3,240,853	7,656,013	2,718,496	17,555,673	41,496,803
Guaranteed payments to partners	68,967,435	716,120	504,182	133,590	2,051,949	3,237,108
Rent paid	117,875,840	517,104	1,253,238	1,049,468	2,094,816	5,972,235
Interest paid	106,664,500	761,474	4,705,523	4,635,069	2,178,983	7,437,219
Taxes and licenses	99,163,744	536,576	4,440,665	1,972,701	2,593,665	11,346,286
Bad debts	21,144,069	79,347	186,822	131,398	389,485	448,417
Repairs and maintenance	38,873,347	731,384	1,421,005	2,027,257	1,017,622	4,040,325
Depreciation	260,659,657	1,904,682	28,059,254	19,847,176	4,737,139	15,475,015
Retirement plans, etc.	15,651,350	28,616	187,137	86,630	280,471	1,475,339
Employee benefit programs	49,852,988	220,293	913,977	242,237	1,285,619	4,990,579
Ordinary loss from other partnerships and fiduciaries	116,311,859	1,121,245	4,525,978	4,122,334	678,549	1,070,989
Net loss, noncapital assets	6,817,904	50,896	259,123	437,914	25,000	323,380
Other deductions [2]	1,110,196,946	18,469,564	42,964,226	18,158,034	28,314,287	78,213,614
Ordinary business income (loss)	**376,912,230**	**-3,097,722**	**37,675,243**	**-5,755,683**	**13,989,692**	**32,241,119**
Net income	768,052,696	11,045,125	56,033,679	17,780,075	25,524,270	59,466,550
Loss	391,140,466	14,142,846	18,358,435	23,535,758	11,534,578	27,225,431
Portfolio income (loss) distributed directly to partners	**1,211,350,828**	**6,051,234**	**12,201,303**	**2,553,415**	**1,727,188**	**12,779,708**
Interest income	240,778,269	894,002	834,588	439,963	498,664	2,573,950
Dividend income	184,802,736	772,337	733,401	57,167	55,045	1,380,375
Royalties	40,549,478	1,173,817	7,395,812	15,242	28,752	3,781,667
Net short-term capital gain (loss)	-29,523,435	-33,288	382,769	627,355	34,765	-118,894
Net long-term capital gain (loss)	774,743,781	3,244,366	2,854,733	1,413,687	1,109,963	5,162,611
Net rental real estate income (loss)	**40,492,618**	**685,213**	**163,387**	**-5,536**	**-160,160**	**102,588**
Net income	187,563,644	818,718	257,787	1,334	435,368	110,104
Loss	147,071,026	133,505	94,400	* 6,869	595,528	7,517
Other net rental income (loss)	**1,174,361**	**152,728**	**152,305**	**-1,630,612**	**6,571**	**348,156**
Total net income (loss) [3]	**884,709,693**	**580,375**	**46,954,735**	**-6,879,458**	**14,418,563**	**40,427,853**
Net income	1,381,514,923	13,853,594	64,646,875	17,989,247	26,128,873	64,258,512
Loss	496,805,230	13,273,220	17,692,140	24,868,705	11,710,310	23,830,659

Footnotes at end of table.

Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Sector, Tax Year 2018—Continued
[All figures are estimates based on samples]

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of partnerships	**64,422**	**183,692**	**48,104**	**54,907**	**388,433**	**2,021,496**	**249,311**
Number of partners	**603,220**	**741,546**	**2,518,191**	**219,450**	**7,522,935**	**8,615,870**	**949,274**
Total assets	**410,489,669**	**254,972,037**	**825,601,810**	**1,056,215,030**	**18,954,124,306**	**7,628,478,572**	**438,860,501**
Income and deductions from a trade or business:							
Total income	**785,418,417**	**632,560,671**	**283,615,468**	**429,934,231**	**519,749,052**	**261,824,067**	**587,991,663**
Business receipts	777,006,573	615,751,504	268,471,903	406,415,396	293,374,272	209,432,026	566,280,319
Ordinary income from other partnerships and fiduciaries	2,042,472	1,282,960	4,965,096	11,187,090	79,231,017	18,453,813	7,740,204
Net gain, noncapital assets	1,528,290	694,223	3,282,479	939,064	10,068,921	12,069,883	1,511,711
Other income [1]	4,841,081	14,831,983	6,895,990	11,392,681	137,074,843	21,868,345	12,459,430
Total deductions	**769,636,814**	**621,045,079**	**290,230,665**	**381,255,891**	**454,840,272**	**252,016,600**	**479,563,100**
Cost of goods sold	656,534,398	488,651,350	142,045,091	106,676,550	92,592,723	95,225,545	111,712,258
Inventory, beginning of year	57,802,263	71,797,807	4,625,914	5,713,233	5,621,516	38,510,612	4,394,263
Purchases	563,409,308	474,138,180	83,922,564	45,095,752	69,128,965	37,985,777	47,148,363
Cost of labor	6,195,778	5,737,397	7,937,612	1,381,073	1,453,303	2,733,887	17,258,257
Additional inventory costs (Internal Revenue Code section 263A)	2,764,882	1,141,825	317,549	426,687	1,077,930	3,094,346	1,086,720
Other costs	91,956,636	18,515,385	49,839,858	60,582,479	21,641,813	53,506,390	46,777,717
Less: Inventory, end of year	65,594,469	82,679,244	4,598,406	6,522,674	6,330,805	40,605,467	4,953,063
Salaries and wages	33,939,458	43,324,608	16,415,865	33,211,064	92,259,073	28,085,370	150,881,974
Guaranteed payments to partners	1,967,748	1,781,463	948,352	2,440,830	13,881,313	2,291,009	25,159,636
Rent paid	5,130,127	11,907,403	4,526,447	12,250,008	7,106,003	4,996,634	17,990,343
Interest paid	4,758,670	4,126,060	9,393,076	10,880,539	24,892,015	8,719,369	4,011,897
Taxes and licenses	3,857,275	6,038,996	4,708,436	5,700,568	5,731,064	4,080,930	12,856,804
Bad debts	501,896	551,093	174,864	3,099,452	5,690,579	770,716	732,300
Repairs and maintenance	1,821,455	2,435,642	4,446,649	3,320,605	1,018,450	2,323,908	1,998,527
Depreciation	10,630,826	7,472,870	47,623,999	34,324,626	9,581,834	30,988,840	6,743,145
Retirement plans, etc.	718,409	606,204	334,376	1,004,164	1,964,656	329,691	5,984,103
Employee benefit programs	3,198,524	3,168,644	1,764,263	4,393,939	4,496,885	1,691,886	9,383,887
Ordinary loss from other partnerships and fiduciaries	1,404,474	1,159,880	5,920,797	2,970,645	60,253,413	11,560,361	2,433,406
Net loss, noncapital assets	162,720	50,098	63,256	589,400	2,977,602	583,903	284,748
Other deductions [2]	45,010,834	49,770,765	51,865,193	160,393,502	132,394,662	60,368,439	129,390,073
Ordinary business income (loss)	**15,781,602**	**11,515,592**	**-6,615,196**	**48,678,340**	**64,908,779**	**9,807,466**	**108,428,563**
Net income	25,313,505	19,959,672	24,001,671	67,861,568	163,695,743	51,519,214	127,099,948
Loss	9,531,902	8,444,080	30,616,868	19,183,228	98,786,964	41,711,748	18,671,385
Portfolio income (loss) distributed directly to partners	**4,257,908**	**2,293,581**	**4,449,206**	**11,383,211**	**969,466,041**	**93,924,282**	**13,545,597**
Interest income	1,108,754	347,640	754,027	5,255,452	199,130,374	17,919,546	1,549,258
Dividend income	489,019	68,183	625,706	152,726	153,691,671	14,180,522	922,667
Royalties	100,558	36,050	69,879	1,285,922	13,714,169	9,364,508	1,080,640
Net short-term capital gain (loss)	103,099	-1,237	16,662	259,122	-32,112,996	867,826	51,217
Net long-term capital gain (loss)	2,456,478	1,842,946	2,982,932	4,429,989	635,042,823	51,591,878	9,941,816
Net rental real estate income (loss)	**-31,609**	**96,275**	**132,989**	**-482,310**	**-5,480,528**	**45,839,081**	**-136,941**
Net income	62,395	288,513	141,101	22,735	4,508,750	177,921,346	342,900
Loss	94,005	192,238	* 8,111	505,044	9,989,278	132,082,265	479,841
Other net rental income (loss)	**-389,136**	**249,262**	**313**	**816,645**	**353,482**	**843,613**	**-136,368**
Total net income (loss) [3]	**17,059,188**	**12,313,002**	**-5,032,281**	**55,706,776**	**426,317,947**	**97,954,738**	**111,707,819**
Net income	26,458,693	20,713,944	24,795,580	73,846,157	514,889,733	262,735,274	130,380,781
Loss	9,399,505	8,400,942	29,827,861	18,139,381	88,571,785	164,780,536	18,672,962

Footnotes at end of table.

Table 1. All Partnerships: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income (Loss), by Industrial Sector, Tax Year 2018—Continued
[All figures are estimates based on samples]

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [4]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of partnerships	**36,809**	**79,801**	**92,957**	**66,549**	**153,650**	**128,102**	**0**
Number of partners	**1,269,969**	**215,697**	**402,128**	**331,803**	**580,889**	**340,600**	**0**
Total assets	**1,000,194,554**	**143,671,367**	**237,726,788**	**173,744,101**	**366,979,220**	**47,479,628**	**0**
Income and deductions from a trade or business:							
Total income	**59,913,191**	**149,449,103**	**347,056,968**	**102,046,637**	**270,036,687**	**58,183,052**	**0**
Business receipts	31,127,389	134,722,890	326,688,261	90,145,747	263,136,653	57,038,748	0
Ordinary income from other partnerships and fiduciaries	22,241,146	1,408,689	3,702,045	2,846,048	1,797,549	91,627	0
Net gain, noncapital assets	1,674,141	207,112	1,113,519	416,987	1,038,775	269,644	0
Other income [1]	4,870,515	13,110,412	15,553,143	8,637,855	4,063,710	783,033	0
Total deductions	**56,023,765**	**141,839,019**	**311,545,632**	**100,983,925**	**270,056,267**	**56,882,596**	**0**
Cost of goods sold	13,588,156	52,309,559	21,707,640	15,908,929	78,051,680	18,109,279	0
Inventory, beginning of year	1,684,680	704,559	446,383	1,387,775	2,657,347	1,023,077	0
Purchases	8,538,695	7,584,108	6,080,366	4,199,712	54,001,819	9,915,026	0
Cost of labor	1,660,856	24,293,971	6,511,780	1,967,065	13,460,211	4,287,548	0
Additional inventory costs (Internal Revenue Code section 263A)	57,817	331,635	* 188,231	257,262	309,711	41,070	0
Other costs	3,632,650	20,022,289	8,978,484	9,338,473	10,434,355	4,014,402	0
Less: Inventory, end of year	1,986,542	627,002	497,603	1,241,358	2,811,762	1,171,845	0
Salaries and wages	7,400,366	36,544,113	95,204,438	26,837,213	51,365,617	12,238,000	0
Guaranteed payments to partners	705,959	1,074,513	8,719,636	1,069,514	1,131,599	1,152,914	0
Rent paid	784,067	2,326,237	16,141,242	4,121,416	15,629,696	4,079,357	0
Interest paid	2,600,004	1,655,709	3,013,895	2,609,237	9,333,373	952,387	0
Taxes and licenses	728,055	3,644,697	12,008,694	4,897,196	12,258,258	1,762,879	0
Bad debts	930,261	742,263	6,054,688	110,459	319,956	230,071	0
Repairs and maintenance	213,745	666,756	3,718,825	1,417,374	5,519,599	734,218	0
Depreciation	2,337,400	3,458,496	8,476,376	6,800,490	19,363,490	2,833,999	0
Retirement plans, etc.	53,979	341,391	1,538,964	484,995	168,353	63,875	0
Employee benefit programs	432,969	1,685,679	7,540,117	1,231,320	2,684,665	527,507	0
Ordinary loss from other partnerships and fiduciaries	15,088,193	409,846	761,356	792,656	1,962,712	75,023	0
Net loss, noncapital assets	61,616	39,067	375,572	152,524	337,428	43,656	0
Other deductions [2]	11,098,996	36,940,695	126,284,189	34,550,603	71,929,841	14,079,430	0
Ordinary business income (loss)	**3,889,426**	**7,610,084**	**35,511,336**	**1,062,712**	**-19,580**	**1,300,456**	**0**
Net income	25,891,956	12,458,624	46,025,526	10,918,209	18,300,869	5,156,493	0
Loss	22,002,530	4,848,540	10,514,190	9,855,497	18,320,449	3,856,036	0
Portfolio income (loss) distributed directly to partners	**63,415,015**	**2,050,395**	**3,116,528**	**3,969,166**	**3,291,728**	**875,322**	**0**
Interest income	7,310,855	385,115	924,530	407,196	391,718	52,639	0
Dividend income	10,935,501	160,203	[d]	79,551	256,046	[d]	0
Royalties	1,362,710	743,212	[d]	240,071	154,352	[d]	0
Net short-term capital gain (loss)	407,794	1,183	-84,170	-29,157	174,273	* -69,759	0
Net long-term capital gain (loss)	43,398,156	760,683	2,218,819	3,271,504	2,315,339	705,057	0
Net rental real estate income (loss)	**-478,985**	**1,142**	**22,054**	**-5,009**	**191,405**	**39,560**	**0**
Net income	1,290,077	56,499	361,069	165,417	723,003	56,527	0
Loss	1,769,062	55,357	339,015	170,425	531,598	* 16,967	0
Other net rental income (loss)	**259,352**	**-752**	**92,714**	**23,961**	**-418**	*** 32,546**	**0**
Total net income (loss) [3]	**23,278,858**	**8,899,003**	**36,607,983**	**1,808,482**	**973,523**	**1,612,587**	**0**
Net income	44,193,550	13,564,750	47,114,843	11,249,082	19,260,850	5,434,585	0
Loss	20,914,692	4,665,746	10,506,860	9,440,600	18,287,327	3,821,999	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, these data are included in the appropriate totals.
[1] Farm net profit was combined with Other income to prevent disclosure due to the small number of returns sampled in certain sectors.
[2] Depletion and Farm net loss were combined with Other deductions to prevent disclosure due to the small number of returns sampled in certain sectors.
[3] Total net income is the sum of Ordinary business income (loss), Interest income, Dividend income, Royalties, Net rental real estate income (loss) and Other net rental income (loss). It does not include Net short-term and Long-term capital gains or losses. For more information, see Explanation of Selected Terms for total net income (loss) at the end of the article text.
[4] The Educational and Other services sectors were combined due to disclosure concerns.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Sector, Tax Year 2018
[All figures are estimates based on samples]

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of partnerships	**2,205,082**	**70,789**	**26,897**	**1,332**	**104,803**	**37,341**
Number of partners	**17,284,462**	**223,161**	**790,833**	**7,212**	**353,479**	**325,033**
Total assets	**23,875,464,433**	**103,846,861**	**480,403,556**	**293,501,876**	**173,029,455**	**560,929,451**
Income and deductions from a trade or business:						
Total income	**4,953,693,082**	**35,678,369**	**164,770,841**	**200,706,511**	**317,349,339**	**719,536,672**
Business receipts	4,519,027,351	25,323,429	146,511,130	189,720,684	311,590,404	701,306,412
Ordinary income from other partnerships and fiduciaries	169,444,886	1,082,174	9,086,573	4,486,729	1,241,488	2,869,363
Net gain, noncapital assets	36,737,464	1,128,341	5,247,170	2,731,831	1,153,709	1,531,055
Other income [1]	228,483,381	8,144,424	3,925,967	3,767,267	3,363,738	13,829,844
Total deductions	**4,205,291,796**	**24,970,665**	**108,970,740**	**182,990,676**	**291,990,714**	**661,775,839**
Cost of goods sold	2,446,081,123	17,093,045	52,056,780	154,317,898	249,050,330	553,262,253
Inventory, beginning of year	229,912,512	2,884,630	2,322,017	2,742,039	26,074,789	60,110,066
Purchases	1,721,966,875	11,929,674	11,319,949	129,089,974	69,910,955	446,255,693
Cost of labor	125,307,544	923,235	3,644,383	341,825	26,588,784	28,284,430
Additional inventory costs (Internal Revenue Code section 263A)	16,590,543	322,193	2,767,019	48,142	2,814,460	1,581,558
Other costs	602,483,700	3,903,620	34,551,973	24,598,368	150,572,068	82,938,000
Less: Inventory, end of year	250,180,050	2,870,308	2,548,562	2,502,450	26,910,726	65,907,493
Salaries and wages	512,553,783	1,712,524	4,439,775	1,926,282	12,947,648	26,864,531
Guaranteed payments to partners	50,634,861	322,639	381,843	97,670	1,380,752	1,707,467
Rent paid	82,931,648	167,853	750,757	373,020	1,526,444	3,810,388
Interest paid	64,599,388	293,079	2,535,535	3,340,403	1,200,767	4,674,526
Taxes and licenses	73,069,148	231,459	3,781,721	1,479,677	1,843,167	9,335,692
Bad debts	12,196,518	10,707	112,824	67,843	262,399	249,567
Repairs and maintenance	26,076,062	374,721	543,495	1,528,212	694,672	2,608,089
Depreciation	122,729,068	612,035	13,456,425	6,665,846	2,418,411	7,428,819
Retirement plans, etc.	13,549,411	15,731	123,090	64,784	221,342	1,138,374
Employee benefit programs	37,202,043	99,375	464,595	136,140	1,021,321	3,017,124
Ordinary loss from other partnerships and fiduciaries	10,804,849	249,550	636,354	209,130	79,218	435,123
Net loss, noncapital assets	2,527,317	* 9,775	241,298	397,839	6,871	224,316
Other deductions [2]	750,336,576	3,778,173	29,446,248	12,385,932	19,337,373	47,019,572
Ordinary business income (loss)	**748,401,286**	**10,707,704**	**55,800,101**	**17,715,835**	**25,358,625**	**57,760,833**
Net income	765,974,179	11,045,125	[d]	[d]	25,519,648	[d]
Loss	17,572,892	337,421	[d]	[d]	* 161,023	[d]
Portfolio income (loss) distributed directly to partners	**1,056,168,583**	**4,208,362**	**11,335,613**	**1,279,247**	**1,460,375**	**8,744,276**
Interest income	226,909,954	704,239	600,497	284,203	380,730	1,887,941
Dividend income	179,911,998	657,131	636,034	46,709	51,578	1,036,871
Royalties	38,413,293	1,148,687	7,258,849	* 2,508	5,524	3,376,899
Net short-term capital gain (loss)	-32,652,863	-37,377	452,563	129,915	35,397	-35,062
Net long-term capital gain (loss)	643,586,201	1,735,682	2,387,670	815,912	987,147	2,477,627
Net rental real estate income (loss)	**178,599,792**	**519,330**	**214,961**	**[d]**	**332,244**	**80,239**
Net income	184,714,756	604,376	248,710	[d]	399,473	80,534
Loss	6,114,964	85,046	33,749	[d]	67,228	295
Other net rental income (loss)	**9,278,600**	**116,504**	**136,433**	**[d]**	**172**	**115,729**
Total net income (loss) [3]	**1,381,514,923**	**13,853,594**	**64,646,875**	**17,989,247**	**26,128,873**	**64,258,512**

Footnotes at end of table.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Sector, Tax Year 2018—Continued
[All figures are estimates based on samples]

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of partnerships	**34,355**	**85,378**	**25,692**	**24,412**	**242,905**	**1,118,342**	**143,848**
Number of partners	**408,053**	**471,515**	**974,925**	**93,982**	**6,186,896**	**4,865,952**	**558,702**
Total assets	**327,078,779**	**181,943,443**	**353,031,808**	**849,890,316**	**14,597,205,554**	**4,372,408,643**	**317,275,604**
Income and deductions from a trade or business:							
Total income	**647,240,381**	**504,781,208**	**165,917,205**	**384,852,498**	**422,485,733**	**189,117,161**	**499,697,508**
Business receipts	640,456,572	490,836,530	154,954,373	362,759,608	231,128,794	148,711,107	480,174,227
Ordinary income from other partnerships and fiduciaries	1,859,709	1,235,398	3,891,366	10,462,902	77,619,774	17,223,641	7,507,898
Net gain, noncapital assets	1,192,852	581,870	2,067,896	906,126	8,302,775	6,278,299	1,342,447
Other income [1]	3,731,248	12,127,409	5,003,570	10,723,862	105,434,390	16,904,115	10,672,936
Total deductions	**621,953,002**	**484,886,743**	**141,990,609**	**317,024,041**	**267,752,662**	**144,305,328**	**372,778,998**
Cost of goods sold	536,772,552	388,985,760	69,274,270	89,791,907	68,236,564	65,128,128	68,490,171
Inventory, beginning of year	45,675,054	53,514,242	1,590,810	4,272,816	4,243,839	18,581,484	3,342,204
Purchases	456,277,423	376,850,453	27,639,660	40,831,107	50,940,445	22,406,522	19,468,138
Cost of labor	4,899,992	3,988,866	5,069,107	952,347	787,150	2,109,369	12,024,304
Additional inventory costs (Internal Revenue Code section 263A)	2,298,456	915,266	117,895	361,170	1,027,504	2,491,134	999,497
Other costs	79,603,468	14,136,905	36,373,124	48,452,248	16,214,668	36,534,525	36,231,517
Less: Inventory, end of year	51,981,840	60,419,972	1,516,326	5,077,782	4,977,041	16,994,906	3,575,490
Salaries and wages	27,199,565	32,678,991	9,664,160	25,070,635	68,567,148	19,070,005	132,095,875
Guaranteed payments to partners	1,614,099	1,288,835	522,725	1,717,333	9,335,552	1,179,395	21,343,325
Rent paid	3,997,378	8,297,329	2,629,878	11,114,305	4,907,641	3,025,458	15,938,175
Interest paid	3,453,010	3,021,356	5,075,162	9,304,591	14,708,371	3,989,805	2,507,613
Taxes and licenses	3,020,658	4,483,178	3,112,162	4,956,688	4,220,840	2,367,653	11,102,911
Bad debts	289,669	414,181	94,974	2,912,184	2,482,018	480,848	375,538
Repairs and maintenance	1,494,824	1,878,376	2,708,888	2,993,145	630,100	1,126,538	1,697,278
Depreciation	6,008,817	4,883,230	16,436,775	29,695,928	2,871,734	9,664,984	4,603,943
Retirement plans, etc.	654,022	562,145	192,048	893,246	1,732,131	264,993	5,583,356
Employee benefit programs	2,654,807	2,515,995	1,210,513	3,635,621	3,472,630	1,123,908	8,286,614
Ordinary loss from other partnerships and fiduciaries	88,731	21,652	246,821	1,136,049	5,400,536	1,226,579	237,876
Net loss, noncapital assets	28,644	23,739	13,777	535,068	663,764	55,584	133,193
Other deductions [2]	34,676,227	35,831,976	30,808,456	133,267,341	80,523,631	35,601,449	100,383,131
Ordinary business income (loss)	**25,287,379**	**19,894,465**	**23,926,596**	**67,828,457**	**154,733,071**	**44,811,833**	**126,918,509**
Net income	[d]	[d]	[d]	[d]	163,429,620	49,840,799	127,088,999
Loss	[d]	[d]	[d]	[d]	8,696,549	5,028,966	170,490
Portfolio income (loss) distributed directly to partners	**2,393,419**	**1,724,488**	**3,212,618**	**9,501,929**	**881,535,945**	**72,769,806**	**8,676,415**
Interest income	823,734	266,487	292,803	4,711,483	192,813,114	15,040,659	1,306,717
Dividend income	463,671	64,299	277,961	107,766	151,009,537	13,752,660	882,534
Royalties	86,093	34,672	* 39,547	535,247	13,359,750	9,183,620	1,022,049
Net short-term capital gain (loss)	54,867	-1,827	12,614	257,008	-34,162,061	688,867	32,908
Net long-term capital gain (loss)	965,054	1,360,858	2,589,693	3,890,425	558,515,606	34,104,001	5,432,206
Net rental real estate income (loss)	**-28,878**	**212,685**	**132,958**	[d]	**2,026,461**	**173,102,214**	**245,131**
Net income	25,870	240,982	134,133	[d]	4,208,939	176,254,279	271,952
Loss	54,748	28,298	* 1,175	[d]	2,182,478	3,152,065	26,821
Other net rental income (loss)	**-173,306**	**241,338**	**125,714**	**[d]**	**947,801**	**6,844,289**	**5,840**
Total net income (loss) [3]	**26,458,693**	**20,713,944**	**24,795,580**	**73,846,157**	**514,889,733**	**262,735,274**	**130,380,781**

Footnotes at end of table.

Table 2. Partnerships with Net Income: Total Assets, Trade or Business Income and Deductions, Portfolio Income, Rental Income, and Total Net Income, by Industrial Sector, Tax Year 2018—Continued
[All figures are estimates based on samples]

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of partnerships	**21,791**	**46,590**	**57,662**	**31,266**	**66,615**	**65,063**	**0**
Number of partners	**1,079,702**	**116,565**	**259,319**	**115,890**	**262,896**	**190,346**	**0**
Total assets	**696,299,186**	**105,916,213**	**150,451,378**	**96,798,057**	**187,964,359**	**27,489,894**	**0**
Income and deductions from a trade or business:							
Total income	**46,649,692**	**113,277,123**	**258,891,963**	**65,644,385**	**178,140,858**	**38,955,636**	**0**
Business receipts	19,236,482	106,054,003	241,433,712	58,183,786	172,434,579	38,211,519	0
Ordinary income from other partnerships and fiduciaries	22,095,632	1,354,404	3,487,180	2,187,981	1,704,508	48,167	0
Net gain, noncapital assets	1,638,223	186,589	904,782	385,974	969,476	188,049	0
Other income [1]	3,679,354	5,682,127	13,066,289	4,886,645	3,032,295	507,901	0
Total deductions	**21,480,285**	**100,933,912**	**212,906,697**	**54,871,311**	**159,896,677**	**33,812,895**	**0**
Cost of goods sold	6,454,782	40,317,692	15,205,788	10,204,839	48,990,912	12,447,451	0
Inventory, beginning of year	672,470	560,978	[d]	723,060	1,763,366	[d]	0
Purchases	4,330,438	5,876,084	4,391,791	2,333,968	35,065,624	7,048,977	0
Cost of labor	990,354	17,920,845	4,157,000	1,164,442	8,331,708	3,129,402	0
Additional inventory costs (Internal Revenue Code section 263A)	47,193	128,607	[d]	254,172	178,510	[d]	0
Other costs	1,239,776	16,299,905	6,490,061	6,543,565	5,459,082	2,340,826	0
Less: Inventory, end of year	825,449	468,728	278,226	814,368	1,807,379	703,004	0
Salaries and wages	4,774,455	28,117,995	65,786,275	13,352,436	31,238,487	7,046,998	0
Guaranteed payments to partners	473,099	827,377	6,673,213	635,738	634,862	498,936	0
Rent paid	471,899	1,607,505	10,316,401	2,361,346	9,380,275	2,255,594	0
Interest paid	769,252	1,114,684	1,652,663	1,461,782	4,974,795	521,995	0
Taxes and licenses	389,023	2,675,068	7,886,202	3,371,123	7,778,260	1,033,667	0
Bad debts	265,349	302,802	3,688,342	40,158	70,220	76,894	0
Repairs and maintenance	121,187	399,481	2,603,046	791,457	3,433,763	448,791	0
Depreciation	483,076	1,980,841	4,509,769	2,791,446	7,301,670	915,321	0
Retirement plans, etc.	43,234	297,523	1,380,222	215,290	120,044	47,837	0
Employee benefit programs	287,166	1,349,024	5,311,686	614,071	1,643,282	358,172	0
Ordinary loss from other partnerships and fiduciaries	425,690	26,468	48,055	212,335	124,409	* 273	0
Net loss, noncapital assets	2,244	34,738	72,172	48,600	27,460	8,236	0
Other deductions [2]	6,519,829	21,882,712	87,772,864	18,770,692	44,178,239	8,152,730	0
Ordinary business income (loss)	**25,169,406**	**12,343,211**	**45,985,266**	**10,773,074**	**18,244,180**	**5,142,741**	**0**
Net income	25,875,162	12,458,624	46,015,419	[d]	[d]	[d]	0
Loss	705,756	* 115,413	30,153	[d]	[d]	[d]	0
Portfolio income (loss) distributed directly to partners	**40,585,191**	**1,719,658**	**2,002,000**	**2,594,690**	**1,709,631**	**714,920**	**0**
Interest income	6,145,939	287,047	819,741	284,444	220,704	39,473	0
Dividend income	10,451,498	140,428	[d]	58,604	72,622	[d]	0
Royalties	1,296,811	741,684	[d]	192,412	* 128,915	[d]	0
Net short-term capital gain (loss)	19,305	2,968	[d]	-27,812	38,870	[d]	0
Net long-term capital gain (loss)	22,671,638	547,531	1,247,917	2,087,042	1,248,520	521,674	0
Net rental real estate income (loss)	**918,792**	**51,116**	**234,335**	**-69,414**	**592,220**	**38,472**	**0**
Net income	1,166,688	53,340	300,100	65,635	614,890	39,031	0
Loss	247,896	* 2,224	65,765	135,049	22,671	* 559	0
Other net rental income (loss)	**211,104**	*** 1,264**	**[d]**	**9,962**	*** 2,209**	**[d]**	**0**
Total net income (loss) [3]	**44,193,550**	**13,564,750**	**47,114,843**	**11,249,082**	**19,260,850**	**5,434,585**	**0**

* Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, these data are included in the appropriate totals.
[1] Farm net profit was combined with other income to prevent disclosure due to the small number of returns sampled in certain sectors.
[2] Depletion and farm net loss were combined with other deductions to prevent disclosure due to the small number of returns sampled in certain sectors.
[3] Total net income is the sum of Ordinary business income (loss), Interest income, Dividend income, Royalties, Net rental real estate income (loss) and Other net rental income (loss). It does not include Net short-term and Long-term capital gains or losses. For more information, see Explanation of Selected Terms for total net income (loss) at the end of the article text.
[4] The Educational and Other services sectors were combined due to disclosure concerns.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 3. All Partnerships: Balance Sheets by Industrial Sector, Tax Year 2018

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

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of partnerships [1]	**4,010,200**	**144,527**	**43,939**	**5,521**	**164,686**	**83,293**
Number of partners	**27,448,391**	**445,033**	**1,446,552**	**43,520**	**510,571**	**691,141**
Partnerships reporting balance sheet data:						
Number of partnerships	**3,021,683**	**112,417**	**40,301**	**5,480**	**101,407**	**53,956**
Number of partners	**24,014,222**	**360,814**	**1,298,719**	**43,418**	**374,182**	**614,110**
Total assets	**34,348,006,740**	**256,308,849**	**834,241,704**	**517,962,314**	**269,292,566**	**931,663,723**
Cash	1,454,101,690	14,509,436	25,435,061	10,906,337	30,889,875	31,606,753
Trade notes and accounts receivable	966,687,944	7,366,133	37,555,226	21,293,116	44,526,306	123,188,598
Less: Allowance for bad debts	28,941,621	34,862	219,038	163,466	472,695	1,005,962
Inventories	411,089,286	15,937,354	6,631,911	5,329,118	37,573,493	90,759,665
U.S. Government obligations	132,135,358	[d]	0	0	[d]	[d]
Tax-exempt securities	41,510,810	[d]	[d]	0	* 296,012	[d]
Other current assets	2,855,548,669	12,230,523	32,792,226	18,215,519	38,925,425	43,512,443
Loans to partners	129,989,963	2,634,203	1,312,871	119,594	802,359	17,035,237
Mortgage and real estate loans	132,486,552	1,036,626	[d]	0	173,572	* 196,745
Other investments	17,907,554,550	21,302,866	225,237,145	116,088,179	18,602,616	156,106,511
Depreciable assets	7,944,087,250	151,006,884	285,007,281	360,271,164	54,018,472	417,340,385
Less: Accumulated depreciation	2,564,404,399	95,191,340	143,975,315	81,599,381	27,260,344	190,624,095
Depletable assets	416,207,378	11,150,244	378,522,581	[d]	* 34,897	969,435
Less: Accumulated depletion	135,771,076	2,897,013	126,557,846	[d]	[d]	345,621
Land	1,358,823,350	74,146,294	12,249,563	1,808,471	20,376,123	9,504,075
Intangible assets	1,577,528,205	7,181,868	85,049,042	28,747,574	12,272,441	176,008,210
Less: Accumulated amortization	309,756,116	1,441,048	23,033,093	8,251,658	2,547,634	37,246,568
Other assets	2,059,128,948	37,351,865	37,981,345	44,313,232	40,385,844	94,619,399
Total liabilities and capital	**34,348,006,740**	**256,308,849**	**834,241,704**	**517,962,314**	**269,292,566**	**931,663,723**
Accounts payable	621,403,829	4,647,540	25,128,108	18,442,942	35,026,090	84,724,665
Mortgages, notes, bonds payable in less than 1 year	452,494,680	20,751,985	7,831,079	8,500,227	9,260,186	21,129,825
Other current liabilities	4,968,171,524	15,856,576	44,990,259	23,323,868	41,916,844	74,546,565
Nonrecourse loans	1,462,092,517	2,821,052	8,701,451	9,999,956	5,991,361	11,135,732
Loans from partners	303,558,071	3,696,812	7,643,972	3,549,299	6,369,292	23,177,144
Mortgages, notes, bonds payable in 1 year or more	4,063,880,736	68,729,843	112,442,567	104,023,120	49,859,100	128,177,745
Other liabilities	2,474,257,706	9,676,215	61,230,600	43,200,588	24,417,423	52,002,411
Partners capital accounts	20,002,147,676	130,128,827	566,273,668	306,922,313	96,452,270	536,769,636

Footnotes at end of table.

Table 3. All Partnerships: Balance Sheets by Industrial Sector, Tax Year 2018—Continued

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

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of partnerships [1]	**64,422**	**183,692**	**48,104**	**54,907**	**388,433**	**2,021,496**	**249,311**
Number of partners	**603,220**	**741,546**	**2,518,191**	**219,450**	**7,522,935**	**8,615,870**	**949,274**
Partnerships reporting balance sheet data:							
Number of partnerships	**52,229**	**104,548**	**29,708**	**30,428**	**320,506**	**1,624,876**	**165,066**
Number of partners	**562,448**	**576,240**	**2,283,981**	**131,288**	**6,972,145**	**7,422,223**	**743,727**
Total assets	**410,489,669**	**254,972,037**	**825,601,810**	**1,056,215,030**	**18,954,124,306**	**7,628,478,572**	**438,860,501**
Cash	15,500,584	19,319,584	18,504,514	22,562,448	801,338,692	306,781,930	64,570,269
Trade notes and accounts receivable	109,178,238	21,362,831	72,043,538	87,858,826	205,843,219	73,468,936	49,876,460
Less: Allowance for bad debts	1,110,325	588,131	262,785	2,125,552	3,647,984	1,726,594	1,774,967
Inventories	63,696,514	80,803,512	6,255,572	9,261,872	38,434,248	41,605,972	5,270,391
U.S. Government obligations	* 28,929	* 3,011	[d]	[d]	128,817,277	1,818,508	[d]
Tax-exempt securities	[d]	[d]	[d]	[d]	35,413,335	5,327,989	[d]
Other current assets	20,105,863	11,435,716	16,428,889	94,491,256	2,109,289,187	312,294,968	48,815,215
Loans to partners	5,590,006	900,227	751,299	164,109	31,054,275	34,477,043	6,104,462
Mortgage and real estate loans	115,808	* 377,421	[d]	* 49,935	85,257,289	42,590,143	* 892,858
Other investments	21,512,037	13,284,842	113,344,519	178,827,284	14,583,964,531	1,569,428,264	99,500,486
Depreciable assets	106,998,733	87,851,961	603,584,008	330,969,246	129,526,230	4,719,042,567	79,524,655
Less: Accumulated depreciation	43,193,185	43,404,096	141,037,589	176,381,431	40,613,986	1,292,895,168	48,679,895
Depletable assets	* 566,418	[d]	[d]	* 23,738	7,146,360	12,263,675	* 541,188
Less: Accumulated depletion	[d]	[d]	[d]	* 6,695	1,592,318	2,919,022	* 172,553
Land	5,309,259	8,354,735	5,084,483	1,882,605	23,782,753	1,130,970,277	1,305,756
Intangible assets	83,160,949	48,377,193	80,715,072	446,475,302	84,077,767	205,329,524	106,974,172
Less: Accumulated amortization	13,743,797	7,973,444	8,928,797	44,767,650	20,777,876	75,939,393	18,384,027
Other assets	36,752,153	14,815,139	59,075,205	106,815,655	756,811,309	546,558,955	43,861,755
Total liabilities and capital	**410,489,669**	**254,972,037**	**825,601,810**	**1,056,215,030**	**18,954,124,306**	**7,628,478,572**	**438,860,501**
Accounts payable	82,736,669	22,764,001	56,418,093	33,361,066	132,728,826	63,458,884	21,738,810
Mortgages, notes, bonds payable in less than 1 year	15,619,548	44,526,241	19,106,718	39,414,037	103,606,459	127,242,788	9,089,682
Other current liabilities	30,480,837	28,092,741	35,114,484	105,039,536	4,059,554,444	296,839,596	68,547,384
Nonrecourse loans	4,829,995	2,170,075	13,287,952	11,998,537	96,927,734	1,232,686,680	6,715,844
Loans from partners	6,929,825	10,590,648	6,999,765	14,668,160	42,574,003	131,112,162	7,656,039
Mortgages, notes, bonds payable in 1 year or more	64,774,097	47,248,958	246,590,382	138,508,724	305,599,162	2,347,158,642	55,340,085
Other liabilities	35,725,730	15,426,541	42,125,873	63,257,900	1,342,396,316	544,344,008	34,836,351
Partners capital accounts	169,392,968	84,152,832	405,958,542	649,967,068	12,870,737,363	2,885,635,812	234,936,306

Footnotes at end of table.

Table 3. All Partnerships: Balance Sheets by Industrial Sector, Tax Year 2018—Continued

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

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [2]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of partnerships [1]	**36,809**	**79,801**	**92,957**	**66,549**	**153,650**	**128,102**	**0**
Number of partners	**1,269,969**	**215,697**	**402,128**	**331,803**	**580,889**	**340,600**	**0**
Partnerships reporting balance sheet data:							
Number of partnerships	**32,822**	**45,434**	**84,872**	**38,167**	**109,265**	**70,200**	**0**
Number of partners	**1,192,962**	**142,246**	**381,138**	**227,011**	**468,181**	**219,392**	**0**
Total assets	**1,000,194,554**	**143,671,367**	**237,726,788**	**173,744,101**	**366,979,220**	**47,479,628**	**0**
Cash	16,673,513	9,632,549	20,188,779	14,723,069	27,161,249	3,797,050	0
Trade notes and accounts receivable	20,281,012	29,458,830	43,515,130	8,984,815	7,460,528	3,426,201	0
Less: Allowance for bad debts	267,270	497,294	14,454,317	198,606	[d]	[d]	0
Inventories	2,296,301	551,680	1,062,341	1,079,686	3,311,996	1,227,661	0
U.S. Government obligations	[d]	0	[d]	0	0	0	0
Tax-exempt securities	[d]	0	[d]	0	[d]	0	0
Other current assets	32,673,560	16,310,946	17,422,058	10,537,124	17,410,058	2,657,692	0
Loans to partners	23,450,799	270,816	2,473,098	789,306	1,728,251	332,005	0
Mortgage and real estate loans	* 1,314,382	0	0	* 4,977	* 235,880	[d]	0
Other investments	710,175,563	21,028,199	10,256,207	25,270,544	19,419,039	4,205,715	0
Depreciable assets	48,187,397	27,335,241	129,801,012	85,698,114	303,018,458	24,905,442	0
Less: Accumulated depreciation	9,385,901	14,902,603	58,390,534	36,438,110	108,428,263	12,003,163	0
Depletable assets	* 2,721,743	* 411,328	[d]	0	[d]	0	0
Less: Accumulated depletion	* 234,949	* 138,890	[d]	0	[d]	0	0
Land	3,824,745	764,709	7,862,878	8,386,593	38,368,727	4,841,303	0
Intangible assets	20,352,855	41,331,848	54,017,932	45,882,183	37,710,027	13,864,245	0
Less: Accumulated amortization	3,613,869	9,673,462	8,308,342	13,099,596	9,363,282	2,662,578	0
Other assets	131,547,452	21,787,469	32,268,316	22,124,000	29,015,982	3,043,872	0
Total liabilities and capital	**1,000,194,554**	**143,671,367**	**237,726,788**	**173,744,101**	**366,979,220**	**47,479,628**	**0**
Accounts payable	6,311,964	5,135,782	11,507,490	5,109,396	10,394,545	1,768,957	0
Mortgages, notes, bonds payable in less than 1 year	5,687,219	3,225,330	7,212,272	2,357,519	6,988,157	945,408	0
Other current liabilities	32,498,247	22,151,114	28,375,610	23,914,603	31,405,520	5,523,296	0
Nonrecourse loans	8,525,696	2,795,424	6,827,039	6,213,444	29,745,525	* 719,019	0
Loans from partners	8,939,773	3,753,185	4,549,591	6,923,561	12,771,505	1,653,334	0
Mortgages, notes, bonds payable in 1 year or more	48,506,380	34,684,941	64,020,217	55,350,264	176,725,176	16,141,334	0
Other liabilities	99,700,868	11,108,466	32,904,594	26,014,996	30,912,585	4,976,241	0
Partners capital accounts	790,024,407	60,817,126	82,329,974	47,860,318	68,036,206	15,752,039	0

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

[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.

[1] The difference between "number of partnerships" and "number of partnerships reporting balance sheet data" is due to partnerships exempt from filing balance sheets. Since these partnerships are generally small--total assets less than $1,000,000 and total receipts less than $250,000--balance sheet data for partnerships are slightly understated.

[2] The Educational and Other services sectors were combined to prevent disclosure due to the small numbers of returns sampled in certain sectors.

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

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Sector, Tax Year 2018

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

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of partnerships	**1,747,379**	**19,426**	**3,319**	**29**	**6,039**	**654**
Number of partners	**10,258,591**	**61,703**	**15,597**	**494**	**21,694**	**19,474**
Gross rents from real estate	**666,221,044**	**1,319,826**	**363,448**	*** 2,660**	**1,001,147**	**106,184**
Real estate rental expenses, total	**625,599,289**	**673,543**	**169,613**	*** 2,737**	**1,164,683**	**53,505**
Advertising	3,405,039	* 382	* 145	[d]	12,435	[d]
Auto and travel	1,225,073	* 52	[d]	[d]	1,925	[d]
Cleaning and maintenance	22,733,480	13,114	* 1,566	[d]	35,801	* 687
Commissions	2,750,015	* 4,051	* 102	0	7,073	[d]
Insurance	14,618,627	20,493	12,126	[d]	15,366	1,239
Legal and other professional fees	37,983,743	40,611	16,810	[d]	42,350	1,195
Interest expense	135,775,538	122,570	15,782	[d]	176,007	13,177
Repairs	35,308,796	41,386	8,225	[d]	21,915	1,758
Taxes	66,942,199	54,505	13,258	* 710	73,049	5,337
Utilities	34,317,727	32,561	6,839	[d]	32,524	1,387
Wages and salaries	25,494,595	* 8,681	[d]	0	18,899	* 51
Depreciation	163,681,143	207,485	77,268	[d]	391,186	21,984
Other expenses	81,363,316	127,653	11,767	[d]	336,154	6,460
Net gain (loss) from sales of business property	**5,980,057**	**[d]**	**0**	**0**	**[d]**	**[d]**
Net income (loss) from partnerships, estates, and trusts	**-6,109,192**	**[d]**	**-30,448**	**-5,458**	**[d]**	**[d]**
Net income	46,056,151	119,969	41,759	[d]	262,945	50,677
Loss	52,165,344	[d]	72,207	[d]	[d]	[d]
Net rental real estate income (loss)	**40,492,618**	**685,213**	**163,387**	**-5,536**	**-160,160**	**102,588**
Net income	187,563,644	818,718	257,787	1,334	435,368	110,104
Loss	147,071,026	133,505	94,400	* 6,869	595,528	7,517

Footnotes at end of table.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Sector, Tax Year 2018—Continued

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

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of partnerships	**1,970**	**1,699**	**432**	**462**	**65,654**	**1,601,429**	**11,465**
Number of partners	**131,146**	**5,653**	**1,055,284**	**2,436**	**1,868,921**	**6,741,126**	**42,948**
Gross rents from real estate	**277,004**	**483,797**	**221,314**	**349,678**	**4,463,786**	**651,597,642**	**713,194**
Real estate rental expenses, total	**310,208**	**342,791**	**134,267**	**778,880**	**4,824,695**	**611,347,917**	**579,305**
Advertising	[d]	* 195	* 781	[d]	22,133	3,321,556	* 2,305
Auto and travel	[d]	* 156	[d]	* 3,097	5,732	1,185,733	* 952
Cleaning and maintenance	918	9,505	* 8,906	* 2,841	145,319	22,427,492	6,053
Commissions	[d]	[d]	[d]	[d]	36,943	2,682,338	* 9,314
Insurance	2,733	2,863	704	8,043	90,206	14,324,495	15,330
Legal and other professional fees	855	9,766	2,140	38,857	612,075	37,001,140	17,184
Interest expense	35,216	82,366	26,014	* 74,878	975,301	133,060,998	147,019
Repairs	2,817	8,034	2,933	* 19,152	147,085	34,805,587	42,460
Taxes	31,852	32,056	8,634	13,528	518,978	65,802,931	30,158
Utilities	3,081	7,360	4,988	9,848	164,786	33,810,504	17,837
Wages and salaries	[d]	[d]	* 6,808	* 17,071	158,449	24,865,736	* 14,883
Depreciation	153,336	140,012	35,702	432,491	1,303,030	159,517,705	94,887
Other expenses	61,112	48,640	36,533	157,523	644,659	78,541,704	180,924
Net gain (loss) from sales of business property	**[d]**	**[d]**	**0**	**[d]**	*** 7,673**	**5,959,624**	**0**
Net income (loss) from partnerships, estates, and trusts	**[d]**	**[d]**	**45,943**	**[d]**	**-5,127,292**	**-370,268**	**-270,829**
Net income	14,519	23,482	46,151	[d]	3,639,727	40,380,754	135,235
Loss	[d]	[d]	* 208	8,588	8,767,020	40,751,022	406,064
Net rental real estate income (loss)	**-31,609**	**96,275**	**132,989**	**-482,310**	**-5,480,528**	**45,839,081**	**-136,941**
Net income	62,395	288,513	141,101	22,735	4,508,750	177,921,346	342,900
Loss	94,005	192,238	* 8,111	505,044	9,989,278	132,082,265	479,841

Footnotes at end of table.

Table 4. Partnerships with Net Rental Real Estate Income (Loss), by Industrial Sector, Tax Year 2018—Continued

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

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [1]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of partnerships	**13,662**	**2,737**	**3,644**	**1,015**	**8,892**	**4,851**	**0**
Number of partners	**86,045**	**7,153**	**27,513**	**101,048**	**31,187**	**39,169**	**0**
Gross rents from real estate	**1,159,846**	**235,417**	**1,647,189**	**345,209**	**1,867,109**	**66,596**	**0**
Real estate rental expenses, total	**1,483,990**	**234,673**	**1,611,244**	**301,813**	**1,549,548**	**35,876**	**0**
Advertising	6,859	[d]	20,339	* 2,217	15,266	0	0
Auto and travel	4,100	[d]	2,344	* 4,018	16,471	0	0
Cleaning and maintenance	24,105	* 7,501	13,262	8,819	27,509	[d]	0
Commissions	* 609	[d]	* 734	* 1,009	* 3,551	[d]	0
Insurance	35,419	* 1,000	42,132	7,337	38,688	[d]	0
Legal and other professional fees	88,083	* 2,854	66,168	6,106	36,999	[d]	0
Interest expense	212,588	* 34,243	263,629	* 38,449	491,690	[d]	0
Repairs	28,628	* 50,345	41,237	11,800	74,049	[d]	0
Taxes	153,969	* 10,042	98,829	21,083	59,733	* 13,547	0
Utilities	26,932	* 3,390	56,656	18,401	113,949	[d]	0
Wages and salaries	82,749	0	229,520	* 23,869	43,873	[d]	0
Depreciation	416,733	43,364	341,841	123,254	377,009	[d]	0
Other expenses	403,215	80,641	434,553	35,450	250,760	[d]	0
Net gain (loss) from sales of business property	**[d]**	**0**	**[d]**	**0**	**[d]**	**0**	**0**
Net income (loss) from partnerships, estates, and trusts	**[d]**	**398**	**[d]**	**-48,404**	**[d]**	*** 8,840**	**0**
Net income	[d]	* 1,870	[d]	77,214	[d]	[d]	0
Loss	1,273,729	* 1,472	40,355	125,617	232,184	[d]	0
Net rental real estate income (loss)	**-478,985**	**1,142**	**22,054**	**-5,009**	**191,405**	**39,560**	**0**
Net income	1,290,077	56,499	361,069	165,417	723,003	56,527	0
Loss	1,769,062	55,357	339,015	170,425	531,598	* 16,967	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.
[1] The Educational and Other services sectors were combined due to disclosure concerns.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Sector, Tax Year 2018

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

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of partnerships [1]	**4,010,200**	**144,527**	**43,939**	**5,521**	**164,686**	**83,293**
Number of partners [1]	**27,448,391**	**445,033**	**1,446,552**	**43,520**	**510,571**	**691,141**
Total income (loss)	**2,301,038,793**	**11,133,150**	**59,957,985**	**-3,344,282**	**18,092,713**	**62,172,275**
Ordinary business income (loss)	376,912,230	-3,097,722	37,675,243	-5,755,683	13,989,692	32,241,119
Net rental real estate income (loss)	40,492,618	685,213	163,387	-5,536	-160,160	102,588
Other net rental income (loss)	1,174,361	152,728	152,305	-1,630,612	6,571	348,156
Interest income	240,778,269	894,002	834,588	439,963	498,664	2,573,950
Dividend income	184,802,736	772,337	733,401	57,167	55,045	1,380,375
Royalties	40,549,478	1,173,817	7,395,812	15,242	28,752	3,781,667
Net short-term capital gain (loss)	-29,523,435	-33,288	382,769	627,355	34,765	-118,894
Net long-term capital gain (loss)	774,743,781	3,244,366	2,854,733	1,413,687	1,109,963	5,162,611
Guaranteed payments to partners	85,247,219	1,147,576	614,647	147,049	2,083,965	3,423,372
Net section 1231 gain (loss)	260,915,792	5,959,935	5,829,490	-60,560	305,623	2,966,716
Other income (loss)	324,945,744	234,187	3,321,610	1,407,645	139,834	10,310,617
Total deductions	**590,775,381**	**2,847,528**	**71,800,746**	**8,545,160**	**2,477,211**	**17,342,375**
Contributions	23,075,469	170,100	69,748	40,517	798,194	280,689
Section 179 deductions	8,039,225	1,193,164	18,098	* 67,426	637,221	454,129
Investment interest expense	137,441,586	38,480	157,749	81,018	49,893	184,043
Foreign taxes	20,461,153	16,122	1,518,441	123,567	29,076	1,333,576
Qualified expenditures (section 59(e))	105,812,050	* 29,417	61,435,520	* 234,877	* 16,057	2,631,389
Other deductions	295,945,898	1,400,245	8,601,189	7,997,755	946,770	12,458,549
Total income (loss) minus total deductions	**1,710,263,412**	**8,285,622**	**-11,842,761**	**-11,889,442**	**15,615,502**	**44,829,900**
Income (loss) allocated to partners by type of partner [2]:						
All partners	**1,697,128,985**	**8,038,395**	**-11,892,699**	**-11,889,442**	**15,455,032**	**44,863,307**
Corporate general partners	105,955,388	233,149	-1,936,566	-328,587	1,261,122	14,958,197
Corporate limited partners	283,992,942	1,254,643	-2,389,414	-6,503,491	981,862	20,858,609
Individual general partners	108,087,565	1,521,168	-23,102	* 7	1,383,608	306,439
Individual limited partners	326,903,240	2,724,650	4,347,414	728,436	7,751,689	3,261,590
Partnership general partners	123,754,092	640,230	-781,271	-1,059,638	-8,356	848,473
Partnership limited partners	430,307,908	-74,539	-11,271,547	-3,916,282	3,664,998	4,148,927
Tax-exempt organization partners (all)	127,960,035	790,833	-3,473	80,045	-48,650	-119,640
Nominee and other general partners	16,541,902	* 184,823	5,363	-343,687	23,661	102,758
Nominee and other limited partners	173,625,914	763,438	159,897	-546,247	445,098	497,953

Footnotes at end of table.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Sector, Tax Year 2018—Continued

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

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of partnerships [1]	**64,422**	**183,692**	**48,104**	**54,907**	**388,433**	**2,021,496**	**249,311**
Number of partners [1]	**603,220**	**741,546**	**2,518,191**	**219,450**	**7,522,935**	**8,615,870**	**949,274**
Total income (loss)	**23,700,205**	**16,090,721**	**10,235,294**	**65,101,104**	**1,349,942,934**	**373,751,865**	**152,927,736**
Ordinary business income (loss)	15,781,602	11,515,592	-6,615,196	48,678,340	64,908,779	9,807,466	108,428,563
Net rental real estate income (loss)	-31,609	96,275	132,989	-482,310	-5,480,528	45,839,081	-136,941
Other net rental income (loss)	-389,136	249,262	313	816,645	353,482	843,613	-136,368
Interest income	1,108,754	347,640	754,027	5,255,452	199,130,374	17,919,546	1,549,258
Dividend income	489,019	68,183	625,706	152,726	153,691,671	14,180,522	922,667
Royalties	100,558	36,050	69,879	1,285,922	13,714,169	9,364,508	1,080,640
Net short-term capital gain (loss)	103,099	-1,237	16,662	259,122	-32,112,996	867,826	51,217
Net long-term capital gain (loss)	2,456,478	1,842,946	2,982,932	4,429,989	635,042,823	51,591,878	9,941,816
Guaranteed payments to partners	1,976,620	1,791,398	969,986	2,462,186	26,205,027	4,972,592	25,246,041
Net section 1231 gain (loss)	1,549,273	85,979	10,604,123	1,874,893	24,146,052	194,991,452	4,676,931
Other income (loss)	555,547	58,634	693,873	368,138	270,344,080	23,373,379	1,303,911
Total deductions	**5,551,028**	**2,438,860**	**8,572,768**	**12,343,354**	**350,001,729**	**62,010,055**	**16,009,729**
Contributions	288,721	297,130	50,100	124,717	4,051,116	14,290,346	1,089,491
Section 179 deductions	327,573	347,161	313,241	51,245	427,198	1,757,593	570,397
Investment interest expense	126,686	[d]	* 167,977	104,714	127,763,630	5,032,904	651,856
Foreign taxes	314,497	165,409	655,063	699,868	10,415,620	2,594,243	1,454,576
Qualified expenditures (section 59(e))	49,855	[d]	* 123,949	1,268,227	35,248,075	154,013	1,628,465
Other deductions	4,443,697	1,614,462	7,262,437	10,094,583	172,096,091	38,180,955	10,614,944
Total income (loss) minus total deductions	**18,149,177**	**13,651,861**	**1,662,526**	**52,757,750**	**999,941,205**	**311,741,810**	**136,918,006**
Income (loss) allocated to partners by type of partner [2]:							
All partners	**18,101,564**	**13,893,132**	**1,661,435**	**52,002,178**	**989,272,125**	**310,997,471**	**136,783,885**
Corporate general partners	935,900	1,294,876	2,614,406	27,764,404	27,201,460	19,094,750	5,805,095
Corporate limited partners	6,250,773	3,301,358	-2,326,683	11,325,508	170,031,594	48,693,060	5,843,844
Individual general partners	687,115	1,402,931	559,051	222,369	10,514,895	28,550,186	57,259,358
Individual limited partners	7,880,297	5,530,507	-3,418,026	526,887	126,795,570	72,373,102	57,416,052
Partnership general partners	-14,392	-188,108	2,463,096	-289,469	97,272,538	18,447,599	3,082,797
Partnership limited partners	409,536	1,926,811	3,279,575	8,061,748	317,940,843	74,145,059	2,265,510
Tax-exempt organization partners (all)	34,903	110,137	-993,151	190,124	113,738,199	9,574,498	546,207
Nominee and other general partners	104,933	23,399	* 405,281	277,539	8,630,408	5,733,109	15,476
Nominee and other limited partners	1,812,498	491,222	-922,114	3,923,069	117,146,617	34,386,107	4,549,546

Footnotes at end of table.

Table 5. Partnerships with Income (Loss) Allocated to Partners, by Industrial Sector, Tax Year 2018—Continued

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

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [3]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of partnerships [1]	**36,809**	**79,801**	**92,957**	**66,549**	**153,650**	**128,102**	**0**
Number of partners [1]	**1,269,969**	**215,697**	**402,128**	**331,803**	**580,889**	**340,600**	**0**
Total income (loss)	**79,907,339**	**11,701,235**	**49,543,372**	**9,268,234**	**7,279,356**	**3,577,557**	**0**
Ordinary business income (loss)	3,889,426	7,610,084	35,511,336	1,062,712	-19,580	1,300,456	0
Net rental real estate income (loss)	-478,985	1,142	22,054	-5,009	191,405	39,560	0
Other net rental income (loss)	259,352	-752	92,714	23,961	-418	* 32,546	0
Interest income	7,310,855	385,115	924,530	407,196	391,718	52,639	0
Dividend income	10,935,501	160,203	[d]	79,551	256,046	[d]	0
Royalties	1,362,710	743,212	[d]	240,071	154,352	[d]	0
Net short-term capital gain (loss)	407,794	1,183	-84,170	-29,157	174,273	* -69,759	0
Net long-term capital gain (loss)	43,398,156	760,683	2,218,819	3,271,504	2,315,339	705,057	0
Guaranteed payments to partners	945,057	1,106,097	8,708,160	1,153,025	1,141,141	1,153,278	0
Net section 1231 gain (loss)	2,889,531	937,286	520,524	1,839,372	1,822,321	-23,148	0
Other income (loss)	8,987,944	-3,018	1,572,055	1,225,006	852,760	199,543	0
Total deductions	**15,409,250**	**2,550,588**	**5,688,953**	**3,731,744**	**2,569,838**	**884,466**	**0**
Contributions	778,854	112,067	217,113	215,938	169,654	30,975	0
Section 179 deductions	98,439	329,882	390,719	302,505	589,790	163,443	0
Investment interest expense	2,567,479	222,356	[d]	151,681	[d]	[d]	0
Foreign taxes	529,256	158,820	231,136	169,560	32,375	* 19,946	0
Qualified expenditures (section 59(e))	2,906,941	* 716	[d]	65,027	[d]	[d]	0
Other deductions	8,528,282	1,726,745	4,790,151	2,827,033	1,729,033	632,978	0
Total income (loss) minus total deductions	**64,498,089**	**9,150,648**	**43,854,419**	**5,536,490**	**4,709,518**	**2,693,092**	**0**
Income (loss) allocated to partners by type of partner [2]:							
All partners	**64,478,019**	**9,114,550**	**43,778,646**	**5,672,934**	**4,612,907**	**2,185,546**	**0**
Corporate general partners	3,029,186	920,140	3,516,109	365,087	-856,125	82,785	0
Corporate limited partners	14,277,663	2,137,851	7,795,353	1,260,209	1,111,370	88,833	0
Individual general partners	433,256	854,253	3,598,117	247,098	363,101	207,712	0
Individual limited partners	9,598,836	4,330,175	21,029,290	496,177	3,270,891	2,259,700	0
Partnership general partners	1,522,589	290,065	297,092	1,013,978	472,350	-255,483	0
Partnership limited partners	25,856,812	110,564	3,911,111	1,207,739	-1,113,365	-245,592	0
Tax-exempt organization partners (all)	1,024,854	81,003	2,794,437	11,945	65,486	* 82,279	0
Nominee and other general partners	1,138,495	[d]	242,334	* 34,113	-35,779	[d]	0
Nominee and other limited partners	7,596,329	[d]	594,803	1,036,588	1,334,978	[d]	0

*Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure for specific partnerships, these data are not shown. However, they are included in the appropriate totals.
[1] The number of partnerships and partners includes the 14,648 partnerships that did not report any income (loss) allocated to partners for 2018.
[2] Total income (loss) minus total deductions available for allocation does not equal income (loss) allocated to partners by type of partner because not all partnerships reported their allocations.
[3] The Educational and Other services sectors were combined to prevent disclosure due to the small numbers of returns sampled in certain sectors.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 6. Domestic Limited Liability Companies (LLCs): Selected Items, by Industrial Sector, Tax Year 2018

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

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Number of LLCs	**2,821,394**	**82,516**	**16,442**	**4,956**	**114,503**	**68,325**
Number of partners	**12,005,531**	**246,658**	**99,970**	**25,147**	**384,046**	**375,581**
Total assets	13,643,567,270	160,350,764	570,601,802	450,196,855	201,574,234	535,322,138
Total income	4,204,553,896	35,927,385	138,804,148	173,917,966	266,025,558	649,659,530
Total deductions	4,072,341,278	40,622,766	116,865,166	182,322,828	254,578,275	640,789,055
Ordinary business income (loss)	132,212,618	-4,695,381	21,938,982	-8,404,862	11,447,283	8,870,475
Portfolio income (loss) distributed directly to partners	338,223,902	2,762,690	5,129,642	1,633,126	1,378,825	10,133,295
Interest income	64,544,600	718,040	426,149	250,308	294,720	1,646,635
Dividend income	43,113,091	290,842	238,461	35,074	37,090	1,208,326
Royalties	13,534,190	279,316	3,055,591	* 12,161	23,890	2,989,573
Net short-term capital gain (loss)	-503,741	8,299	57,739	* 476,526	35,715	-109,931
Net long-term capital gain (loss)	217,535,761	1,466,194	1,351,702	859,057	987,409	4,398,692
Net rental real estate income (loss)	12,578,299	450,863	28,484	* -213	-134,946	52,742
Other net rental income (loss)	-327,350	51,245	56,592	-1,663,138	5,220	294,730
Total net income (loss) [1]	265,655,448	-2,905,075	25,744,259	-9,770,671	11,673,258	15,062,481

Footnotes at end of table.

Table 6. Domestic Limited Liability Companies (LLCs): Selected Items, by Industrial Sector, Tax Year 2018 —Continued

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

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Number of LLCs	**53,430**	**127,841**	**38,514**	**41,256**	**214,741**	**1,475,915**	**181,813**
Number of partners	**190,771**	**379,792**	**93,162**	**164,491**	**2,027,630**	**5,752,764**	**640,307**
Total assets	259,708,108	191,333,970	234,003,825	712,873,783	4,254,656,372	4,521,596,423	235,425,506
Total income	517,810,856	476,233,031	138,741,393	252,961,015	315,148,507	192,183,871	278,323,010
Total deductions	505,080,236	468,820,965	139,301,853	241,225,526	294,231,549	190,799,199	258,445,786
Ordinary business income (loss)	12,730,621	7,412,066	-560,460	11,735,489	20,916,957	1,384,672	19,877,224
Portfolio income (loss) distributed directly to partners	2,920,920	2,002,524	3,290,882	3,608,620	203,727,471	46,200,316	9,334,871
Interest income	662,606	217,122	266,929	1,345,607	43,951,400	8,360,950	1,060,654
Dividend income	306,455	65,476	92,816	98,486	31,312,190	4,468,342	377,712
Royalties	52,975	30,648	* 14,195	770,871	1,878,235	3,199,019	360,518
Net short-term capital gain (loss)	54,245	4,679	* 8,584	244,541	-2,379,409	728,795	-11,900
Net long-term capital gain (loss)	1,844,639	1,684,598	2,908,359	1,149,116	128,965,055	29,443,210	7,547,888
Net rental real estate income (loss)	-18,018	123,932	89,634	-467,110	-3,171,499	16,485,421	-238,268
Other net rental income (loss)	-205,791	183,805	49,377	588,795	261,402	-244,902	-138,762
Total net income (loss) [1]	13,528,847	8,033,050	-47,510	14,072,139	95,148,686	33,653,503	21,299,077

Footnotes at end of table.

Table 6. Domestic Limited Liability Companies (LLCs): Selected Items, by Industrial Sector, Tax Year 2018 —Continued

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

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [2]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Number of LLCs	**22,988**	**50,972**	**78,642**	**51,246**	**105,217**	**92,077**	**0**
Number of partners	**291,740**	**150,673**	**323,990**	**183,166**	**437,938**	**237,706**	**0**
Total assets	568,220,433	102,955,560	191,488,245	133,103,972	283,857,437	36,297,843	0
Total income	45,035,700	116,790,909	268,949,990	78,588,371	212,218,980	47,233,675	0
Total deductions	44,894,055	111,863,533	245,025,146	78,716,725	212,704,809	46,053,806	0
Ordinary business income (loss)	141,645	4,927,376	23,924,844	-128,354	-485,829	1,179,869	0
Portfolio income (loss) distributed directly to partners	36,720,169	1,074,588	2,643,470	3,085,267	1,980,464	596,762	0
Interest income	4,032,682	278,730	510,915	291,275	183,803	46,074	0
Dividend income	4,379,603	28,235	[d]	55,384	65,189	[d]	0
Royalties	413,167	* 219,822	[d]	204,518	27,575	[d]	0
Net short-term capital gain (loss)	364,800	-3,828	-4,931	-25,177	78,891	* -31,379	0
Net long-term capital gain (loss)	27,529,916	551,629	2,086,172	2,559,267	1,625,007	577,854	0
Net rental real estate income (loss)	-984,523	42,217	[d]	-4,456	171,517	[d]	0
Other net rental income (loss)	315,574	* 1,078	[d]	22,897	* -919	[d]	0
Total net income (loss) [1]	8,298,149	5,497,458	24,673,252	441,265	-38,664	1,291,945	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.
[1] Total net income is the sum of Ordinary business income (loss), Interest income, Dividend income, Royalties, Net rental real estate income (loss) and Other net rental income (loss). It does not include Net short-term and Long-term capital gains or losses. For more information, see Explanation of Selected Terms for total net income (loss) at the end of the article text.
[2] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled in certain sectors.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 7. All Partnerships: Total Receipts by Industrial Sector, Tax Year 2018

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

Item	All industries	Agriculture, forestry, fishing, and hunting	Mining	Utilities	Construction	Manufacturing
	(1)	(2)	(3)	(4)	(5)	(6)
Total receipts	**8,721,758,922**	**66,443,029**	**242,254,473**	**258,218,360**	**389,251,529**	**1,067,482,623**
Income from trade or business	**6,432,734,325**	**52,707,151**	**214,176,961**	**252,869,598**	**385,852,657**	**1,039,348,753**
Business receipts	5,904,280,531	40,477,281	190,502,632	240,416,203	379,488,747	1,013,803,989
Ordinary income from other partnerships and fiduciaries	177,348,686	1,346,521	9,231,026	4,707,041	1,298,469	3,775,873
Net gain, noncapital assets	49,562,115	2,196,595	5,942,868	3,008,411	1,390,933	2,208,559
Other income from trade or business [1]	301,542,993	8,686,754	8,500,435	4,737,943	3,674,509	19,560,332
Portfolio income	**1,404,493,428**	**6,141,438**	**12,886,420**	**2,737,643**	**1,975,123**	**13,618,424**
Interest income	240,778,269	894,002	834,588	439,963	498,664	2,573,950
Dividend income	184,802,736	772,337	733,401	57,167	55,045	1,380,375
Royalties	40,549,478	1,173,817	7,395,812	15,242	28,752	3,781,667
Net short-term capital gain	63,490,618	21,432	556,877	650,347	48,345	8,683
Net long-term capital gain	874,872,327	3,279,850	3,365,742	1,574,924	1,344,319	5,873,750
Net section 1231 gain	299,205,958	6,265,618	11,245,203	1,097,362	777,404	3,422,502
Other income	386,708,899	352,911	3,530,881	1,459,730	192,454	10,621,778
Real estate rental net income	187,563,644	818,718	257,787	1,334	435,368	110,104
Other rental net income	11,052,668	157,192	157,222	52,693	18,522	361,062

Footnotes at end of table.

Table 7. All Partnerships: Total Receipts by Industrial Sector, Tax Year 2018—Continued

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

Item	Wholesale trade	Retail trade	Transportation and warehousing	Information	Finance and insurance	Real estate and rental and leasing	Professional, scientific, and technical services
	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Total receipts	**792,521,774**	**636,624,817**	**300,284,783**	**445,317,109**	**2,032,212,084**	**784,722,621**	**608,944,911**
Income from trade or business	**785,418,417**	**632,560,671**	**283,615,468**	**429,934,231**	**519,749,052**	**261,824,067**	**587,991,663**
Business receipts	777,006,573	615,751,504	268,471,903	406,415,396	293,374,272	209,432,026	566,280,319
Ordinary income from other partnerships and fiduciaries	2,042,472	1,282,960	4,965,096	11,187,090	79,231,017	18,453,813	7,740,204
Net gain, noncapital assets	1,528,290	694,223	3,282,479	939,064	10,068,921	12,069,883	1,511,711
Other income from trade or business [1]	4,841,081	14,831,983	6,895,990	11,392,681	137,074,843	21,868,345	12,459,430
Portfolio income	**4,469,725**	**2,339,399**	**4,828,259**	**11,632,135**	**1,143,162,114**	**104,668,566**	**13,758,909**
Interest income	1,108,754	347,640	754,027	5,255,452	199,130,374	17,919,546	1,549,258
Dividend income	489,019	68,183	625,706	152,726	153,691,671	14,180,522	922,667
Royalties	100,558	36,050	69,879	1,285,922	13,714,169	9,364,508	1,080,640
Net short-term capital gain	106,429	16,698	17,137	286,546	57,879,322	2,249,942	154,000
Net long-term capital gain	2,664,965	1,870,829	3,361,509	4,651,488	718,746,578	60,954,047	10,052,346
Net section 1231 gain	1,876,962	1,111,099	10,762,224	2,498,729	34,950,284	208,214,463	5,391,178
Other income	676,906	67,935	727,901	404,574	328,452,527	25,049,217	1,445,168
Real estate rental net income	62,395	288,513	141,101	22,735	4,508,750	177,921,346	342,900
Other rental net income	17,369	257,201	209,830	824,706	1,389,358	7,044,961	15,091

Footnotes at end of table.

Table 7. All Partnerships: Total Receipts by Industrial Sector, Tax Year 2018—Continued

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

Item	Management of companies (holding companies)	Administrative and support and waste management and remediation services	Health care and social assistance	Arts, entertainment, and recreation	Accommodation and food services	Educational and Other services [2]	Nature of business not allocable
	(14)	(15)	(16)	(17)	(18)	(19)	(20)
Total receipts	**143,096,893**	**152,608,088**	**353,942,387**	**109,559,078**	**278,419,127**	**59,855,237**	**0**
Income from trade or business	**59,913,191**	**149,449,103**	**347,056,968**	**102,046,637**	**270,036,687**	**58,183,052**	**0**
Business receipts	31,127,389	134,722,890	326,688,261	90,145,747	263,136,653	57,038,748	0
Ordinary income from other partnerships and fiduciaries	22,241,146	1,408,689	3,702,045	2,846,048	1,797,549	91,627	0
Net gain, noncapital assets	1,674,141	207,112	1,113,519	416,987	1,038,775	269,644	0
Other income from trade or business [1]	4,870,515	13,110,412	15,553,143	8,637,855	4,063,710	783,033	0
Portfolio income	**68,205,206**	**2,078,087**	**3,494,133**	**4,028,540**	**3,517,228**	**952,078**	**0**
Interest income	7,310,855	385,115	924,530	407,196	391,718	52,639	0
Dividend income	10,935,501	[d]	[d]	[d]	256,046	[d]	0
Royalties	1,362,710	743,212	[d]	240,071	154,352	[d]	0
Net short-term capital gain	1,281,913	[d]	[d]	[d]	192,577	[d]	0
Net long-term capital gain	47,314,228	779,866	2,512,208	3,293,165	2,522,535	709,978	0
Net section 1231 gain	3,720,255	974,925	1,324,009	2,018,934	3,279,756	275,049	0
Other income	9,597,570	48,098	1,590,083	1,275,530	859,650	* 355,986	0
Real estate rental net income	1,290,077	56,499	361,069	165,417	723,003	56,527	0
Other rental net income	370,593	[d]	116,125	[d]	* 2,803	* 32,546	0

* Estimate should be used with caution because of the small number of sample returns on which it is based.
[d] In order to avoid disclosure of information for specific partnerships, these data are not shown. However, they are included in the appropriate totals.
[1] Farm net profit was combined with other income to prevent disclosure due to the small number of returns sampled in certain sectors.
[2] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled in certain sectors.
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 8. Domestic General Partnerships, Limited Partnerships, and Limited Liability Companies: Selected Items, by Selected Industrial Group, Tax Years 2017 and 2018

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

Tax year, industrial group	Domestic general partnerships			Domestic limited partnerships			Domestic limited liability companies		
	Number of partnerships	Number of partners	Total net income (loss)	Number of partnerships	Number of partners	Total net income (loss)	Number of companies	Number of partners	Total net income (loss)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2017									
All industries	**516,229**	**2,721,683**	**85,793,366**	**468,034**	**10,568,962**	**278,832,024**	**2,696,149**	**11,375,184**	**211,809,687**
Agriculture, forestry, fishing, and hunting	37,433	99,156	1,568,518	20,359	66,767	627,372	81,772	266,526	-4,063,900
Mining	10,050	586,297	2,520,951	23,048	868,690	8,718,247	19,512	319,248	18,874,802
Utilities	351	1,490	379,688	440	19,666	183,141	4,491	22,824	-23,056,106
Construction	26,195	56,722	1,792,077	19,220	101,096	3,041,361	120,788	379,290	13,803,915
Manufacturing	10,047	56,503	12,599,782	2,827	290,202	4,362,144	57,656	353,224	14,367,449
Wholesale trade	11,838	26,553	821,726	2,496	489,662	2,005,628	47,208	161,323	10,615,331
Retail trade	50,411	112,765	1,319,082	8,297	269,159	1,824,936	123,595	404,357	6,343,246
Transportation and warehousing	3,962	577,906	-23,937	5,086	1,750,967	7,597,094	27,465	71,841	-4,431,976
Information	9,432	23,171	25,982,235	643	4,140	17,319,897	38,917	155,107	2,474,925
Finance and insurance	37,827	268,253	15,453,178	89,727	3,431,644	166,797,531	203,021	1,807,783	102,039,022
Securities, commodity contracts, and other financial investments and related activities	33,976	214,297	7,182,656	70,616	3,158,502	149,247,720	150,692	1,482,492	85,582,636
Securities and commodity contracts and exchanges	518	1,039	-1,229,833	1,394	393,883	3,122,238	5,072	37,267	6,921,863
Other financial investment activities	33,457	213,258	8,412,489	69,222	2,764,619	146,125,482	145,620	1,445,224	78,660,773
Funds, trusts, and other financial vehicles	3,093	48,783	7,585,547	15,092	230,944	15,093,811	24,146	147,907	6,121,280
Other finance and insurance	759	5,173	684,975	4,019	42,198	2,456,000	28,183	177,385	10,335,106
Real estate and rental and leasing	192,125	625,277	11,519,350	252,168	2,049,388	50,040,325	1,392,409	5,393,716	25,943,180
Real estate	183,696	608,252	10,839,766	237,808	1,981,592	40,962,264	1,367,766	5,308,281	28,679,285
Lessors of residential buildings and dwellings and cooperative housing	59,967	152,674	2,313,992	93,450	791,168	-3,283,472	428,859	1,579,838	-10,814,718
Lessors of nonresidential buildings (except miniwarehouses)	70,735	233,004	6,804,314	82,310	531,492	33,292,879	562,284	2,064,318	35,131,353
Lessors of miniwarehouses and self-storage units	* 718	* 1,702	* 213,632	1,941	21,557	2,024,999	15,022	47,104	1,254,150
Lessors of other real estate property	15,413	109,916	1,012,380	14,425	99,348	1,200,565	57,673	216,535	2,485,081
Other real estate activities	36,863	110,956	495,447	45,682	538,028	7,727,292	303,928	1,400,485	623,419
Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works)	8,428	17,025	679,584	14,360	67,796	9,078,061	24,642	85,436	-2,736,105
Professional, scientific, and technical services	46,935	104,295	4,859,877	6,159	41,323	5,301,842	186,161	582,278	15,378,658
Management of companies (holding companies)	286	1,600	1,499,693	10,693	911,944	3,788,057	14,720	192,809	4,742,323
Administrative and support and waste management and remediation services	12,522	27,402	289,824	5,108	12,609	1,036,347	50,252	137,186	4,815,747
Educational services	* 4,597	* 9,194	* -72,082	* 2,147	* 4,299	* 17,940	22,621	57,842	233,173
Health care and social assistance	7,563	30,464	4,701,458	3,326	36,448	3,186,831	69,273	291,086	23,992,062
Arts, entertainment, and recreation	5,035	10,517	-262,773	1,156	99,689	962,164	48,217	148,159	-542,590
Accommodation and food services	35,591	76,061	542,392	12,841	67,910	1,670,652	113,836	450,272	-2,095,176
Other services	14,028	28,056	302,328	2,292	53,360	350,515	74,236	180,311	2,375,604
Nature of business not allocable	0	0	0	0	0	0	0	0	0

Footnotes at end of table.

Table 8. Domestic General Partnerships, Limited Partnerships, and Limited Liability Companies: Selected Items, by Selected Industrial Group, Tax Years 2017 and 2018—Continued

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

Tax year, industrial group	Domestic general partnerships			Domestic limited partnerships			Domestic limited liability companies		
	Number of partnerships	Number of partners	Total net income (loss)	Number of partnerships	Number of partners	Total net income (loss)	Number of companies	Number of partners	Total net income (loss)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2018									
All industries	**527,595**	**2,052,790**	**90,839,660**	**446,713**	**10,676,328**	**269,239,703**	**2,821,394**	**12,005,531**	**265,655,448**
Agriculture, forestry, fishing, and hunting	44,702	111,386	2,156,230	14,578	52,751	1,220,010	82,516	246,658	-2,905,075
Mining	10,768	518,801	4,446,296	16,343	825,840	16,216,008	16,442	99,970	25,744,259
Utilities	314	1,375	389,000	231	16,872	1,971,505	4,956	25,147	-9,770,671
Construction	31,219	67,199	1,476,321	5,490	29,245	2,680,790	114,503	384,046	11,673,258
Manufacturing	8,809	47,497	8,749,098	1,154	246,464	11,982,874	68,325	375,581	15,062,481
Wholesale trade	7,461	16,919	613,106	2,605	392,623	2,784,409	53,430	190,771	13,528,847
Retail trade	38,571	85,454	1,478,121	5,157	248,368	2,793,895	127,841	379,792	8,033,050
Transportation and warehousing	3,349	8,208	703,585	4,209	2,412,217	-6,589,180	38,514	93,162	-47,510
Information	11,121	30,249	26,856,912	2,228	23,949	14,635,704	41,256	164,491	14,072,139
Finance and insurance	38,896	245,397	18,572,744	97,696	3,431,562	152,246,913	214,741	2,027,630	95,148,686
Securities, commodity contracts, and other financial investments and related activities	29,660	175,371	8,808,462	77,905	3,175,432	135,598,718	144,465	1,535,850	76,976,593
Securities and commodity contracts and exchanges	448	905	-1,520,567	1,337	405,108	3,525,060	4,373	35,560	-565,320
Other financial investment activities	29,211	174,466	10,329,028	76,568	2,770,324	132,073,657	140,092	1,500,290	77,541,914
Funds, trusts, and other financial vehicles	5,918	58,798	8,886,482	15,698	198,465	14,675,960	37,194	172,921	7,561,110
Other finance and insurance	3,319	11,228	877,800	4,094	57,665	1,972,236	33,082	318,858	10,610,982
Real estate and rental and leasing	202,636	612,419	12,088,165	257,790	1,900,184	49,540,958	1,475,915	5,752,764	33,653,503
Real estate	197,834	602,766	11,467,270	252,907	1,872,165	39,223,373	1,444,077	5,643,208	34,515,440
Lessors of residential buildings and dwellings and cooperative housing	61,690	165,151	2,390,525	100,322	676,710	-2,708,011	494,968	1,743,409	-18,896,299
Lessors of nonresidential buildings (except miniwarehouses)	78,823	254,368	6,504,867	71,751	523,071	33,516,296	566,460	2,100,993	48,425,183
Lessors of miniwarehouses and self-storage units	* 3,919	* 8,085	* 157,519	3,806	26,603	2,088,109	18,591	57,010	991,336
Lessors of other real estate property	18,391	66,978	1,399,223	19,366	137,843	1,414,841	71,609	295,168	318,984
Other real estate activities	35,010	108,184	1,015,137	57,662	507,938	4,912,137	292,449	1,446,629	3,676,235
Rental and leasing services and lessors of nonfinancial intangible assets (except copyrighted works)	4,802	9,654	620,894	4,883	28,020	10,317,585	31,839	109,556	-861,937
Professional, scientific, and technical services	32,207	74,920	5,785,903	14,689	66,514	4,714,339	181,813	640,307	21,299,077
Management of companies (holding companies)	616	3,046	2,528,561	8,100	809,861	7,456,290	22,988	291,740	8,298,149
Administrative and support and waste management and remediation services	20,861	46,957	551,167	1,718	4,642	1,853,677	50,972	150,673	5,497,458
Educational services	* 5,398	* 10,796	* -2,352	* 581	* 1,215	* 90,013	20,542	57,871	-384,453
Health care and social assistance	5,480	25,262	4,724,504	3,248	30,173	3,294,752	78,642	323,990	24,673,252
Arts, entertainment, and recreation	9,874	32,720	-52,836	1,120	101,306	1,227,991	51,246	183,166	441,265
Accommodation and food services	30,864	65,098	-44,491	8,358	49,680	842,524	105,217	437,938	-38,664
Other services	24,450	49,086	-180,372	1,418	32,861	276,230	71,535	179,835	1,676,398
Nature of business not allocable	0	0	0	0	0	0	0	0	0

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

NOTES: Detail may not add to totals because of rounding. The sum of the number of partnerships for all three categories does not sum to the total number of partnerships in other tables because companies classified as limited liability partnerships (LLPs), foreign partnerships, and "other," or "no response" were not included in this table due to the small number of returns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 9a. Number of Partnerships, by Type of Entity and Profit Status, Tax Years 2009–2018

[All figures are estimates based on samples. Numbers of partnerships are in thousands]

Tax year	Total number of partnerships	Domestic general partnerships		Domestic limited partnerships		Domestic limited liability companies		Domestic limited liability partnerships		Foreign partnerships		Other [1]	
		Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	3,169	390	234	221	176	912	1,057	60	58	7	5	18	30
2010	3,248	339	251	209	166	980	1,110	82	60	8	5	16	22
2011	3,285	341	245	235	159	1,045	1,066	87	61	7	7	10	22
2012	3,389	350	233	253	154	1,162	1,050	85	44	7	9	12	31
2013	3,461	366	197	263	153	1,199	1,087	80	54	12	3	25	23
2014	3,613	351	224	247	167	1,307	1,126	81	59	10	7	23	11
2015	3,715	387	195	256	151	1,395	1,120	81	56	12	19	21	22
2016	3,763	376	169	255	168	1,464	1,153	80	44	12	18	9	15
2017	3,905	315	201	297	171	1,473	1,223	79	68	20	22	15	21
2018	4,010	313	215	262	185	1,508	1,314	80	43	13	9	30	38

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss." Breakeven returns are included in the "loss" columns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 9b. Partnership Total Net Income or Loss, by Type of Entity and Profit Status, Tax Years 2009–2018

[All figures are estimates based on samples. Money amounts are in billions of dollars]

Tax year	Total net income (loss)	Domestic general partnerships		Domestic limited partnerships		Domestic limited liability companies		Domestic limited liability partnerships		Foreign partnerships		Other [1]	
		Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	409.9	89.5	27.4	238.4	99.1	323.3	234.4	58.8	4.8	60.1	16.6	25.9	3.7
2010	593.7	94.4	18.7	272.5	77.9	359.3	201.8	65.2	5.2	87.2	3.8	25.8	3.2
2011	580.9	94.5	21.2	274.3	85.9	360.3	210.7	66.0	5.6	91.8	5.3	26.2	3.5
2012	777.9	113.0	17.7	326.6	66.7	436.3	193.9	74.3	3.6	89.9	4.3	27.9	4.0
2013	768.8	106.8	18.3	318.5	69.6	452.5	210.6	72.6	4.1	103.2	4.3	25.9	3.9
2014	837.4	108.1	18.4	344.7	74.7	490.5	212.6	78.1	5.0	103.0	4.2	31.7	3.8
2015	780.5	108.0	17.1	323.8	79.8	492.5	245.0	83.0	4.8	102.4	5.8	27.8	4.5
2016	791.7	111.7	15.6	319.0	78.4	516.7	272.1	84.4	5.3	110.4	6.5	31.1	3.7
2017	810.1	103.2	17.4	375.6	96.8	544.6	332.8	86.6	7.1	127.6	8.2	40.5	5.9
2018	884.7	108.2	17.4	376.3	107.0	616.5	350.9	92.7	7.6	140.7	7.6	47.0	6.3

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss."

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 9c. Number of Partners, by Type of Entity and Profit Status, Tax Years 2009–2018

[All figures are estimates based on samples. Numbers of partners are in thousands]

Tax year	Total number of partners	Domestic general partnerships		Domestic limited partnerships		Domestic limited liability companies		Domestic limited liability partnerships		Foreign partnerships		Other [1]	
		Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss	Net income	Loss
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2009	21,142	1,509	717	4,651	3,363	4,110	4,126	302	179	309	139	1,646	92
2010	22,428	1,400	775	5,730	3,132	4,394	4,008	357	185	292	327	1,749	80
2011	24,390	1,198	693	5,668	4,394	4,725	3,978	375	214	392	448	2,204	101
2012	25,334	1,500	686	6,804	3,949	5,283	3,955	383	138	440	112	1,952	129
2013	27,491	1,388	677	7,737	4,697	5,455	4,272	492	158	611	140	1,780	83
2014	27,714	1,631	833	8,301	3,949	5,942	4,261	478	186	565	133	1,382	54
2015	27,093	1,559	516	6,942	4,998	6,227	4,571	500	168	490	114	900	109
2016	28,164	1,756	529	6,823	4,803	6,359	4,884	399	226	815	176	1,315	80
2017	27,500	1,467	1,255	5,958	4,610	6,273	5,102	377	238	803	249	1,059	109
2018	27,448	1,241	812	7,019	3,657	6,664	5,342	426	158	796	82	1,138	112

[1] Other partnerships are those which checked the "other" box, Form 1065, Schedule B, line 1, Type of Entity, or did not check a box.

NOTES: Detail may not add to totals because of rounding. Domestic limited liability companies, domestic limited liability partnerships, and foreign partnerships are discussed in the Explanation of Selected Terms section. Net income or loss refers to "total net income or loss." Breakeven returns are included in the "loss" columns.

SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

Table 10. Partnerships, Partners, Total Assets, Total Receipts, and Total Net Income (Loss), by Industrial Sector, Tax Years 2017 and 2018

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

Industrial group	Number of partnerships		Percentage change	Number of partners		Percentage change
	2017	2018		2017	2018	
	(1)	(2)	(3)	(4)	(5)	(6)
All industries	**3,905,335**	**4,010,200**	**2.7**	**27,500,929**	**27,448,391**	**-0.2**
Agriculture, forestry, fishing, and hunting	145,140	144,527	-0.4	490,665	445,033	-9.3
Mining	53,027	43,939	-17.1	1,776,391	1,446,552	-18.6
Utilities	5,293	5,521	4.3	44,093	43,520	-1.3
Construction	175,631	164,686	-6.2	558,655	510,571	-8.6
Manufacturing	73,338	83,293	13.6	711,914	691,141	-2.9
Wholesale trade	63,451	64,422	1.5	683,150	603,220	-11.7
Retail trade	192,229	183,692	-4.4	807,698	741,546	-8.2
Transportation and warehousing	38,823	48,104	23.9	2,446,996	2,518,191	2.9
Information	49,991	54,907	9.8	185,169	219,450	18.5
Finance and insurance	379,436	388,433	2.4	7,292,667	7,522,935	3.2
Real estate and rental and leasing	1,933,749	2,021,496	4.5	8,539,307	8,615,870	0.9
Professional, scientific, and technical services	265,980	249,311	-6.3	919,615	949,274	3.2
Management of companies (holding companies)	26,448	36,809	39.2	1,262,145	1,269,969	0.6
Administrative and support and waste management and remediation services	72,477	79,801	10.1	187,225	215,697	15.2
Health care and social assistance	86,125	92,957	7.9	381,063	402,128	5.5
Arts, entertainment, and recreation	57,914	66,549	14.9	267,994	331,803	23.8
Accommodation and food services	164,349	153,650	-6.5	606,698	580,889	-4.3
Educational and Other services [1]	121,935	128,102	5.1	339,484	340,600	0.3
Nature of business not allocable	0	0	0.0	0	0	0.0

Footnotes at end of table.

Table 10. Partnerships, Partners, Total Assets, Total Receipts, and Total Net Income (Loss), by Industrial Sector, Tax Years 2017 and 2018—Continued

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

Industrial group	Total assets		Percentage change	Total receipts		Percentage change
	2017	2018		2017	2018	
	(7)	(8)	(9)	(10)	(11)	(12)
All industries	**32,403,619,868**	**34,348,006,740**	**6.0**	**8,100,677,454**	**8,721,758,922**	**7.7**
Agriculture, forestry, fishing, and hunting	256,420,535	256,308,849	-0.0	54,911,862	66,443,029	21.0
Mining	830,532,548	834,241,704	0.4	232,350,628	242,254,473	4.3
Utilities	492,786,442	517,962,314	5.1	204,905,625	258,218,360	26.0
Construction	269,745,570	269,292,566	-0.2	375,674,996	389,251,529	3.6
Manufacturing	896,484,281	931,663,723	3.9	941,852,710	1,067,482,623	13.3
Wholesale trade	389,000,203	410,489,669	5.5	711,163,444	792,521,774	11.4
Retail trade	248,778,633	254,972,037	2.5	609,816,391	636,624,817	4.4
Transportation and warehousing	857,323,263	825,601,810	-3.7	269,593,035	300,284,783	11.4
Information	988,166,869	1,056,215,030	6.9	438,147,655	445,317,109	1.6
Finance and insurance	17,721,488,621	18,954,124,306	7.0	1,993,651,635	2,032,212,084	1.9
Real estate and rental and leasing	7,261,956,563	7,628,478,572	5.0	676,250,177	784,722,621	16.0
Professional, scientific, and technical services	368,713,762	438,860,501	19.0	559,107,780	608,944,911	8.9
Management of companies (holding companies)	899,528,688	1,000,194,554	11.2	116,535,255	143,096,893	22.8
Administrative and support and waste management and remediation services	145,628,668	143,671,367	-1.3	144,487,288	152,608,088	5.6
Health care and social assistance	224,444,947	237,726,788	5.9	343,810,398	353,942,387	2.9
Arts, entertainment, and recreation	172,641,884	173,744,101	0.6	106,267,261	109,559,078	3.1
Accommodation and food services	334,307,006	366,979,220	9.8	266,940,056	278,419,127	4.3
Educational and Other services [1]	45,671,387	47,479,628	4.0	55,211,257	59,855,237	8.4
Nature of business not allocable	0	0	0.0	0	0	0.0

Footnotes at end of table.

Table 10. Partnerships, Partners, Total Assets, Total Receipts, and Total Net Income (Loss), by Industrial Sector, Tax Years 2017 and 2018—Continued

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

Industrial group	Total net income (loss)		Percentage change
	2017	2018	
	(13)	(14)	(15)
All industries	**810,057,547**	**884,709,693**	**9.2**
Agriculture, forestry, fishing, and hunting	-1,660,644	580,375	[P]
Mining	37,438,643	46,954,735	25.4
Utilities	-23,222,451	-6,879,458	70.4
Construction	18,449,823	14,418,563	-21.8
Manufacturing	34,770,426	40,427,853	16.3
Wholesale trade	13,920,250	17,059,188	22.5
Retail trade	9,855,891	12,313,002	24.9
Transportation and warehousing	4,331,783	-5,032,281	[N]
Information	46,009,132	55,706,776	21.1
Finance and insurance	422,033,750	426,317,947	1.0
Real estate and rental and leasing	88,769,492	97,954,738	10.3
Professional, scientific, and technical services	98,337,753	111,707,819	13.6
Management of companies (holding companies)	14,505,816	23,278,858	60.5
Administrative and support and waste management and remediation services	6,624,623	8,899,003	34.3
Health care and social assistance	35,971,519	36,607,983	1.8
Arts, entertainment, and recreation	395,215	1,808,482	357.6
Accommodation and food services	95,152	973,523	923.1
Educational and Other services [1]	3,431,374	1,612,587	-53.0
Nature of business not allocable	0	0	0.0

[1] The Educational and Other services sectors were combined to prevent disclosure due to the small number of returns sampled.
[P] Percent change is not provided if the current year data contain a positive value (income) compared to a prior year negative value (loss)
[N] Percent change is not provided if the current year data contain a negative value (loss) compared to a prior year positive value (income)
NOTE: Detail may not add to totals because of rounding.
SOURCE: IRS, Statistics of Income Division, Partnerships, April 2020.

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