Controlled Foreign Corporations, 1988

by John Latzy and Randy Miller

For 1988, the 7,500 largest foreign corporations controlled by large multinational firms held $958 billion in assets and generated business receipts of $823 billion. These amounts increased from 1986 (the last previous year for which statistics are available) by 29 percent and 40 percent, respectively. Increases were also shown in foreign income taxes, subpart F income, and earnings and profits after taxes.

Almost 41 percent of the Controlled Foreign Corporations (CFC's) were primarily engaged in manufacturing activities, a slight decline from 1986. Another 27 percent were primarily engaged in finance, insurance or real estate activities. These latter CFC's held 43 percent of all assets and generated 21 percent of positive earnings and profits after taxes. Although manufacturing CFC's held only 36 percent of all assets, they generated 59 percent of business receipts and 56 percent of positive earnings and profits after taxes.

CFC's were incorporated in over 100 different countries. However, twenty countries accounted for 83 percent of the largest CFC's (see Figure A). Over half of the 7,500 largest CFC's were incorporated in Europe, a slight increase from 1986. Only 10 and 12 percent were incorporated in Asia and Latin America, respectively.

This article is based on the information returns filed for the 7,500 largest CFC's (as determined by asset size) owned by U.S. multinational corporations having $500 million or more in assets. Therefore, CFC's that are categorized as one of the largest 7,500 for 1988 may not have been included in the 1986 data. These 7,500 CFC's accounted for 95 percent of the assets and 92 percent of the business receipts of all CFC's "controlled" by large U.S. multinational corporations.

Background

U.S. direct investment in foreign countries may take several forms, including foreign branches, partnerships, and "noncontrolled" and "controlled" corporations. This article deals with foreign corporations controlled by U.S. corporations. Under the Internal Revenue Code, a foreign corporation is controlled if U.S. shareholders own more than 50 percent of the outstanding voting stock, or more than 50 percent of the value of all outstanding stock. A "noncontrolled" foreign corporation is any foreign corporation which fails to meet either of the above tests. For purposes of determining control, a U.S. shareholder is any U.S. person who owns 10 percent or more of the outstanding voting stock of a foreign corporation. Herein, CFC's are defined more narrowly: a foreign corporation is controlled only if one U.S. corporation satisfies either of the above 50 percent ownership requirements.

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Figure A

Distribution of the 7,500 Largest CFC's, by Selected Country of Incorporation, 1986 and 1988

[Money amounts are in billions of dollars]

Selected country	Number of largest CFC's		Business receipts	
	1986	1988	1986	1988
	(1)	(2)	(3)	(4)
All countries	**7,500**	**7,500**	**590**	**823**
United Kingdom	1,058	1,159	97	136
Canada	840	870	103	142
West Germany	512	496	69	92
France	447	439	41	54
Netherlands	338	365	24	36
Australia	321	347	18	25
Italy	332	337	27	35
Brazil	279	292	21	30
Bermuda	311	279	10	11
Japan	195	259	28	55
Switzerland	225	220	22	32
Belgium	205	210	15	21
Spain	177	210	11	19
Netherlands Antilles	250	182	7	3
Hong Kong	145	154	6	10
Mexico	150	118	7	9
Panama	156	107	7	8
Singapore	80	86	5	6
Cayman Islands	69	75	1	2
Ireland	81	74	3	4
Puerto Rico	70	69	1	1

Distinguishing between controlled and noncontrolled foreign corporations is vital for U.S. tax purposes. Shareholders of controlled foreign corporations face different tax provisions than do those of noncontrolled foreign corporations.

U.S. shareholders of foreign corporations generally are not taxed on their foreign source income until such income is repatriated to the United States. Thus, these shareholders can conduct their foreign operations in a low tax country, and by retaining their overseas earnings, defer U.S. taxation. As U.S. direct investment abroad has grown, so has concern over the potential use of tax deferral privileges available to U.S. persons earning foreign source income.

The first attempt to restrict tax deferral came in 1937 with the passage of the "foreign personal holding company" provisions. These provisions attempted to curtail efforts by U.S. persons to defer U.S. taxation of their foreign source earnings by setting up foreign companies in low tax countries to hold "passive" income. Until 1962, no further attempts were made to prevent international tax avoidance strategies. In fact, the tax deferral privileges were viewed as a means to entice U.S. persons to increase their investments in foreign countries [1]. In 1962, Con-

gress, concerned about the revenue losses and balance of trade effects resulting from the increased use of tax deferral strategies, enacted the subpart F provisions of the Internal Revenue Code [2,3]. These provisions required that certain income, called "subpart F" income, be included in U.S. persons' gross income, subject to U.S. taxation, even if it had not been repatriated.

The 1962 legislation included more widespread provisions to reduce tax deferral of overseas income, since it was believed that the main reason for certain investment abroad was the avoidance of U.S. taxation. Congress believed that favorable foreign tax structures were increasingly skewing the investment decisions of U.S. persons in favor of overseas investment. Thus, resources which might have otherwise been invested in the United States were being invested abroad, instead.

Originally, subpart F income included certain passive income, certain sales and services income, and income from the insurance of U.S. risks. Since 1962, the definition of subpart F income has been expanded to include many more types of income (see the Subpart F Income section of this article). Additionally, many exceptions to the original subpart F provisions have been eliminated or more strictly defined. The result has been a large increase in the amount of subpart F income reported, and possibly a significant reduction in the tax deferral benefits of conducting business abroad.

Controlled Foreign Corporation Activity by Industry

For 1988, about 3,060 of the largest 7,500 CFC's listed manufacturing as their principal business activity, down from 3,341 for 1986. These CFC's reported $484 billion in business receipts on assets of $343 billion. While the number of top 7,500 manufacturing CFC's declined from 1986, manufacturing activity increased substantially. Assets rose 27 percent, while business receipts increased by 35 percent. Almost 84 percent of manufacturing CFC's reported positive pre-tax earnings and profits (E&P), totalling nearly $52 billion. Over $16 billion of foreign taxes were paid on these earnings [4]. The remaining 16 percent of manufacturing CFC's recorded E&P deficits of over $2 billion.

CFC's which mainly produced chemicals, non-electrical machinery, petroleum and coal products, or motor vehicles accounted for most of the financial activity of all manufacturing CFC's. CFC's in these industrial groups generated 64 percent of business receipts and 63 percent of pre-tax E&P, while holding 65 percent of all manufacturing assets. These CFC's, however, represented only 44 percent of all manufacturing CFC's. Figure B compares financial information for 1986 and 1988 by selected industrial groups.

For 1988, over 27 percent of the largest 7,500 CFC's were classified mainly in finance, insurance or real estate activities. These CFC's held 43 percent of all top 7,500 assets, more than companies in any other industrial division (Figure C). Their assets increased 29 percent from 1986 to nearly $415 billion. Finance subsidiaries alone held more than $354 billion in assets, more than half of which were held by banks and credit agencies. Subsidiaries classified in finance, insurance and real estate activities reported nearly $15 billion of positive pre-tax E&P, while paying almost $2 billion in foreign income taxes.

Manufacturing CFC's accounted for over 40 percent of the largest CFC's.

CFC's in every industrial division except construction and mining recorded increases in economic activity, as indicated by pre-tax E&P. CFC's classified in construction and mining were the only ones whose pre-tax E&P decreased from 1986 levels. The assets of CFC's in the construction industry rose by only 3 percent. This was the smallest growth in total assets for any of the industrial divisions. While the business receipts of construction CFC's increased by 40 percent from 1986, their pre-tax E&P actually declined by more than 6 percent. Mining CFC's showed the largest increase in total assets, at 47 percent, but were the only ones to report an aggregate decrease in business receipts, 5 percent. This decrease is wholly attributable to a decline in the business receipts of CFC's classified in the oil and gas extraction group. In fact, CFC's in every other industrial division recorded double-digit percentage increases in business receipts. The positive pre-tax E&P for total mining fell by 24 percent from 1986.

Controlled Foreign Corporation Activity by Country of Incorporation

For 1988, over 63 percent of these large CFC's were incorporated in Europe and Canada, a 3-percentage point increase from 1986. The United Kingdom, West Germany and Canada were "homes" to one-third of the largest 7,500 CFC's [5]. Compared to all of the largest 7,500, CFC's in these three countries generated 45 percent of all business receipts, held 47 percent of total assets, and paid 43 percent of the foreign income taxes (a 7-percentage point decline from 1986).

Manufacturers represented 47 percent of all large

Figure B

Industrial Distribution of the 7,500 Largest CFC's, 1986 and 1988

[Money amounts are in millions of dollars]

Selected industrial group	Number of largest CFC's			Total assets			Business receipts		
	1986	1988	Percentage increase	1986	1988	Percentage increase	1986	1988	Percentage increase
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All industrial groups	7,500	7,500	N/A	740,396	958,113	29	589,885	822,975	40
Agriculture, forestry and fishing	25	31	24	597	808	35	560	1,236	121
Mining	217	216	(1)	27,005	39,623	47	14,791	14,070	-5
Construction	95	86	-9	3,903	4,022	3	4,398	6,164	40
Manufacturing	3,341	3,060	-8	270,162	343,318	27	357,503	484,236	35
Chemicals and allied products	882	803	-9	51,073	66,898	31	55,666	83,021	49
Petroleum (including integrated) and coal products	65	63	-3	29,356	41,973	43	47,130	55,940	19
Machinery, except electrical	376	305	-19	45,550	64,398	41	39,879	65,726	65
Electrical and electronic equipment	472	379	-20	32,461	27,669	-15	45,116	42,151	-7
Motor vehicles and equipment	183	179	-2	42,380	49,081	16	76,687	106,803	39
Transportation and public utilities	226	194	-14	17,155	18,459	8	7,098	11,681	65
Transportation	190	150	-21	10,140	10,424	3	4,471	7,061	58
Wholesale and retail trade	1,156	1,271	10	76,134	106,225	40	151,984	224,169	47
Wholesale trade	980	1,125	15	64,226	92,174	44	128,391	196,882	53
Finance, insurance and real estate	1,911	2,061	8	322,820	414,856	29	41,286	62,053	50
Banking	253	229	-9	90,773	94,749	4	8,526	10,580	24
Credit agencies other than banks	460	479	4	88,245	113,861	29	10,592	14,293	35
Insurance	332	319	-4	39,003	44,388	14	9,738	13,674	40
Holding and other investment companies, except bank holding companies	629	713	13	75,477	92,306	22	8,417	13,306	58
Services	519	568	9	22,386	30,103	34	12,218	18,759	54
Nature of business not allocable	10	13	30	233	700	200	46	606	1,217

[1] Less than 0.5 percent.
N/A - Not applicable.
NOTE: Detail may not add to totals because of rounding.

Canadian CFC's, held 42 percent of Canadian CFC assets, and generated 68 percent of business receipts and 69 percent of net earnings and profits before taxes. More than one-half of the West German CFC's were manufacturers. These CFC's held 50 percent of West German CFC assets, generated 71 percent of receipts, and accounted for 77 percent of net earnings and profits before taxes.

Other Western European countries with over half of their CFC's engaged primarily in manufacturing included France (59 percent), Spain (56 percent), Denmark (54 percent) and Italy (53 percent). Western European countries in which a significant portion of CFC's were engaged in finance, insurance or real estate activities included Luxembourg (55 percent), United Kingdom (39 percent), Switzerland (36 percent) and the Netherlands (34 percent).

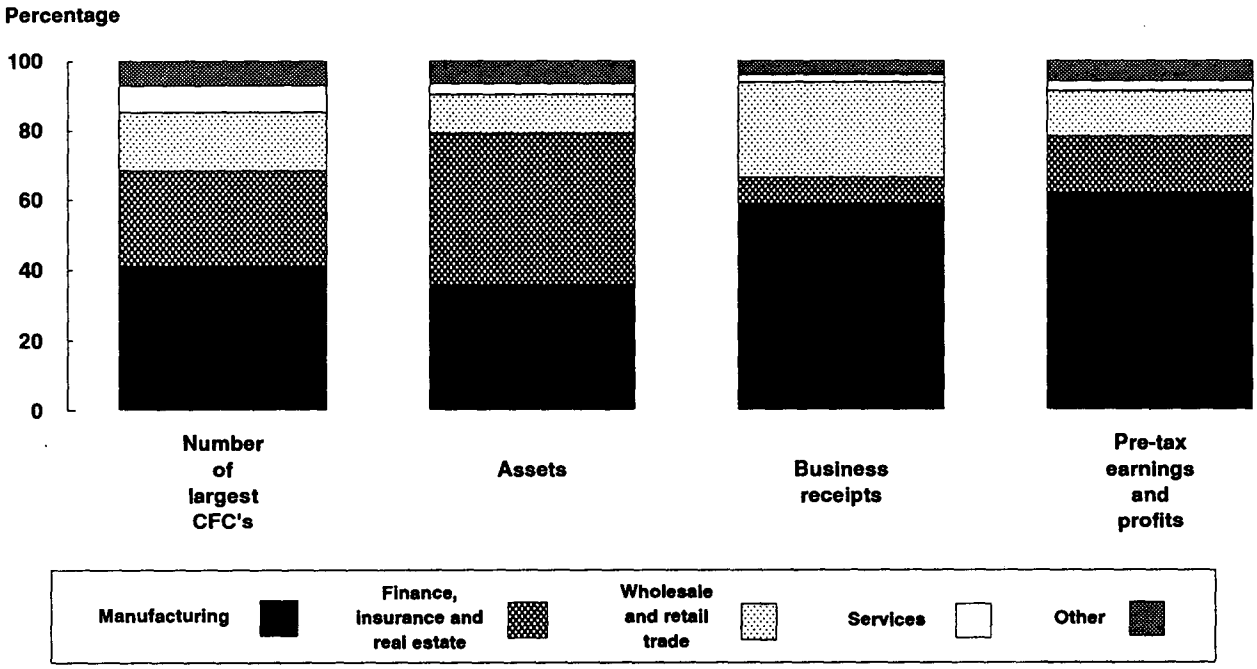
There was a 5-percent decline from 1986 to 1988 in the number of large manufacturing CFC's that reported the United Kingdom as the country of incorporation. However, the number of finance, insurance and real estate CFC's incorporated in the United Kingdom jumped 24 percent from 1986. This increase in finance-related CFC's can be attributed to the 38-percent rise in holding and other investment companies that call the United Kingdom their home. This helped account for a 50-percent increase in assets, a 57-percent increase in business receipts, and a 40-percent increase in pre-tax net earnings and profits for the finance-related industry.

Western Hemisphere countries outside of Canada and Latin America, where finance-related CFC's have been common due to the favorable tax climate, lost over 16 percent of large CFC's between 1986 and 1988. This can be attributed to tax law changes in 1984 enabling U.S. corporations to borrow foreign money elsewhere at less cost [6]. The effects of these changes are seen in countries such as Bermuda and the Netherlands Antilles, which saw 10 and 26 percent declines, respectively, in the number of finance-related CFC's between 1986 and 1988.

Other geographic areas where the number of large CFC's declined were Africa and Latin America. For Africa, CFC's declined by 35 percent, and their assets and business receipts fell by 22 and 12 percent, respectively. Two countries where the loss was most dramatic were South Africa, where the number of large CFC's fell 50 percent, and Liberia, where the number dropped by 30 percent. For South Africa, manufacturing industrial groups showed a decrease in total assets of 36 percent, in business receipts of 32 percent and in pre-tax net earnings and profits of 10 percent. This could be due in part to: (1) changes in U.S. tax law that forbid the crediting of foreign taxes paid to South Africa, (2) the uncertain political

Figure C

Selected Data for the 7,500 Largest CFC's, by Industrial Division, 1988



situation, and (3) limited foreign divestment that occurred in the latter part of the 1980's [7]. In Liberia, transportation and public utilities CFC's declined 27 percent, with assets falling 34 percent. However, business receipts, and earnings and profits before taxes increased 46 percent and 97 percent, respectively.

The 5,978 CFC's reporting profits paid $24 billion of foreign income tax on $87 billion of pre-tax earnings and profits, resulting in an effective tax rate of 28 percent. This was 3 percent lower than the 1986 rate. Effective tax rates varied by country. In addition, the rate for a given country may have varied from the statutory tax rate because: (1) certain earnings and profits, and the associated foreign taxes paid, were applicable to income from operations in countries other than the country in which the CFC was incorporated; (2) earnings and profits were computed according to U.S. tax law and do not necessarily equal the tax base upon which the foreign tax was imposed; and (3) many countries taxed various types of income at different rates.

The overall effective tax rate for profitable CFC's decreased for CFC's reporting positive earnings and profits from 31 percent to 28 percent. This was due, in part, to a lower effective tax rate in three major "homes" to CFC's: the United Kingdom, Canada and West Germany. The United Kingdom tax rate dropped from 33 to 28 percent; Canada, from 37 to 30 percent; and West Germany, from 45 to 32 percent. Of all the geographic areas shown in Figure D, "Other Western Hemisphere" countries had the lowest effective tax rate (9 percent), primarily due to Bermuda and the Netherlands Antilles. Other regions or countries with low effective tax rates were Liberia (0.05 percent), Saudi Arabia (1 percent), Cayman Islands (2 percent), Ireland (2 percent), Singapore (6 percent), Panama (7 percent), and Switzerland (9 percent).

Subpart F Income

U.S. shareholders of CFC's must include in their gross income their share of certain undistributed CFC earnings. These earnings consist primarily of subpart F income and increases in earnings invested in U.S. property. Subpart F income tends to be "income which is easily movable from a high tax region to a low tax region" [8]. Passive income, therefore, is more likely to fall under the subpart F provisions than is the income from certain manufacturing operations. The amount of subpart F income generally cannot be greater than the CFC's current E&P.

Figure D

Effective Tax Rates of the 7,500 Largest CFC's With Positive Earnings and Profits, by Selected Area and Country of Incorporation, 1988

[Money amounts are in millions of dollars]

Selected country or geographic area	Earnings and profits before taxes	Foreign income taxes	Effective tax rate
	(1)	(2)	(3)
All geographic areas	**86,885**	**24,064**	**28**
Canada	**13,412**	**4,083**	**30**
Latin America	**9,721**	**2,099**	**22**
Brazil	4,734	1,180	25
Panama	1,035	70	7
All other Latin America	3,952	841	21
Other Western Hemisphere	**4,129**	**373**	**9**
Bahamas	381	82	21
Bermuda	2,356	208	8
Netherlands Antilles	1,261	76	6
All other Western Hemisphere	130	6	5
Europe	**44,685**	**11,948**	**27**
Austria	320	127	40
Belgium	1,843	454	25
Denmark	276	112	41
France	3,743	1,349	36
Italy	3,400	1,278	38
Netherlands	4,691	996	21
Spain	2,409	568	24
Sweden	402	204	51
Switzerland	4,554	400	9
United Kingdom	13,878	3,862	28
West Germany	7,221	2,306	32
Africa	**1,084**	**384**	**35**
Liberia	157	([1])	([2])
South Africa	308	138	45
Asia	**10,548**	**4,202**	**40**
Hong Kong	1,450	195	13
Japan	6,476	3,622	56
Singapore	774	48	6
Oceania	**2,786**	**885**	**32**
Australia	2,594	830	32

[1] Less than $0.5 million.
[2] Less than 0.5 percent.
NOTE: Detail may not add to totals because of rounding.

Specifically, subpart F income consists of "foreign base company income," certain insurance income, "international boycott income," bribes and other illegal payments to foreign government officials, and the income from any country whose government the United States does not recognize or with which the United States has severed relations [9]. Foreign base company income is the most significant category of subpart F income [10]. It refers to certain income which is held by a foreign subsidiary or base company, normally incorporated in a low tax country. Subpart F provisions generally apply when the income of the foreign base company is generated from activities outside the CFC's country of incorporation [11].

Because a large number of CFC's will generate some foreign base company income, the Internal Revenue Code provides an exception to the subpart F provisions. If the foreign base company income is below the lesser of $1 million or 5 percent of a CFC's gross income, then the subpart F provisions will not apply. However, if foreign base company income and certain insurance income amount to more than 70 percent of gross income, then all of the CFC's gross income will be considered foreign base company income, and thus subpart F income. Additionally, if the foreign base company income and insurance income is subject to a foreign tax rate equal to or greater than 90 percent of the highest applicable U.S. tax rate, the income will escape classification under the subpart F provisions [12].

Also includable in the taxable income of U.S. shareholders are previously excluded subpart F income withdrawn from qualified investments in less developed countries and foreign base company shipping operations, factoring income and any increases in investments in U.S. property. In this article, all these amounts are regarded as subpart F income [13].

The subpart F changes in the Tax Reform Act of 1986 resulted in a significant reduction in the tax deferral benefits of certain overseas activities (measured by the amount of subpart F income reported and the ratio of this subpart F income to after-tax E&P). This means that an increasing amount of the undistributed earnings of CFC's are now subject to current U.S. taxation. The largest 7,500 CFC's reported over $12 billion in subpart F income for 1988. This represents an increase of almost $8 billion, or nearly triple the amount from 1986. The number of large CFC's with subpart F income nearly doubled from 826 for 1986 to 1,635 for 1988. Thus, almost 22 percent of the largest 7,500 CFC's generated subpart F income, compared to 11 percent for 1986. Subpart F income as a percentage of after-tax E&P rose to over 19 percent, up 10 percentage points from 1986. Figure E displays subpart F information by selected country of incorporation.

The Tax Reform Act of 1986 significantly decreased the ability of U.S. shareholders to defer U.S. taxation of their foreign earnings by isolating income in "tax haven" countries. For 1986, CFC's incorporated in tax haven countries reported over $3 billion in subpart F income on after-tax E&P of $12 billion. For 1988, subpart F income increased to $7 billion on $16 billion of positive after-tax E&P. For these same CFC's, subpart F income as a percentage of E&P increased to 40 percent, up 14 percentage points from 1986.

For 1988, five countries (Switzerland, Bermuda, Netherlands Antilles, Netherlands and Panama) accounted for over $5 billion, or 81 percent, of the nearly $7 billion of tax haven subpart F income. CFC's incorporated in Switzerland reported more subpart F income (almost $2 billion) than CFC's in any other country. For 1988, CFC's in the Netherlands Antilles, which alone accounted for 29

Figure E

Subpart F Income of the 7,500 Largest CFC's, by Selected Country of Incorporation, 1986 and 1988

[Money amounts are in millions of dollars]

Selected country	Number of largest CFC's generating subpart F income			Subpart F income			Subpart F income as a percentage of positive earnings and profits after tax	
	1986	1988	Percentage increase	1986	1988	Percentage increase	1986	1988
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
All countries	**826**	**1,635**	**98**	**4,223**	**12,101**	**187**	**10**	**19**
Total, selected countries	**554**	**833**	**50**	**3,223**	**7,586**	**135**	**14**	**24**
Switzerland	76	96	26	624	1,942	211	30	47
United Kingdom	53	192	262	238	1,322	455	3	13
Bermuda	142	179	26	510	1,155	126	30	54
Canada	32	102	219	171	982	474	3	10
Netherlands Antilles	168	135	-20	1,214	838	-31	76	71
Netherlands	34	77	126	71	789	1,011	3	21
Panama	49	52	6	402	558	39	28	58

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

percent of all subpart F income for 1986, reported the highest ratio of subpart F income to after-tax E&P (71 percent).

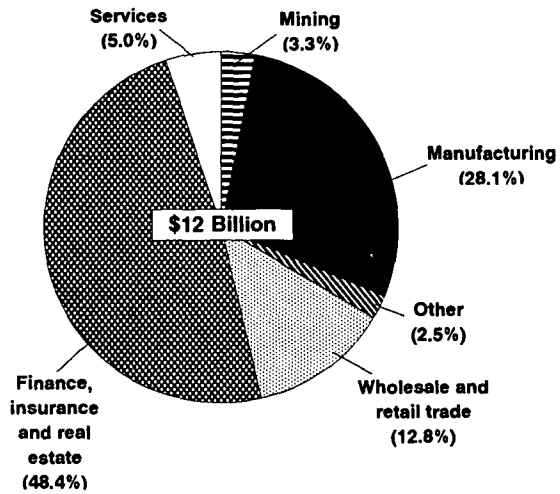
For 1988, almost half of the largest 7,500 CFC's earning subpart F income were incorporated in tax haven countries. Over 46 percent of all top 7,500 CFC's incorporated in tax haven countries reported subpart F income, an increase of 15 percentage points from 1986. More than 74 percent of the CFC's incorporated in the Netherlands Antilles earned subpart F income. Also, 64 percent of the CFC's in Bermuda and almost 59 percent of those in the Cayman Islands earned subpart F income. While the number of tax haven CFC's reporting subpart F income increased, the number of top 7,500 tax haven CFC's actually decreased.

The subpart F changes in the 1986 Act also significantly affected U.S. shareholders of non-tax haven CFC's. This is in part due to the more objective test used after 1986 to exempt certain CFC's from the subpart F provisions [14]. For 1988, CFC's incorporated in non-tax haven countries earned nearly $6 billion in subpart F income, an increase of 461 percent from 1986. For 1988, CFC's in the United Kingdom earned more than $1 billion of subpart F income, and CFC's in Canada earned nearly this amount. CFC's in the United Kingdom and Canada accounted for 41 percent of all non-tax haven subpart F income. However, the ratio of subpart F income to after-tax E&P for these two countries was rather low (13 percent for the United Kingdom and 10 percent for Canada).

Of the $12 billion in subpart F income reported for 1988, nearly $11 billion, or 89 percent, was accounted for by CFC's in three industrial divisions: finance, insurance and real estate; wholesale and retail trade; and manufacturing (Figure F). CFC's engaged in finance, insurance and real estate activities accounted for almost $6 billion in subpart F income, or 48 percent of the total. At 45 percent, these CFC's reported the highest ratio of subpart F income to after-tax E&P. This ratio was also quite high (30 percent) for CFC's engaged primarily in services. Construction and manufacturing CFC's had the lowest ratios of subpart F income to after-tax E&P, at 7 and 10 percent, respectively.

Figure F

Subpart F Income for the 7,500 Largest CFC's, by Industrial Division, 1988



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

CFC's in every industrial division except agriculture, forestry and fishing generated significant increases in subpart F income from 1986 to 1988. Subpart F income for CFC's classified in services more than tripled. CFC's primarily involved in trade and manufacturing experienced similarly large increases, nearly three times and two-and-one half times their 1986 levels, respectively. In the aggregate, subpart F income as a percentage of after-tax E&P increased by 10 percentage points for the 7,500 largest CFC's. This ratio increased for every industrial division except agriculture and construction. The ratio of subpart F income to after-tax E&P fell 16 percentage points for CFC's in agriculture and 12 percentage points for those in construction.

Controlled Foreign Corporations and the Merchandise Trade Balance

The merchandise trade balance transactions between the 7,500 CFC's and their "U.S. parent groups" (the U.S. corporations and their domestic affiliates) resulted in a net surplus (exports in excess of imports) of $18 billion for 1988, a $4 billion increase from 1986. CFC purchases of stock in trade (i.e., purchases of merchandise in the ordinary course of business) totaled $81 billion, while sales of stock in trade to the U.S. parent groups were $62 billion. In contrast, the U.S. merchandise trade deficit (imports in excess of exports) was $121 billion, down from $153 billion in 1986 [15]. This was the first reduction of the merchandise trade deficit since 1980.

Even though the United States was faced with a trade deficit with Japan of $52 billion, U.S. corporations reported an increase in the trade surplus with their 195 largest Japanese CFC's. The Japanese surplus almost tripled from $1.2 billion for 1986 to $3.2 billion for 1988.

Large trade surpluses were reported by U.S. parent groups and their major CFC's in Europe and Asia (see Figure G). Deficits between U.S. parent groups and their CFC's were reported with Latin America, where a 1986 surplus of $1.9 billion turned into a $0.8 billion deficit for 1988. This was due in part to huge deficits between U.S. corporations and their largest Mexican subsidiaries in the motor vehicles and equipment industrial group [16]. A large deficit ($1.5 billion) was also present with Bermuda. This deficit can be partly attributed to large sales of stock

Figure G

Purchases and Sales of Stock In Trade Between the 7,500 Largest CFC's and Their U.S. Parent, Groups, and the U.S. Merchandise Trade Balance, by Selected Area and Country of Incorporation, 1988

[Money amounts are in millions of dollars]

Selected country or geographic area	U.S. parent group merchandise trade balance			U.S. merchandise trade balance [1]		
	CFC purchases from U.S. parent group (exports)	CFC sales to U.S. parent group (imports)	Surplus or deficit (-)	Exports	Imports	Surplus or deficit (-)
	(1)	(2)	(3)	(4)	(5)	(6)
All geographic areas	**80,537**	**62,435**	**18,102**	**320,385**	**441,282**	**-120,897**
Canada	**28,715**	**29,244**	**-529**	**69,233**	**80,921**	**-11,688**
Latin America	**4,682**	**5,528**	**-846**	**40,077**	**48,914**	**-8,837**
Brazil	790	1,250	-460	4,289	9,324	-5,035
Mexico	2,559	3,077	-518	20,643	23,277	-2,634
Panama	300	760	-460	633	266	367
Other Western Hemisphere	**2,428**	**2,712**	**-284**	**3,845**	**2,358**	**1,487**
Bahamas	663	36	627	741	411	330
Bermuda	473	2,008	-1,535	286	7	279
Netherlands Antilles	([2])	19	-19	432	411	21
Europe	**28,832**	**12,323**	**16,509**	**91,645**	**102,673**	**-11,028**
France	3,106	1,345	1,761	10,133	12,228	-2,095
Italy	3,103	662	2,441	6,785	11,611	-4,826
Netherlands	3,837	1,193	2,644	10,095	4,587	5,508
Switzerland	3,194	1,114	2,080	4,221	4,657	-436
United Kingdom	6,396	5,357	1,039	18,404	18,042	362
West Germany	5,804	1,360	4,444	14,331	26,503	-12,172
Africa	**269**	**613**	**-344**	**7,431**	**10,863**	**-3,432**
Liberia	([2])	241	-241	68	108	-40
South Africa	129	2	127	1,690	1,530	160
Asia	**12,543**	**9,781**	**2,762**	**99,705**	**190,729**	**-91,024**
Hong Kong	2,099	1,396	703	5,691	10,243	-4,552
Japan	4,956	1,789	3,167	37,732	89,802	-52,070
South Korea	273	502	-229	11,290	20,189	-8,899
Taiwan	680	943	-263	12,130	24,804	-12,674
Oceania	**2,549**	**304**	**2,245**	**8,242**	**4,824**	**3,418**
Australia	2,333	263	2,070	6,981	3,511	3,470

[1] U.S. Department of Commerce, Bureau of the Census, *Highlights of U.S. Export and Import Trade*, FT 990, monthly.

[2] Less than $0.5 million.

NOTE: Selected detail may not add to totals because of rounding.

in trade to related U.S. corporations by Bermudan subsidiaries engaged in wholesale trade activities relating to petroleum and petroleum products.

Conceptual differences in the statistics should be recognized. The U.S. Bureau of the Census data credit U.S. imports to the country of origin, while CFC sales are based on the CFC's country of incorporation. Another difference is that CFC data may include goods that were not necessarily imported for consumption purposes but were re-exported. This could explain why Panamanian CFC's, for example, reported $760 million in sales to U.S. parent groups, but only $266 million are reflected in Census data for imports from Panama. Also, Census data are for Calendar Year 1988. CFC data, on the other hand, reflect business activities for parent corporations whose accounting periods ended between July 1988 and June 1989 and those CFC's which had accounting periods ending therein. However, 90 percent of CFC's had accounting periods ending between July and December 1988.

Recent Incorporations

Thirty percent of the top 7,500 CFC's were incorporated during the 1980's (see Figure H). These "newest" CFC's held 28 percent of total assets. Of these CFC's, 41 percent were in finance, insurance and real estate activities; holding 67 percent of the total assets of CFC's incorporated in the 1980's [17]. Forty-five percent of all financial CFC's were incorporated in the 1980's, reflecting a more global economy where worldwide financing is sought.

In the past, it was common for U.S. companies to set up financial subsidiaries in tax haven countries in order to facilitate borrowing from foreign countries. These companies were set up to take advantage of a favorable tax climate in the haven country. Tax haven benefits may include banking and financial secrecy, low or zero corporate tax rates, and no withholding tax on payments to foreigners. In an effort to remove the advantage of borrowing through tax haven countries, the United States exempted from withholding tax all interest payments on obligations issued after July 1984. This enabled U.S. corporations to more cheaply borrow foreign money from anywhere in the world.

The effects of this change are seen in the slowdown of incorporations in Panama and the Netherlands Antilles. Only 3.7 and 7.1 percent of their respective CFC's were incorporated after 1984, compared to the 15.0 percent total for all CFC's worldwide (see Figure I). The number of Netherlands Antilles CFC's may also have been affected by the cancellation of the United States-Netherlands Antilles tax treaty in 1988 which eliminated the exemption of withholding for dividends and royalties [18].

Figure H

Number and Total Assets of the 7,500 Largest CFC's, by Year of Incorporation, 1988

[Money amounts are in millions of dollars]

Year of incorporation	Number of largest CFC's	1988 total assets
All years [1]	**7,500**	**958,113**
1985-1989, total [2]	1,126	134,657
1988-1989 [2]	180	30,632
1985-1987	946	104,025
1980-1984	1,128	135,330
1975-1979	811	79,221
1970-1974	907	113,709
1965-1969	725	74,512
1960-1964	716	84,234
1955-1959	489	48,385
1950-1954	320	55,240
1945-1949	214	16,725
Prior to 1945	911	205,011

[1] Includes CFC's whose year of incorporation is unknown or not stated.
[2] For 1989, includes only CFC's incorporated between January and June.
NOTE: Detail may not add to totals because of rounding.

Summary

For 1988, the 7,500 largest CFC's generated $823 billion in business receipts on assets of $958 billion. Business receipts increased nearly 40 percent from 1986, while assets increased by almost 30 percent.

More than 40 percent of the largest 7,500 CFC's were primarily engaged in manufacturing. These CFC's held 36 percent of total assets and accounted for 59 percent of business receipts. Over 27 percent of the largest 7,500 CFC's were involved primarily in finance, insurance and real estate activities. These CFC's held 43 percent of total assets.

For 1988, about 63 percent of the large CFC's were incorporated in Canada and Europe. More specifically, one-third were incorporated in the United Kingdom, West Germany and Canada.

The largest 7,500 CFC's generated over $12 billion in subpart F income, nearly tripling from 1986. More than half of this subpart F income was earned in tax haven countries.

Merchandise trade balance transactions between the 7,500 largest CFC's and their U.S. parent groups resulted in a net surplus of $18 billion, up $4 billion from 1986.

Almost 30 percent of the 7,500 CFC's were incorporated during the 1980's. Over 40 percent of the newly incorporated CFC's were primarily engaged in finance, insurance or real estate activities.

Data Sources and Limitations

The statistics in this article were derived from all U.S. corporation income tax returns with total assets of $500 million or more and with accounting periods ending July 1988 through June 1989, and from attached Form(s) 5471, *Information Return with Respect to a Foreign Corporation.*

The 7,500 largest CFC's were chosen based on size of total assets. Historical data show that these largest CFC's represent over 90 percent of all financial information for all CFC's. However, caution should be used in comparing these statistics to pre-1986 statistics since small and inactive CFC's were included in these earlier statistics.

Also, large CFC's tend to be engaged primarily in manufacturing or finance, insurance and real estate. Therefore, the 7,500 largest CFC's show a bias towards these industrial divisions. The statistics, based on the largest 7,500 CFC's, are therefore not altogether representative of the entire population of CFC's and should be used with caution when making comparisons with, or estimates of, the larger group.

When noting the rise or decline in the number of (or percentage of) CFC's in a particular group, it is very possible that certain foreign corporations that were among the top 7,500 companies for 1986, may still exist. However, these corporations may no longer be among the top 7,500. Therefore, changes in CFC activity from 1986 to 1988 may reflect differences in the mix of top 7,500 CFC's for a particular country or industry, but may not be reflective of the entire population of controlled foreign corporations.

Not all of the information regarding CFC transactions (e.g., transactions with unrelated parties) is available from Statistics of Income data. Total business receipts, earnings and profits, foreign taxes and transactions between CFC's and related parties (U.S. parent corporations and their domestic and foreign subsidiaries) are reported as part of the parent corporation's U.S. income tax return and are included in this article.

U.S. parent corporations were classified by the principal business activity reported on the corporation income tax return. Many returns were filed by corporations with diversified activities, and therefore included significant receipts, profits, and other items related to activities other than the principal business activity.

Controlled Foreign Corporations were also classified by their principal business activity as reported on Form 5471. As such, certain receipts, profits and transaction items may have been related to secondary business activities. It is not possible to measure the extent of these secondary operations.

When U.S. corporations filed consolidated Forms 5471 with aggregated data for several foreign companies, follow-up requests were made in cases where large money amounts were reported, in an attempt to obtain the CFC information on a disaggregated basis. Almost 100 percent

Figure I

All 7,500 Largest CFC's Compared With the Largest CFC's Incorporated After 1984, by Selected Country of Incorporation, 1988

[Money amounts are in millions of dollars]

Selected country	Total, largest CFC's		Largest CFC's incorporated after 1984			
	Number	Total assets	Number	Total assets	Percentage of largest CFC's	
					Number	Total assets
	(1)	(2)	(3)	(4)	(5)	(6)
All countries	**7,500**	**958,113**	**1,126**	**134,657**	**15.0**	**14.1**
United Kingdom	1,159	205,412	195	34,779	16.8	16.9
Canada	870	160,350	147	15,496	9.7	9.7
West Germany	496	82,478	72	8,514	14.5	10.3
France	439	42,330	69	4,542	15.7	10.7
Netherlands	365	41,033	58	6,667	15.9	16.2
Australia	347	37,770	52	7,166	15.0	19.0
Italy	337	31,976	54	2,177	16.0	6.8
Brazil	292	23,650	51	2,905	17.5	12.3
Bermuda	279	27,195	34	4,679	12.2	17.2
Japan	259	44,845	57	4,017	22.0	9.0
Switzerland	220	37,899	18	10,777	8.2	28.4
Belgium	210	23,689	34	2,914	16.2	12.3
Spain	210	17,566	29	1,716	13.8	9.8
Netherlands Antilles	182	35,266	13	3,198	7.1	9.1
Hong Kong	154	16,876	21	965	13.6	5.7
Mexico	118	7,550	8	392	6.8	5.2
Panama	107	12,931	4	129	3.7	1.0
Singapore	86	6,148	15	1,245	17.4	20.3
Cayman Islands	75	10,683	20	5,960	26.7	55.8
Ireland	74	9,144	8	4,728	10.8	51.7

of these requests were successful. Where no information was received, the data were left consolidated under the industry and country in which they were originally reported. Less than 2 percent of the CFC's included in these statistics contain financial information for a consolidated group of CFC's.

The 1988 data are based on returns filed by U.S. corporations with $500 million or more in assets and with full-year accounting periods; generally, part-year returns were deleted from the sample to avoid double counting of financial data. According to Internal Revenue Service regulations, a U.S. corporation had to submit a Form 5471 for any Controlled Foreign Corporation with an accounting period ending with or within the U.S. parent's accounting period. Therefore, CFC accounting periods may have ended as early as August 1987 (and, thus, began in September 1986) or as late as June 1989. However, most CFC activity did occur in Calendar Year 1988.

Increases in monetary amounts can be partially attributed to the declining value of the U.S. dollar. Between 1986 and 1988, the dollar depreciated 23 percent against the Japanese yen, 20 percent against the British pound, and 14 percent against the Canadian dollar. For example, 1 million pounds in business receipts reported by a British company in 1986 would be worth $1.428 million. But, in 1988, if the British company again had 1 million pounds in business receipts, it would be worth $1.790 million [19].

Explanation of Selected Terms

Business Receipts of Controlled Foreign Corporations. — Business receipts were, in general, gross receipts or gross sales less returns and allowances reported for CFC's on Forms 5471. In the finance, insurance and real estate industries, business receipts were generally the total income or receipts of the CFC and may have included other types of income such as interest, rents, royalties and other investment income. This definition differs from that used for the business receipts statistics for domestic parent corporations, which generally excludes investment income.

Earnings Invested in U.S. Property. — Generally, these are earnings repatriated back to the United States in non-dividend form. "U.S. property" includes most types of tangible and intangible property located in the United States, such as stocks of U.S. corporations and patents.

Factoring Income. — Factoring income is income derived from the acquisition of a trade or service receivable from a related person.

Foreign Income Taxes Paid by Controlled Foreign Corporations. — These were foreign income, war profits and excess profits taxes paid or accrued by CFC's to foreign countries or U.S. possessions (including Puerto Rico). Also included were taxes imposed by other countries (including the United States) in cases in which the CFC had business operations in countries other than the one in which it was incorporated.

Net Earnings and Profits (E&P). — Positive current earnings and profits less deficits.

Tax Haven. — A tax haven is a country which imposes income taxes at a lower rate than the countries whose taxpayers utilize it. In addition, financial and commercial information is frequently kept confidential. Tax haven countries include the following:

Antigua and Barbuda	Leeward Islands
Aruba	Liberia
Austria	Liechtenstein
Bahamas	Luxembourg
Bahrain	Monaco
Barbados	Netherlands
Belize	Netherlands Antilles
Bermuda	Panama
Cayman Islands	Singapore
Costa Rica	Switzerland
Gibraltar	Turks and Caicos Islands
Hong Kong	Windward Islands

U.S. Person. — A U.S. person is a domestic corporation, partnership, estate or trust, or any citizen or resident of the United States.

Notes and References

[1] Mulroney, Michael, *Subpart F - Background, Basic Concepts, and Terminology*, Tax Management Inc., Bureau of National Affairs, 1990, p. A-2.

[2] Mulroney, *op. cit.*, p. A-6.

[3] The subpart F provisions apply to shareholders of Controlled Foreign Corporations. Shareholders of noncontrolled foreign corporations face a different set of anti-deferral provisions, called the PFIC (passive foreign investment company) rules. These rules are contained in sections 1291-1297 of the Internal Revenue Code.

[4] U.S. persons may be eligible to claim foreign tax credits for foreign taxes which they have paid or are deemed to have paid, to reduce their U.S. tax liability on their foreign source earnings (see Daronco, Karla M. and Veletto, Kimberly A., "Corporate Foreign Tax Credit, 1988: An Industry Focus," *Statistics of*

Income Bulletin, Summer 1992, Volume 12, Number 1).

[5] The term "homes" refers to the CFC's country of incorporation, not necessarily the principal place where business is conducted. Almost 5 percent of the largest 7,500 CFC's conducted business in places other than the country of incorporation.

[6] For a more detailed explanation of this tax law change and its effects, see Lewis, Margaret P., "Foreign Recipients of U.S. Income, and Tax Withheld, 1986," *Statistics of Income Bulletin*, Winter 1988-1989, Volume 8, Number 3.

[7] For a more detailed explanation of tax law changes pertaining to South Africa, see sections 402 and 403 of the Comprehensive Anti-Apartheid Act of 1986.

[8] Doernberg, Richard, *International Taxation*, West Publishing Company, 1988, p. 175.

[9] These countries include Afghanistan, Albania, Angola, Cambodia, Cuba, Iran, Libya, North Korea, People's Republic of Yemen, Syria, and Vietnam.

[10] Doernberg, *op. cit.*, p. 175.

[11] Doernberg, *op. cit.*, p. 179.

[12] Prior to the Tax Reform Act of 1986, CFC's which passed a "significant purpose" test were exempt from the subpart F provisions. This was a subjective test exempting U.S. shareholders of CFC's who were viewed as not attempting to avoid or defer U.S. taxation. The more stringent 90 percent rule was effected by the 1986 Act.

[13] For 1988, the top 7,500 CFC's recorded $1.3 billion of increases in earnings invested in U.S. property. Previously excluded subpart F income amounted to $2.8 million, while factoring income totaled $20.2 million.

[14] See footnote 12.

[15] U.S. Department of Commerce, Bureau of the Census, *Highlights of U.S. Export and Import Trade*, FT 990, monthly.

[16] For a more detailed account of the auto industry in Mexico, see Karmokolias, Ioannis, "Prospects for the Automotive Industry in Lesser Developed Countries," *Finance & Development*, September 1990, Volume 27, Issue 3, pp. 47-49.

[17] Some corporations incorporated during the 1980's may just be reorganizations of older corporations.

[18] Casna, Richard (editor), *International Tax Report*, October 1987.

[19] U.S. Department of the Treasury, General Ledger Branch. Reporting rates of exchange for December, 1986, and December 31, 1988, were used for comparison.

Table 1.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Industrial Group of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns[1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes	
						Number of foreign corporations	Current earnings and profits (+) before taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries	**744**	**7,500**	**958,113,019**	**822,975,169**	**79,811,427**	**5,978**	**86,885,973**
Agriculture, forestry and fishing	**13**	**31**	**807,867**	**1,235,993**	**78,031**	**23**	**110,394**
Mining	**72**	**216**	**39,622,679**	**14,070,239**	**2,824,664**	**125**	**3,228,144**
Construction	**21**	**86**	**4,021,876**	**6,164,121**	**304,964**	**61**	**396,280**
Manufacturing	**418**	**3,060**	**343,317,903**	**484,236,296**	**49,370,100**	**2,560**	**51,602,241**
Food and kindred products	51	302	21,810,681	39,130,257	3,274,616	246	3,545,348
Chemicals and allied products	103	803	66,897,662	83,020,854	11,038,332	685	11,468,720
Petroleum (including integrated) and coal products	18	63	41,972,843	55,939,805	3,500,814	54	3,627,779
Fabricated metal products	67	186	7,307,196	9,387,094	946,381	162	987,617
Machinery, except electrical	74	305	64,398,388	65,726,099	10,171,060	245	10,540,724
Electrical and electronic equipment	85	379	27,668,873	42,150,919	3,414,244	314	3,708,935
Motor vehicles and equipment	30	179	49,080,891	106,802,626	6,847,965	145	7,016,715
Transportation and public utilities	**72**	**194**	**18,458,833**	**11,680,656**	**1,322,159**	**146**	**1,502,800**
Transportation	55	150	10,423,924	7,061,425	347,097	109	519,995
Communication	7	13	3,452,679	1,761,562	497,996	11	501,086
Electric, gas and sanitary services	13	31	4,582,231	2,857,670	477,066	26	481,719
Wholesale and retail trade	**265**	**1,271**	**106,224,942**	**224,169,456**	**10,384,105**	**1,023**	**12,221,129**
Wholesale trade	235	1,125	92,173,682	196,882,270	9,311,681	916	11,008,098
Finance, insurance and real estate	**461**	**2,061**	**414,855,910**	**62,052,583**	**13,010,572**	**1,587**	**14,964,351**
Banking	42	229	94,748,709	10,580,241	980,468	180	1,288,827
Credit agencies other than banks	145	479	113,860,645	14,292,986	2,773,273	400	3,076,357
Security, commodity brokers and services	34	140	53,286,950	5,788,057	263,346	96	539,937
Real estate	48	84	9,545,085	1,935,643	352,798	62	363,770
Holding and other investment companies, except bank holding companies	290	713	92,306,133	13,306,470	6,702,910	514	7,458,364
Services	**198**	**568**	**30,103,216**	**18,759,361**	**2,304,892**	**443**	**2,647,405**
Nature of business not allocable	**13**	**13**	**699,792**	**606,465**	**211,940**	**10**	**213,229**

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes --Continued	Current earnings and profits deficit (-) before taxes	Foreign income taxes on current earnings and profits (less deficit)		Current earnings and profits (+) after taxes	Actual distributions in current year	Subpart F income
	Foreign income taxes (net)		Net taxes	Taxes (+)			
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries	**24,064,632**	**7,074,546**	**23,929,652**	**24,454,944**	**63,122,159**	**45,524,746**	**12,101,074**
Agriculture, forestry and fishing	**21,068**	**32,363**	**21,385**	**21,385**	**89,499**	**60,051**	**17,693**
Mining	**1,169,581**	**403,480**	**1,120,944**	**1,217,866**	**2,234,704**	**2,146,376**	**396,584**
Construction	**147,744**	**91,317**	**145,626**	**151,689**	**251,521**	**175,126**	**17,607**
Manufacturing	**16,034,750**	**2,232,140**	**16,008,560**	**16,202,390**	**35,630,186**	**25,600,603**	**3,402,003**
Food and kindred products	1,028,298	270,732	1,021,721	1,041,825	2,520,799	2,219,182	109,942
Chemicals and allied products	3,650,451	430,387	3,654,847	3,682,771	7,831,238	4,617,443	502,653
Petroleum (including integrated) and coal products	937,151	126,965	941,812	944,484	2,690,658	1,814,052	319,784
Fabricated metal products	300,919	41,236	301,355	305,129	691,829	305,307	7,274
Machinery, except electrical	4,020,298	369,665	4,010,231	4,101,204	6,534,521	6,248,891	530,995
Electrical and electronic equipment	889,056	294,691	879,757	894,157	2,826,644	2,165,400	322,207
Motor vehicles and equipment	1,907,893	168,749	1,903,709	1,916,623	5,115,750	3,155,430	736,197
Transportation and public utilities	**391,366**	**180,641**	**393,398**	**396,576**	**1,111,455**	**528,920**	**264,533**
Transportation	75,257	172,897	76,591	78,001	444,759	90,540	235,709
Communication	178,752	3,090	178,743	178,752	322,334	119,500	3,320
Electric, gas and sanitary services	137,357	4,653	138,064	139,823	344,362	318,880	25,504
Wholesale and retail trade	**3,836,940**	**1,837,024**	**3,811,147**	**3,877,486**	**8,401,854**	**6,196,010**	**1,544,415**
Wholesale trade	3,394,810	1,696,417	3,378,617	3,429,889	7,628,408	5,675,125	1,519,625
Finance, insurance and real estate	**1,852,144**	**1,953,779**	**1,816,449**	**1,957,503**	**13,145,525**	**10,214,487**	**5,853,288**
Banking	256,377	308,359	256,529	267,945	1,033,212	245,651	545,753
Credit agencies other than banks	565,134	303,084	550,661	573,390	2,523,141	1,183,753	1,688,070
Security, commodity brokers and services	128,328	276,591	122,131	133,035	412,559	43,231	111,085
Real estate	79,988	10,972	79,610	80,976	288,727	66,688	113,718
Holding and other investment companies, except bank holding companies	458,451	755,454	456,052	534,657	7,010,617	7,713,223	2,336,789
Services	**604,249**	**342,513**	**605,350**	**623,256**	**2,050,678**	**602,213**	**604,952**
Nature of business not allocable	**6,792**	**1,290**	**6,792**	**6,792**	**206,737**	**961**	**–**

Footnotes at end of table.

Table 1.--U.S. Corporation Returns with Total Assets of $500 Million or More and their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Industrial Group of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected industrial group of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--				Payments by foreign corporations to--			
	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All industries	**199,617,859**	**75,534,182**	**123,815,388**	**268,289**	**247,684,297**	**135,676,987**	**111,841,708**	**165,602**
Agriculture, forestry and fishing	**332,184**	**9,044**	**323,140**	**--**	**208,088**	**115,773**	**92,315**	**--**
Mining	**2,418,720**	**1,484,795**	**925,910**	**8,014**	**3,323,836**	**2,464,123**	**859,713**	**--**
Construction	**568,271**	**160,645**	**407,626**	**--**	**776,451**	**361,847**	**414,604**	**--**
Manufacturing	**135,642,784**	**55,423,537**	**80,009,372**	**209,875**	**156,297,407**	**91,630,689**	**64,637,473**	**29,245**
Food and kindred products	6,134,399	608,895	5,525,231	273	7,407,630	2,935,212	4,472,418	--
Chemicals and allied products	18,933,364	3,649,124	15,284,240	--	24,121,839	11,364,825	12,756,677	337
Petroleum (including integrated) and coal products	7,729,775	2,849,788	4,879,987	--	9,793,087	6,834,038	2,959,049	--
Fabricated metal products	1,267,431	289,903	977,500	29	1,506,208	704,291	801,665	252
Machinery, except electrical	31,354,976	9,258,524	22,091,625	4,827	38,014,328	19,015,825	18,997,319	1,184
Electrical and electronic equipment	15,299,177	6,455,418	8,843,702	57	17,207,179	10,899,876	6,305,146	2,157
Motor vehicles and equipment	37,546,416	26,300,859	11,245,557	--	38,720,982	29,234,042	9,486,940	--
Transportation and public utilities	**1,258,234**	**843,152**	**415,081**	**(2)**	**1,084,025**	**373,337**	**703,475**	**7,214**
Transportation	1,136,093	778,778	357,314	(2)	510,556	207,825	297,918	4,813
Communication	38,870	33,624	5,247	--	302,635	75,733	224,501	2,401
Electric, gas and sanitary services	83,270	30,750	52,520	--	270,835	89,779	181,055	--
Wholesale and retail trade	**38,025,629**	**10,476,886**	**27,504,329**	**44,414**	**64,065,867**	**28,319,224**	**35,632,447**	**114,196**
Wholesale trade	36,415,467	10,045,559	26,368,666	1,242	59,813,837	26,980,704	32,718,937	114,196
Finance, insurance and real estate	**17,352,666**	**6,073,881**	**11,272,799**	**5,986**	**18,364,623**	**10,737,125**	**7,612,551**	**14,947**
Banking	1,337,576	865,663	471,910	3	1,700,665	1,020,698	679,966	--
Credit agencies other than banks	4,109,740	2,222,552	1,887,189	--	4,278,933	1,846,250	2,432,683	--
Security, commodity brokers and services	1,514,016	986,511	525,728	1,776	1,002,581	341,584	658,249	2,748
Real estate	213,936	79,465	134,471	--	280,811	115,866	164,945	--
Holding and other investment companies, except bank holding companies	8,427,157	986,610	7,436,774	3,773	9,609,455	6,653,910	2,943,347	12,199
Services	**3,983,172**	**1,057,465**	**2,925,707**	**--**	**3,456,275**	**1,643,699**	**1,812,576**	**--**
Nature of business not allocable	**36,199**	**4,777**	**31,422**	**--**	**107,725**	**31,171**	**76,554**	**--**

[1] Number of returns are not additive since some U.S. corporations have Controlled Foreign Corporations in more than one industrial group.

[2] Less than $500.

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

Table 2.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns[1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes	
						Number of foreign corporations	Current earnings and profits (+) before taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All geographic areas	**744**	**7,500**	**958,113,019**	**822,975,169**	**79,811,427**	**5,978**	**86,885,973**
Canada	**460**	**870**	**160,349,675**	**142,278,931**	**12,821,136**	**708**	**13,412,942**
Latin America, total	**278**	**871**	**67,791,225**	**63,592,127**	**8,502,464**	**680**	**9,721,089**
Mexico	81	118	7,549,625	9,428,139	1,223,219	86	1,347,689
Central America, total	71	132	13,601,105	9,589,600	987,204	104	1,134,345
Belize	--	--	--	--	--	--	--
Costa Rica	5	8	181,205	294,683	-7,663	6	7,771
El Salvador	**	**	**	**	**	**	**
Guatemala	4	4	80,774	123,307	-7,659	3	7,077
Honduras	5	8	291,488	471,101	40,544	7	40,646
Nicaragua	**	**	**	**	**	**	**
Panama	65	107	12,931,180	8,422,601	918,236	83	1,035,105
Caribbean countries, total	75	95	11,962,326	3,528,601	1,032,758	77	1,214,169
Cayman Islands (British)	58	75	10,683,328	2,364,132	763,442	60	880,232
Dominican Republic	**	**	**	**	**	**	**
Haiti	--	--	--	--	--	--	--
Jamaica	3	3	300,500	216,126	187,109	3	187,109
Trinidad and Tobago	**	**	**	**	**	**	**
Other Caribbean countries	12	13	521,983	761,209	-3,681	10	60,940
South America, total	197	526	34,678,168	41,045,788	5,259,283	413	6,024,887
Argentina	53	61	3,454,110	3,304,597	42,182	36	172,129
Bolivia	--	--	--	--	--	--	--
Brazil	158	292	23,649,760	29,707,456	4,148,887	222	4,734,357
Chile	26	52	2,537,341	1,603,207	259,305	47	270,990
Colombia	30	33	1,149,221	2,381,653	229,782	29	256,117
Ecuador	**	**	**	**	**	**	**
Paraguay	**	**	**	**	**	**	**
Peru	7	7	259,670	284,217	16,417	5	16,776
Uruguay	7	8	285,390	113,202	16,586	7	17,546
Venezuela	49	67	3,246,629	3,545,661	543,303	63	547,442
Other South American countries	--	--	--	--	--	--	--
Other Western Hemisphere, total	**287**	**520**	**70,826,154**	**28,839,412**	**3,800,307**	**440**	**4,129,649**
Bahamas	33	51	7,216,918	5,105,804	255,669	39	381,090
Bermuda	187	279	27,194,960	11,201,506	2,208,736	227	2,356,004
Netherlands Antilles	136	182	35,265,866	3,648,369	1,208,818	167	1,261,714
Other British West Indies	6	8	1,148,411	8,883,732	127,085	7	130,841
All other Western Hemisphere	--	--	--	--	--	--	--
Europe, total	**510**	**3,830**	**517,229,914**	**452,905,964**	**40,741,074**	**2,996**	**44,685,677**
European Economic Community, total	500	3,427	465,708,398	404,738,731	35,162,397	2,684	38,879,110
Belgium	130	210	23,689,202	20,831,428	1,736,111	180	1,843,478
Denmark	35	46	2,803,728	2,737,016	228,694	30	276,964
France (including Andorra)	232	439	42,329,635	54,149,744	3,360,754	335	3,743,833
Greece	19	20	495,332	1,204,668	41,812	16	50,104
Ireland	51	74	9,143,757	3,589,958	783,181	61	828,838
Italy (including San Marino)	196	337	31,975,821	34,926,624	2,372,433	269	3,400,807
Luxembourg	21	33	6,845,366	1,851,947	237,212	28	281,913
Netherlands	188	365	41,032,710	35,838,811	4,473,699	294	4,691,383
Portugal	32	38	1,936,335	2,483,132	244,001	32	252,431
Spain	136	210	17,565,699	18,995,888	2,316,063	185	2,409,304
United Kingdom	399	1,159	205,412,482	135,953,877	12,601,876	877	13,878,068
West Germany	258	496	82,478,332	92,175,639	6,766,559	377	7,221,987

Footnotes at end of table.

Table 2.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns[1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes	
						Number of foreign corporations	Current earnings and profits (+) before taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Other West European countries, total	170	402	51,223,880	48,122,548	5,561,070	311	5,788,960
Austria	36	48	4,130,108	4,094,415	297,822	37	320,904
Finland	20	21	1,421,673	2,186,383	175,832	16	185,875
Liechtenstein	5	8	278,042	231,941	30,272	5	31,664
Monaco	**	**	**	**	**	**	**
Norway	32	36	2,753,565	3,177,344	173,917	22	221,923
Sweden	51	55	3,957,487	6,027,776	355,464	40	402,235
Switzerland	127	220	37,898,892	31,584,268	4,477,469	180	4,554,214
Turkey	9	9	354,834	677,523	23,309	7	44,236
All other West European countries	**	**	**	**	**	**	**
East European countries, total	**	**	**	**	**	**	**
East Germany	–	–	–	–	–	–	–
Rumania	–	–	–	–	–	–	–
Union of Soviet Socialist Republics	–	–	–	–	–	–	–
Other East European countries	**	**	**	**	**	**	**
Africa, total	**78**	**164**	**10,025,716**	**9,354,837**	**946,646**	**130**	**1,084,108**
North Africa, total	11	15	342,625	668,063	38,953	13	42,797
Algeria	**	**	**	**	**	**	**
Egypt	7	7	139,541	274,479	19,237	5	23,081
Libya	–	–	–	–	–	–	–
Morocco	4	4	103,476	120,582	11,631	4	11,631
Other North African countries	**	**	**	**	**	**	**
East Africa, total	6	7	273,619	329,402	41,434	5	45,691
Ethiopia	–	–	–	–	–	–	–
Kenya	**	**	**	**	**	**	**
Tanzania	–	–	–	–	–	–	–
Uganda	–	–	–	–	–	–	–
Other East African countries	**	**	**	**	**	**	**
West and Central Africa, total	40	88	7,091,825	3,986,415	494,397	63	581,143
Gabon	**	**	**	**	**	**	**
Ghana	**	**	**	**	**	**	**
Liberia	30	62	5,230,427	1,972,648	90,932	44	157,223
Nigeria	9	9	1,177,665	1,007,387	249,186	6	263,955
Zaire	3	4	117,676	113,582	14,170	4	14,170
Other West and Central African countries	6	10	300,875	533,360	8,356	6	14,041
Southern Africa, total	42	54	2,317,647	4,370,956	371,862	49	414,478
Malawi	**	**	**	**	**	**	**
Zimbabwe	6	8	325,720	520,392	93,563	8	93,563
South Africa (including Namibia)	39	44	1,922,000	3,752,771	265,427	39	308,043
Zambia	**	**	**	**	**	**	**
Other Southern African countries	–	–	–	–	–	–	–
Asia, total	**256**	**749**	**82,384,554**	**92,511,270**	**10,030,986**	**622**	**10,548,704**
Middle East, total	25	40	2,119,365	1,651,218	247,789	31	272,520
Bahrain	3	3	154,757	98,396	33,057	3	33,057
Iran	–	–	–	–	–	–	–
Iraq	–	–	–	–	–	–	–
Israel	8	17	592,479	527,913	72,187	14	74,993
Kuwait	**	**	**	**	**	**	**
Lebanon	**	**	**	**	**	**	**
Qatar	–	–	–	–	–	–	–
Saudi Arabia	9	13	1,020,021	509,767	121,861	9	143,367
United Arab Emirates	**	**	**	**	**	**	**
Other Areas of Arabian Peninsula	–	–	–	–	–	–	–
Other Middle East countries	**	**	**	**	**	**	**

Footnotes at end of table.

Table 2.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns[1]	7,500 largest Controlled Foreign Corporations					
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes	
						Number of foreign corporations	Current earnings and profits (+) before taxes
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Southern and Southeastern Asia, total	97	197	11,858,965	15,404,957	1,153,213	173	1,432,558
Bangladesh	--	--	--	--	--	--	--
India	8	8	344,123	485,638	56,692	8	56,692
Indonesia	8	9	394,293	166,028	25,612	5	29,526
Malaysia	20	32	1,577,814	3,700,117	274,915	31	277,336
Pakistan	**	**	**	**	**	**	**
Philippines	24	25	1,613,616	1,941,837	121,444	23	129,185
Singapore	65	86	6,147,659	6,452,025	508,512	69	773,782
Sri Lanka	--	--	--	--	--	--	--
Thailand	27	32	1,569,343	2,558,151	149,747	32	149,747
Vietnam	--	--	--	--	--	--	--
Other Southern and Southeastern Asian countries	**	**	**	**	**	**	**
East Asia, total	226	512	68,406,223	75,455,095	8,629,984	418	8,843,626
China	7	8	155,065	60,967	-1,022	3	1,915
Taiwan	42	50	3,177,774	5,618,883	642,125	48	643,811
Hong Kong	110	154	16,875,530	9,795,690	1,387,688	126	1,450,530
Japan	160	259	44,845,347	55,446,061	6,355,070	214	6,476,919
South Korea, Republic of	32	41	3,352,507	4,533,494	246,123	27	270,452
Other Eastern Asian countries	--	--	--	--	--	--	--
Oceania, total	**204**	**412**	**41,660,798**	**28,467,370**	**2,467,117**	**325**	**2,786,107**
Australia	200	347	37,769,546	25,434,709	2,329,597	278	2,594,987
New Zealand	38	62	3,807,131	2,924,763	126,533	44	180,133
Other countries of Oceania	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**50**	**84**	**7,844,982**	**5,025,259**	**501,697**	**77**	**517,697**
Puerto Rico	38	69	6,481,722	1,457,509	236,589	62	252,589
U.S. Possessions, total	12	15	1,363,261	3,567,750	265,108	15	265,108
American Samoa	--	--	--	--	--	--	--
Guam	5	5	144,963	397,575	37,490	5	37,490
U.S. Virgin Islands	7	10	1,218,298	3,170,175	227,618	10	227,618
Other U.S. Possessions	--	--	--	--	--	--	--
OPEC countries (included above)	**64**	**107**	**6,001,047**	**5,380,131**	**961,652**	**91**	**1,007,261**
Tax haven countries (included above)	**465**	**1,706**	**214,122,391**	**132,736,116**	**17,027,006**	**1,388**	**18,428,995**

Footnotes at end of table.

Table 2.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes --Continued	Current earnings and profits deficit (-) before taxes	Foreign income taxes on current earnings and profits (less deficit)		Current earnings and profits (+) after taxes	Actual distributions in current year	Subpart F income
	Foreign income taxes (net)		Net taxes	Taxes (+)			
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All geographic areas	**24,064,632**	**7,074,546**	**23,929,652**	**24,454,944**	**63,122,159**	**45,524,746**	**12,101,074**
Canada	**4,083,768**	**591,807**	**3,999,207**	**4,108,810**	**9,362,980**	**6,750,034**	**982,015**
Latin America, total	**2,099,866**	**1,218,626**	**2,125,600**	**2,144,797**	**7,652,313**	**3,112,610**	**1,632,221**
Mexico	411,187	124,470	419,855	421,719	948,575	297,183	96,900
Central America, total	122,946	147,141	126,377	129,725	1,017,664	404,635	560,972
Belize	--	--	--	--	--	--	--
Costa Rica	2,708	15,434	2,708	2,799	5,164	1,658	--
El Salvador	**	**	**	**	**	**	**
Guatemala	2,295	14,736	344	2,295	4,783	3,309	1,386
Honduras	18,015	--	18,015	18,015	22,631	11,694	1,283
Nicaragua	**	**	**	**	**	**	**
Panama	70,357	116,869	75,739	77,045	964,769	375,258	557,918
Caribbean countries, total	40,707	181,411	46,099	46,105	1,173,462	920,741	360,434
Cayman Islands (British)	20,688	116,790	25,080	25,086	859,545	848,269	314,973
Dominican Republic	**	**	**	**	**	**	**
Haiti	--	--	--	--	--	--	--
Jamaica	1,312	--	1,312	1,312	185,797	648	574
Trinidad and Tobago	**	**	**	**	**	**	**
Other Caribbean countries	8,047	64,621	9,047	9,047	52,892	48,504	44,543
South America, total	1,525,025	765,603	1,533,269	1,547,248	4,512,613	1,490,052	613,915
Argentina	42,554	129,947	43,995	45,153	130,360	125,044	28,261
Bolivia	--	--	--	--	--	--	--
Brazil	1,180,249	585,469	1,189,886	1,191,831	3,559,652	1,040,497	513,761
Chile	13,425	11,685	13,566	13,566	257,565	61,929	42,846
Colombia	67,483	26,335	62,905	67,570	190,257	85,727	6,892
Ecuador	**	**	**	**	**	**	**
Paraguay	**	**	**	**	**	**	**
Peru	16,195	359	17,661	206,688	5,365	4,537	--
Uruguay	2,709	960	2,709	2,709	14,837	4,578	8,510
Venezuela	200,565	4,139	200,478	206,688	346,891	162,972	13,645
Other South American countries	--	--	--	--	--	--	--
Other Western Hemisphere, total	**373,392**	**329,341**	**372,194**	**376,138**	**3,756,694**	**3,333,649**	**2,170,387**
Bahamas	82,348	125,421	82,623	82,623	298,742	218,335	96,007
Bermuda	208,451	147,268	206,032	209,814	21,477,948	1,661,114	1,154,631
Netherlands Antilles	76,178	52,896	77,124	77,286	1,185,577	1,003,069	837,696
Other British West Indies	6,415	3,757	6,415	6,415	124,426	451,131	82,053
All other Western Hemisphere	--	--	--	--	--	--	--
Europe, total	**11,948,260**	**3,944,603**	**11,875,496**	**12,233,787**	**32,953,714**	**26,979,203**	**5,756,405**
European Economic Community, total	11,103,139	3,716,713	11,038,884	11,369,563	27,985,876	22,185,571	3,734,502
Belgium	454,823	107,367	457,266	462,266	1,392,858	853,589	352,823
Denmark	112,126	48,270	111,957	115,800	165,616	146,002	9,272
France (including Andorra)	1,349,942	383,079	1,344,497	1,362,864	2,398,908	1,494,267	186,950
Greece	15,584	8,291	15,800	15,812	34,977	4,670	5,643
Ireland	18,616	45,657	18,278	18,883	810,274	565,492	106,893
Italy (including San Marino)	1,278,697	1,028,373	1,268,774	1,289,802	2,130,436	1,406,853	246,491
Luxembourg	70,696	44,701	70,704	70,730	211,217	108,615	22,705
Netherlands	996,448	217,684	975,831	101,587	3,705,609	2,501,120	788,834
Portugal	68,235	8,430	68,120	68,549	184,215	128,730	23,466
Spain	568,540	93,241	568,866	569,112	1,842,374	973,982	154,316
United Kingdom	3,862,904	1,276,192	3,824,438	3,965,856	10,183,188	9,451,604	1,321,853
West Germany	2,306,528	455,428	2,314,351	2,419,303	4,926,205	4,550,647	515,256

Footnotes at end of table.

Table 2.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations–Continued						
	Foreign corporations with current earnings and profits (+) before taxes –Continued	Current earnings and profits deficit (-) before taxes	Foreign income taxes on current earnings and profits (less deficit)		Current earnings and profits (+) after taxes	Actual distributions in current year	Subpart F income
	Foreign income taxes (net)		Net taxes	Taxes (+)			
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Other West European countries, total	843,262	227,890	834,753	862,366	4,952,089	4,785,002	2,009,667
Austria	127,284	23,081	125,020	128,106	194,251	300,172	16,689
Finland	50,251	10,043	50,915	51,083	135,936	118,258	4,160
Liechtenstein	2,376	1,392	2,494	2,494	29,288	15,312	19,353
Monaco	**	**	**	**	**	**	**
Norway	40,796	48,006	39,815	45,491	181,127	87,134	6,568
Sweden	204,454	46,772	199,292	205,959	199,385	123,815	4,349
Switzerland	400,494	76,745	399,611	411,624	4,157,563	4,109,934	1,942,244
Turkey	16,760	20,926	16,760	16,760	27,476	8,735	2,727
All other West European countries	**	**	**	**	**	**	**
East European countries, total	**	**	**	**	**	**	**
East Germany	–	–	–	–	–	–	–
Rumania	–	–	–	–	–	–	–
Union of Soviet Socialist Republics	–	–	–	–	–	–	–
Other East European countries	**	**	**	**	**	**	**
Africa, total	**384,379**	**137,461**	**390,703**	**392,070**	**699,735**	**538,900**	**176,882**
North Africa, total	13,206	3,843	13,651	13,651	29,597	18,492	3,947
Algeria	**	**	**	**	**	**	**
Egypt	4,854	3,843	5,299	5,299	18,227	13,790	3,947
Libya	–	–	–	–	–	–	–
Morocco	5,210	–	5,210	5,210	6,429	3,685	–
Other North African countries	**	**	**	**	**	**	**
East Africa, total	21,034	4,256	20,339	21,034	24,656	10,086	2,969
Ethiopia	–	–	–	–	–	–	–
Kenya	**	**	**	**	**	**	**
Tanzania	–	–	–	–	–	–	–
Uganda	–	–	–	–	–	–	–
Other East African countries	**	**	**	**	**	**	**
West and Central Africa, total	166,339	86,746	173,585	173,585	414,803	360,244	76,474
Gabon	**	**	**	**	**	**	**
Ghana	**	**	**	**	**	**	**
Liberia	93	66,292	93	93	157,130	39,874	73,734
Nigeria	95,262	14,769	102,504	102,504	168,694	254,608	–
Zaire	5,583	–	5,583	5,583	8,587	4,980	2,741
Other West and Central African countries	4,279	5,685	4,282	4,282	9,762	6,726	–
Southern Africa, total	183,800	42,616	183,129	183,800	230,678	150,078	93,492
Malawi	**	**	**	**	**	**	**
Zimbabwe	39,706	–	39,706	39,706	53,857	20,891	–
South Africa (including Namibia)	138,921	42,616	138,250	138,921	169,122	125,969	90,197
Zambia	**	**	**	**	**	**	**
Other Southern African countries	–	–	–	–	–	–	–
Asia, total	**4,202,511**	**517,718**	**45,208,069**	**4,216,075**	**6,357,625**	**4,097,972**	**983,865**
Middle East, total	26,371	24,730	26,592	26,592	249,592	340,066	77,210
Bahrain	3	–	3	3	33,054	–	1,847
Iran	–	–	–	–	–	–	–
Iraq	–	–	–	–	–	–	–
Israel	19,331	2,805	19,424	19,424	59,088	8,656	–
Kuwait	**	**	**	**	**	**	**
Lebanon	**	**	**	**	**	**	**
Qatar	–	–	–	–	–	–	–
Saudi Arabia	866	21,506	970	970	142,518	328,808	75,363
United Arab Emirates	**	**	**	**	**	**	**
Other Areas of Arabian Peninsula	–	–	–	–	–	–	–
Other Middle East countries	**	**	**	**	**	**	**

Footnotes at end of table.

Table 2.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Foreign corporations with current earnings and profits (+) before taxes --Continued	Current earnings and profits deficit (-) before taxes	Foreign income taxes on current earnings and profits (less deficit)		Current earnings and profits (+) after taxes	Actual distributions in current year	Subpart F income
	Foreign income taxes (net)		Net taxes	Taxes (+)			
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Southern and Southeastern Asia, total	204,533	279,345	206,420	209,761	1,232,541	865,382	158,191
Bangladesh	--	--	--	--	--	--	--
India	23,533	--	23,533	23,533	33,159	9,792	1,765
Indonesia	7,442	3,914	7,524	7,524	22,084	13,803	--
Malaysia	30,481	2,421	30,481	30,841	247,107	150,032	17,842
Pakistan	**	**	**	**	**	**	**
Philippines	45,417	7,740	43,397	45,417	87,872	50,862	9,408
Singapore	47,656	265,270	51,482	52,444	726,126	608,241	122,256
Sri Lanka	--	--	--	--	--	--	--
Thailand	43,134	--	43,134	43,134	106,772	28,671	4,685
Vietnam	--	--	--	--	--	--	--
Other Southern and Southeastern Asian countries	**	**	**	**	**	**	**
East Asia, total	3,971,608	213,642	3,975,057	3,979,722	4,875,492	2,892,525	748,464
China	477	2,936	477	477	1,438	--	--
Taiwan	72,921	1,686	72,914	73,696	570,889	107,322	39,799
Hong Kong	195,287	62,842	194,558	197,556	1,255,285	873,584	434,105
Japan	3,622,841	121,848	3,626,960	3,627,844	2,857,169	1,850,972	261,270
South Korea, Republic of	80,081	24,330	80,148	80,148	190,711	60,646	13,290
Other Eastern Asian countries	--	--	--	--	--	--	--
Oceania, total	**885,930**	**318,990**	**871,855**	**896,739**	**1,907,928**	**611,983**	**385,101**
Australia	830,639	265,390	815,555	838,008	1,765,358	548,448	371,270
New Zealand	53,034	53,600	54,043	56,474	1,333,839	50,511	13,830
Other countries of Oceania	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**86,527**	**16,000**	**86,527**	**86,527**	**431,169**	**100,394**	**14,198**
Puerto Rico	63,153	16,000	63,153	63,153	189,435	47,537	14,198
U.S. Possessions, total	23,374	--	23,374	23,374	241,734	52,857	--
American Samoa	--	--	--	--	--	--	--
Guam	6,090	--	6,090	6,090	31,400	31,604	--
U.S. Virgin Islands	17,284	--	17,284	17,284	210,333	21,253	--
Other U.S. Possessions	--	--	--	--	--	--	--
OPEC countries (included above)	**310,741**	**45,610**	**318,269**	**324,480**	**696,552**	**767,366**	**89,007**
Tax haven countries (included above)	**2,314,669**	**1,401,989**	**2,303,703**	**2,362,892**	**16,130,076**	**13,181,029**	**6,521,116**

Footnotes at end of table.

Table 2.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--				Payments by foreign corporations to--			
	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
All geographic areas	**199,617,859**	**75,534,182**	**123,815,388**	**268,289**	**247,684,297**	**135,676,987**	**111,841,708**	**165,602**
Canada	**37,206,929**	**30,066,847**	**7,092,202**	**47,880**	**42,222,392**	**36,986,642**	**5,225,493**	**10,257**
Latin America, total	**12,210,198**	**6,792,967**	**5,374,060**	**43,172**	**12,372,477**	**8,506,412**	**3,863,550**	**2,514**
Mexico	3,587,378	3,130,159	457,219	--	3,724,733	3,080,324	644,394	15
Central America, total	2,081,106	1,013,208	1,024,726	43,172	1,161,717	863,877	297,840	--
Belize	--	--	--	--	--	--	--	--
Costa Rica	154,878	3,573	151,306	--	39,831	28,239	11,592	--
El Salvador	**	**	**	**	**	**	**	**
Guatemala	65,064	2,262	62,801	--	11,864	9,356	2,508	--
Honduras	104,992	73,615	31,377	--	91,915	62,046	29,868	--
Nicaragua	**	**	**	**	**	**	**	**
Panama	1,647,790	931,676	672,942	43,172	1,004,475	757,404	247,071	--
Caribbean countries, total	874,719	280,392	594,326	--	1,344,055	1,127,551	214,103	2,401
Cayman Islands (British)	746,334	202,025	544,310	--	1,232,859	1,055,550	177,309	--
Dominican Republic	**	**	**	**	**	**	**	**
Haiti	--	--	--	--	--	--	--	--
Jamaica	826	87	739	--	6,351	6,351	--	--
Trinidad and Tobago	**	**	**	**	**	**	**	**
Other Caribbean countries	127,242	77,964	49,278	--	69,358	64,485	2,472	2,401
South America, total	5,666,995	2,369,207	3,297,788	--	6,141,972	3,434,660	2,707,214	98
Argentina	725,153	167,940	557,213	--	617,275	467,869	149,308	98
Bolivia	--	--	--	--	--	--	--	--
Brazil	4,514,012	2,030,212	2,483,801	--	4,016,489	1,971,778	2,044,711	--
Chile	96,967	46,641	50,326	--	269,938	185,908	84,031	--
Colombia	167,324	87,485	79,839	--	354,589	232,790	121,799	--
Ecuador	**	**	**	**	**	**	**	**
Paraguay	**	**	**	**	**	**	**	**
Peru	8,200	5,685	2,515	--	42,794	23,899	18,895	--
Uruguay	837	616	222	--	19,427	18,145	1,282	--
Venezuela	137,948	29,515	108,432	--	803,680	516,764	286,916	--
Other South American countries	--	--	--	--	--	--	--	--
Other Western Hemisphere, total	**8,395,548**	**5,660,320**	**2,734,765**	**463**	**8,797,072**	**5,866,398**	**2,836,974**	**93,699**
Bahamas	262,967	91,717	171,251	--	1,351,406	962,698	387,867	841
Bermuda	4,283,380	2,640,320	1,642,626	434	3,371,125	2,250,059	1,121,066	--
Netherlands Antilles	2,607,464	2,256,450	351,014	--	1,298,610	1,046,618	251,992	--
Other British West Indies	1,241,736	671,833	569,874	29	2,775,931	1,607,024	1,076,049	92,858
All other Western Hemisphere	--	--	--	--	--	--	--	--
Europe, total	**115,519,992**	**18,346,084**	**97,156,844**	**17,064**	**150,146,833**	**60,832,511**	**89,293,946**	**20,376**
European Economic Community, total	102,287,692	16,061,725	86,209,579	16,388	129,950,744	51,975,350	77,955,532	19,862
Belgium	7,185,327	516,694	6,668,634	--	5,746,972	2,115,804	3,631,168	--
Denmark	535,401	74,959	460,442	--	1,015,537	355,023	658,893	1,621
France (including Andorra)	12,862,361	1,763,916	11,098,445	--	17,076,045	5,737,571	11,338,475	--
Greece	47,178	2,462	44,716	--	143,430	38,175	105,255	--
Ireland	1,899,524	178,346	1,721,178	--	1,540,968	859,854	681,113	--
Italy (including San Marino)	5,095,169	840,368	4,253,299	1,502	12,057,926	4,934,022	7,123,107	796
Luxembourg	1,088,698	248,337	840,361	--	612,027	198,168	413,859	--
Netherlands	13,911,044	1,654,206	12,256,564	273	17,985,787	6,956,638	11,028,897	252
Portugal	492,022	17,587	474,436	--	805,256	293,524	511,732	--
Spain	3,428,709	242,870	3,185,839	--	5,768,113	1,866,500	3,901,613	--
United Kingdom	32,717,094	7,819,377	24,883,108	14,610	40,400,313	17,339,217	23,043,903	17,193
West Germany	23,025,163	2,702,603	20,322,557	3	26,798,368	11,280,852	15,517,516	--

Footnotes at end of table.

Table 2.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued							
	Receipts by foreign corporations from--				Payments by foreign corporations to--			
	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Other West European countries, total	13,232,290	2,284,349	10,947,265	676	20,188,790	8,850,249	11,338,028	514
Austria	870,889	92,160	778,729	--	1,562,288	493,873	1,068,415	--
Finland	42,804	7,599	35,205	--	613,150	217,905	395,244	--
Liechtenstein	149,917	52,169	97,748	--	40,427	22,110	18,317	--
Monaco	**	**	**	**	**	**	**	**
Norway	450,184	208,997	241,187	--	982,769	550,058	432,711	--
Sweden	1,834,669	284,392	1,549,601	676	1,984,169	484,445	1,499,210	514
Switzerland	9,839,938	1,601,647	8,238,291	--	14,821,991	7,044,486	7,777,505	--
Turkey	40,932	37,060	3,873	--	158,635	19,977	138,658	--
All other West European countries	**	**	**	**	**	**	**	**
East European countries, total	**	**	**	**	**	**	**	**
East Germany	--	--	--	--	--	--	--	--
Rumania	--	--	--	--	--	--	--	--
Union of Soviet Socialist Republics	--	--	--	--	--	--	--	--
Other East European countries	**	**	**	**	**	**	**	**
Africa, total	**1,763,252**	**1,002,311**	**735,789**	**25,152**	**1,589,416**	**791,516**	**792,757**	**5,143**
North Africa, total	10,166	2,627	7,539	--	40,755	21,659	19,096	--
Algeria	**	**	**	**	**	**	**	**
Egypt	924	126	799	--	22,573	15,751	6,822	--
Libya	--	--	--	--	--	--	--	--
Morocco	7,025	357	6,668	--	13,790	3,711	10,080	--
Other North African countries	**	**	**	**	**	**	**	**
East Africa, total	61,023	16,560	44,463	--	69,092	64,966	4,126	--
Ethiopia	--	--	--	--	--	--	--	--
Kenya	**	**	**	**	**	**	**	**
Tanzania	--	--	--	--	--	--	--	--
Uganda	--	--	--	--	--	--	--	--
Other East African countries	**	**	**	**	**	**	**	**
West and Central Africa, total	1,147,867	980,394	142,320	25,152	600,350	441,125	154,082	5,143
Gabon	**	**	**	**	**	**	**	**
Ghana	**	**	**	**	**	**	**	**
Liberia	757,960	625,517	132,443	--	143,527	41,851	101,676	--
Nigeria	132,485	1,248,862	7,622	--	278,059	271,208	6,850	--
Zaire	1,032	969	63	--	9,541	7,277	2,264	--
Other West and Central African countries	2,468	316	2,153	--	51,366	10,941	40,425	--
Southern Africa, total	544,197	2,729	541,467	--	879,219	263,765	615,454	--
Malawi	**	**	**	**	**	**	**	**
Zimbabwe	7,728	--	7,728	--	34,396	7,888	26,508	--
South Africa (including Namibia)	536,371	2,631	533,740	--	841,536	255,539	585,997	--
Zambia	**	**	**	**	**	**	**	**
Other Southern African countries	--	--	--	--	--	--	--	--
Asia, total	**19,757,608**	**11,173,491**	**8,581,730**	**2,387**	**25,634,785**	**18,476,870**	**7,134,217**	**23,698**
Middle East, total	524,458	274,555	249,903	--	538,348	379,280	159,069	--
Bahrain	68,054	62,903	5,151	--	15,370	1,646	13,724	--
Iran	--	--	--	--	--	--	--	--
Iraq	--	--	--	--	--	--	--	--
Israel	318,196	207,897	110,299	--	134,145	46,555	87,591	--
Kuwait	**	**	**	**	**	**	**	**
Lebanon	**	**	**	**	**	**	**	**
Qatar	--	--	--	--	--	--	--	--
Saudi Arabia	131,492	2,799	128,693	--	364,304	312,852	51,452	--
United Arab Emirates	**	**	**	**	**	**	**	**
Other Areas of Arabian Peninsula	--	--	--	--	--	--	--	--
Other Middle East countries	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 2.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions, Subpart F Income and Total Transactions, by Selected Country of Incorporation of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations–Continued							
	Receipts by foreign corporations from–				Payments by foreign corporations to–			
	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons	All related persons, total	U.S. corporation filing return and its domestic subsidiaries	Any foreign corporation controlled by U.S. corporation filing return	All other related persons
	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)
Southern and Southeastern Asia, total	7,705,654	5,189,069	2,516,528	57	8,033,617	5,613,580	2,419,978	60
Bangladesh	–	–	–	–	–	–	–	–
India	18,932	12,900	6,032	–	14,417	11,053	3,364	–
Indonesia	11,713	3,106	8,607	–	56,009	21,889	34,120	–
Malaysia	2,576,257	1,747,278	828,979	–	2,261,009	1,629,544	631,466	–
Pakistan	**	**	**	**	**	**	**	**
Philippines	425,129	196,853	228,276	–	648,491	245,723	402,769	–
Singapore	3,826,448	2,750,466	1,075,981	–	3,427,307	2,581,932	845,375	–
Sri Lanka	–	–	–	–	–	–	–	–
Thailand	842,858	478,463	364,338	57	1,620,230	1,120,369	499,801	60
Vietnam	–	–	–	–	–	–	–	–
Other Southern and Southeastern Asian countries	**	**	**	**	**	**	**	**
East Asia, total	11,527,495	5,709,867	5,815,298	2,330	17,062,819	12,484,011	4,555,171	23,638
China	11,082	578	10,504	–	12,449	6,161	6,288	–
Taiwan	1,287,722	972,515	315,207	–	1,058,521	803,533	254,987	–
Hong Kong	2,766,680	1,603,820	1,161,065	1,795	4,515,588	2,896,495	1,617,128	1,965
Japan	6,776,132	2,618,341	4,157,255	536	10,893,184	8,396,178	2,475,332	21,673
South Korea, Republic of	685,880	514,613	171,267	–	583,077	381,643	201,435	–
Other Eastern Asian countries	–	–	–	–	–	–	–	–
Oceania, total	**2,244,173**	**480,375**	**1,631,627**	**132,172**	**5,884,437**	**3,498,119**	**2,376,404**	**9,914**
Australia	2,042,147	425,282	1,484,693	132,172	5,077,509	3,142,999	1,924,595	9,914
New Zealand	200,649	55,092	145,557	–	767,420	352,674	414,746	–
Other countries of Oceania	**	**	**	**	**	**	**	**
Puerto Rico and U.S. Possessions, total	**2,520,160**	**2,011,787**	**508,372**	**–**	**1,036,885**	**718,519**	**318,366**	**–**
Puerto Rico	155,562	151,274	4,288	–	356,217	344,996	11,221	–
U.S. Possessions, total	2,364,598	1,860,513	504,084	–	680,667	373,522	307,145	–
American Samoa	–	–	–	–	–	–	–	–
Guam	68,642	47,196	21,446	–	339,367	319,161	20,206	–
U.S. Virgin Islands	2,295,955	1,813,317	482,638	–	341,300	54,361	286,939	–
Other U.S. Possessions	–	–	–	–	–	–	–	–
OPEC countries (included above)	**416,985**	**163,540**	**253,445**	**–**	**1,522,429**	**1,142,395**	**380,034**	**–**
Tax haven countries (included above)	**44,354,378**	**15,567,110**	**28,741,566**	**45,702**	**54,287,945**	**28,023,747**	**26,168,282**	**95,916**

[1] Number of returns are not additive since some U.S. corporations have Controlled Foreign Corporations in more than one country.
** Data deleted to avoid disclosure of information on specific corporations.
NOTE: Detail may not add to totals because of rounding.

Table 3.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations: Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Current earnings and profits (+) before taxes	Foreign corporations with current earnings and profits (+) before taxes: Foreign income taxes (net)	Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ALL GEOGRAPHIC AREAS										
All industries [2]	**744**	**7,500**	**958,113,019**	**822,975,169**	**79,811,427**	**86,885,973**	**24,064,632**	**23,929,652**	**45,524,746**	**12,101,074**
Agriculture, forestry and fishing	13	31	807,867	1,235,993	78,031	110,394	21,068	21,385	60,051	17,693
Mining	72	216	39,622,679	14,070,239	2,824,664	3,228,144	1,169,581	1,120,944	2,148,376	396,584
Construction	21	86	4,021,876	6,164,121	304,964	396,280	147,744	145,626	175,126	17,607
Manufacturing	418	3,060	343,317,903	484,236,296	49,370,100	51,602,241	16,034,750	16,008,560	25,600,603	3,402,003
Transportation and public utilities	72	194	18,458,833	11,680,656	1,322,159	1,502,800	391,366	393,398	528,920	264,533
Wholesale and retail trade	265	1,271	106,224,942	224,169,456	10,384,105	12,221,129	3,836,940	3,811,147	6,196,010	1,544,415
Finance, insurance and real estate	461	2,061	414,855,910	62,052,583	13,010,572	14,964,351	1,852,144	1,816,449	10,214,487	5,853,288
Services	198	568	30,103,216	18,759,361	2,304,892	2,647,405	604,249	605,350	602,213	604,952
CANADA										
All industries [2]	**460**	**870**	**160,349,675**	**142,278,931**	**12,821,136**	**13,412,942**	**4,083,768**	**3,999,207**	**6,750,034**	**982,015**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	41	60	22,754,157	5,508,732	532,606	687,557	241,137	175,930	305,572	19,028
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	280	408	67,782,373	96,624,689	8,860,798	8,997,108	2,758,205	2,757,032	4,252,907	618,711
Transportation and public utilities	27	37	6,099,899	3,914,072	566,026	570,167	223,896	225,271	123,506	14,867
Wholesale and retail trade	96	110	11,904,423	25,005,973	982,393	1,049,482	409,773	408,920	406,489	24,294
Finance, insurance and real estate	101	177	47,826,383	8,068,003	1,649,763	1,783,941	316,218	299,994	1,599,659	286,222
Services	54	66	3,573,992	2,257,177	177,222	267,435	109,852	106,716	18,399	18,892
BRAZIL										
All industries [2]	**158**	**292**	**23,649,760**	**29,707,456**	**4,148,887**	**4,734,357**	**1,180,249**	**1,189,886**	**1,040,497**	**513,761**
Agriculture, forestry and fishing	3	4	119,073	146,882	17,847	17,847	1,074	1,074	14,442	12,453
Mining	4	5	121,397	85,388	11,182	12,566	526	1,013	2,500	--
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	118	164	13,425,823	16,054,589	2,700,716	3,139,721	930,835	936,862	722,575	339,337
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	28	37	2,407,715	7,128,619	523,733	559,946	95,892	96,011	142,065	4,999
Finance, insurance and real estate	36	51	5,000,214	3,953,813	424,750	528,578	62,259	64,375	113,292	117,894
Services	21	25	1,889,261	1,733,070	327,990	333,029	30,934	31,037	4,080	39,078
MEXICO										
All industries [2]	**81**	**118**	**7,549,625**	**9,428,139**	**1,223,219**	**1,347,689**	**411,187**	**419,855**	**297,183**	**96,900**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--	--
Mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	62	80	5,830,026	8,131,730	1,079,977	1,157,552	364,992	370,145	212,702	58,952
Transportation and public utilities	--	--	--	--	--	--	--	--	--	--
Wholesale and retail trade	17	19	679,420	747,698	75,688	87,542	20,326	21,297	24,526	2,851
Finance, insurance and real estate	10	13	936,840	449,602	63,816	92,073	24,956	27,499	54,016	35,083
Services	**	**	**	**	**	**	**	**	**	**
PANAMA										
All industries [2]	**65**	**107**	**12,931,180**	**8,422,601**	**918,236**	**1,035,105**	**70,357**	**75,739**	**375,258**	**557,918**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	7	12	451,067	121,740	-656	14,950	4,709	6,205	4,214	55,013
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	15	19	2,702,974	1,398,302	388,272	391,483	24,144	25,815	59,949	170,891
Transportation and public utilities	8	20	1,961,760	1,099,836	139,433	142,176	17,625	18,236	7,647	107,914
Wholesale and retail trade	16	18	2,072,990	5,068,817	226,017	251,180	11,484	11,534	164,951	148,898
Finance, insurance and real estate	21	27	5,211,624	525,976	150,887	211,577	5,387	6,164	135,581	66,722
Services	**	**	**	**	**	**	**	**	**	**

Footnotes at end of table.

Table 3.–U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation–Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
						Current earnings and profits (+) before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
BAHAMAS										
All industries [2]	**33**	**51**	**7,216,918**	**5,105,804**	**255,669**	**381,090**	**82,348**	**82,623**	**218,335**	**96,007**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--	--
Mining	5	7	756,513	273,101	144,205	121,213	40,979	40,979	95,325	28,471
Construction	--	--	--	--	--	--	--	--	--	--
Manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	6	10	639,996	2,397,795	87,306	87,306	10,591	10,591	20,921	12,271
Finance, insurance and real estate	17	19	3,385,012	285,675	32,994	50,078	161	161	43,197	22,344
Services	4	7	782,000	456,975	41,547	53,070	17,225	17,225	14,902	17,930
BERMUDA										
All industries [2]	**187**	**279**	**27,194,960**	**11,201,506**	**2,208,736**	**2,356,004**	**208,451**	**206,032**	**1,661,114**	**1,154,631**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--	--
Mining	7	13	1,218,439	1,036,189	515,743	550,766	130,032	130,275	581,027	91,276
Construction	--	--	--	--	--	--	--	--	--	--
Manufacturing	9	10	1,888,994	825,537	323,505	324,838	2,880	2,939	108,262	27,854
Transportation and public utilities	9	12	512,279	478,799	5,531	12,403	1,237	1,237	40,934	6,259
Wholesale and retail trade	13	15	2,297,495	3,799,754	160,781	163,975	12,212	12,212	48,521	84,207
Finance, insurance and real estate	167	221	20,968,778	4,955,837	1,183,084	1,283,930	57,227	54,506	866,047	941,310
Services	8	8	308,973	105,390	20,092	20,092	4,864	4,864	16,322	3,725
NETHERLANDS ANTILLES										
All industries [2]	**136**	**182**	**35,265,866**	**3,648,369**	**1,208,818**	**1,261,714**	**76,178**	**77,124**	**1,003,069**	**837,696**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	**	**	**	**	**	**	**	**	**	**
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	128	172	34,419,642	3,347,785	1,132,398	1,185,155	74,606	75,247	1,003,069	819,960
Services	5	5	645,087	162,240	56,101	56,101	1,356	1,356	--	16,173
FRANCE (INCLUDING ANDORRA)										
All industries [2]	**232**	**439**	**42,329,635**	**54,149,744**	**3,360,754**	**3,743,833**	**1,349,942**	**1,344,497**	**1,494,267**	**186,950**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	156	261	25,173,886	38,957,767	2,570,888	2,759,401	1,020,187	1,017,847	1,241,827	43,750
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	69	88	6,860,894	11,134,941	438,887	540,584	217,559	214,729	114,712	4,971
Finance, insurance and real estate	33	48	8,551,011	1,505,006	233,843	294,763	48,983	49,046	82,776	136,830
Services	26	33	1,216,566	1,137,418	64,539	92,643	35,705	35,377	36,221	1,327
ITALY (INCLUDING SAN MARINO)										
All industries [2]	**196**	**337**	**31,975,821**	**34,926,624**	**2,372,433**	**3,400,807**	**1,278,697**	**1,268,774**	**1,406,853**	**246,491**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	117	180	18,135,265	25,123,926	2,597,980	2,673,611	1,053,365	1,042,757	1,105,057	172,780
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	63	75	4,833,303	7,379,348	-541,441	383,621	155,754	155,734	67,422	3,450
Finance, insurance and real estate	37	48	7,606,337	1,190,985	227,103	239,456	31,254	31,687	199,947	65,749
Services	19	24	712,309	677,594	74,931	79,240	30,601	30,874	12,489	4,512

Footnotes at end of table.

Table 3.—U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Subpart F Income, by Selected Country of Incorporation and Industrial Division of Controlled Foreign Corporation—Continued

[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
						Current earnings and profits (+) before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
NETHERLANDS										
All industries [2]	**188**	**365**	**41,032,710**	**35,838,811**	**4,473,699**	**4,691,383**	**996,448**	**975,831**	**2,501,120**	**788,834**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	4	5	276,178	97,560	18,067	18,067	5,789	5,789	--	--
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	87	126	16,014,733	23,140,146	2,914,566	3,039,920	733,754	733,934	1,441,789	90,282
Transportation and public utilities	7	8	317,659	111,728	49,059	49,059	18,238	18,238		13,747
Wholesale and retail trade	50	65	5,310,985	8,961,253	552,350	577,449	127,819	129,353	492,772	162,565
Finance, insurance and real estate	82	123	14,879,115	2,135,701	585,899	635,099	70,378	49,424	447,717	253,628
Services	24	33	4,089,337	1,191,827	332,440	350,471	31,806	30,429	109,174	268,612
SWITZERLAND										
All industries [2]	**127**	**220**	**37,898,892**	**31,584,268**	**4,477,469**	**4,554,214**	**400,494**	**399,611**	**4,109,934**	**1,942,244**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--	--
Mining	--	--	--	--	--	--	--	--	--	--
Construction	3	10	282,077	259,226	6,586	15,531	1,705	1,831	2,820	
Manufacturing	37	46	5,322,538	5,405,276	1,084,145	1,087,637	116,397	116,399	1,474,875	308,540
Transportation and public utilities	3	3	198,811	67,113	831	1,284	39	2,505	35,000	12,108
Wholesale and retail trade	50	63	8,053,397	21,516,575	958,860	988,981	165,163	161,049	766,857	445,675
Finance, insurance and real estate	53	80	23,091,129	3,950,222	2,363,901	2,393,396	105,902	106,424	1,821,083	1,156,099
Services	14	18	950,938	385,856	63,146	67,385	11,289	11,401	9,299	19,821
UNITED KINGDOM										
All industries [2]	**399**	**1,159**	**206,412,482**	**135,953,877**	**12,601,876**	**13,878,068**	**3,862,904**	**3,824,438**	**9,451,604**	**1,321,853**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	25	43	8,254,297	4,111,937	970,533	1,047,325	553,393	565,907	628,449	141,864
Construction	10	16	532,969	915,086	7,428	37,903	18,557	14,417	7,656	2,364
Manufacturing	219	386	48,140,128	76,857,996	6,812,697	7,129,945	1,935,617	1,908,465	4,976,198	342,992
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	87	121	17,826,118	34,267,804	2,055,060	2,195,564	736,554	733,247	1,119,980	101,650
Finance, insurance and real estate	177	452	124,089,989	14,062,313	2,305,318	2,898,248	492,349	476,191	2,548,666	682,854
Services	79	123	5,604,720	5,010,045	396,603	499,698	115,502	115,315	142,116	38,220
WEST GERMANY										
All industries [2]	**258**	**496**	**82,478,332**	**92,175,639**	**6,766,559**	**7,221,987**	**2,306,528**	**2,314,351**	**4,550,647**	**515,256**
Agriculture, forestry and fishing	--	--	--	--	--	--	--	--	--	--
Mining	**	**	**	**	**	**	**	**	**	**
Construction	5	6	316,530	549,129	18,960	25,208	10,258	10,258	15,427	
Manufacturing	158	264	41,557,779	65,118,557	5,186,131	5,417,293	1,804,368	1,801,668	3,338,038	210,461
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	83	101	8,834,067	20,800,381	747,733	830,919	247,197	245,414	746,184	82,984
Finance, insurance and real estate	53	75	28,880,129	3,238,575	634,763	724,354	138,598	145,957	316,594	211,106
Services	33	41	1,895,698	1,488,326	97,686	137,105	60,035	64,655	35,186	1,848
LIBERIA										
All industries [2]	**30**	**62**	**5,230,427**	**1,972,648**	**90,932**	**157,223**	**93**	**93**	**39,874**	**73,734**
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	**	**	**	**	**	**	**	**	**	**
Construction	--	--	--	--	--	--	--	--	--	--
Manufacturing	--	--	--	--	--	--	--	--	--	--
Transportation and public utilities	21	40	2,493,168	1,470,881	75,984	86,183	77	77	28,838	66,329
Wholesale and retail trade	**	**	**	**	**	**	**	**	**	**
Finance, insurance and real estate	10	15	2,011,652	61,259	-29,790	18,145	3	3	10,286	4,966
Services	--	--	--	--	--	--	--	--	--	--

Footnotes at end of table.

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[Money amounts are in thousands of dollars]

Selected country of incorporation and industrial division of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
						Current earnings and profits (+) before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
SOUTH AFRICA (INCLUDING NAMIBIA)										
All industries [2]	39	44	1,922,000	3,752,771	265,427	308,043	138,921	138,250	125,969	90,197
Agriculture, forestry and fishing	–	–	–	–	–	–	–	–	–	–
Mining	–	–	–	–	–	–	–	–	–	–
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	26	29	934,275	1,473,030	173,235	176,669	75,794	75,483	69,188	36,699
Transportation and public utilities	–	–	–	–	–	–	–	–	–	–
Wholesale and retail trade	9	10	913,641	2,152,684	79,881	118,655	57,422	57,062	54,904	51,051
Finance, insurance and real estate	**	**	**	**	**	**	**	**	**	**
Services	**	**	**	**	**	**	**	**	**	**
HONG KONG										
All industries [2]	110	154	16,875,530	9,795,690	1,387,688	1,450,530	195,287	194,558	873,584	434,105
Agriculture, forestry and fishing	–	–	–	–	–	–	–	–	–	–
Mining	–	–	–	–	–	–	–	–	–	–
Construction	–	–	–	–	–	–	–	–	–	–
Manufacturing	34	39	1,574,042	2,750,962	177,046	201,919	26,650	26,444	137,963	38,378
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	37	41	2,006,422	4,153,431	420,424	433,459	40,234	39,595	244,436	210,465
Finance, insurance and real estate	32	51	10,093,512	1,773,474	454,319	463,829	73,389	73,506	241,385	146,440
Services	13	14	567,977	242,284	69,335	72,024	7,124	7,124	27,162	36,972
JAPAN										
All industries [2]	160	259	44,845,347	55,446,061	6,355,070	6,476,919	3,622,841	3,626,960	1,850,972	261,270
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	–	–	–	–	–	–	–	–	–	–
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	92	126	29,698,242	32,462,600	4,584,718	4,629,432	2,611,650	2,612,772	1,444,768	214,998
Transportation and public utilities	**	**	**	**	**	**	**	**	**	**
Wholesale and retail trade	60	86	10,311,196	20,131,251	1,533,236	1,584,891	885,273	887,384	351,366	11,722
Finance, insurance and real estate	12	20	3,466,619	1,002,451	106,673	125,517	60,021	60,907	34,605	22,873
Services	14	20	1,013,092	1,077,292	107,808	108,452	47,207	47,207	13,866	11,677
AUSTRALIA										
All industries [2]	200	347	37,769,546	25,434,709	2,329,597	2,594,987	830,639	815,555	548,448	371,270
Agriculture, forestry and fishing	**	**	**	**	**	**	**	**	**	**
Mining	9	9	1,196,005	329,298	29,406	54,694	2,070	13	24,867	1,177
Construction	**	**	**	**	**	**	**	**	**	**
Manufacturing	110	131	10,229,941	12,767,839	1,519,430	1,552,869	554,003	552,574	314,156	53,691
Transportation and public utilities	4	6	227,261	309,819	-16,136	2,492		-1,326		
Wholesale and retail trade	47	54	4,493,822	8,101,734	300,646	384,105	114,446	102,910	67,120	45,398
Finance, insurance and real estate	61	114	20,469,027	3,189,420	456,427	547,892	143,866	145,756	123,265	270,914
Services	20	29	995,918	573,245	44,908	48,468	16,254	16,225	19,039	90

[1] Number of returns are not additive since some U.S. corporations have Controlled Foreign Corporations in different countries and in different industrial divisions. Moreover, data for only selected countries are shown.

[2] Includes "Nature of business not allocable," not shown separately.

** Data deleted to avoid disclosure of information on specific corporations.

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

Table 4.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Subpart F Income, by Industrial Division and Year of Incorporation of Controlled Foreign Corporation

[Money amounts are in thousands of dollars]

Industrial division and year of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
						Current earnings and profits (+) before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
All industries [2]	744	7,500	958,113,019	822,975,169	79,811,427	86,885,973	24,064,632	23,929,652	45,524,746	12,101,074
1988-1989 [3]	113	180	30,632,293	12,447,188	636,850	767,554	130,300	123,232	225,958	227,216
1985-1987	301	946	104,024,573	44,550,143	4,642,124	5,733,433	1,178,566	1,155,120	1,931,586	1,474,279
1980-1984	405	1,128	135,329,761	69,841,156	8,774,080	9,987,585	1,869,737	1,844,671	5,721,664	1,681,294
1975-1979	351	811	79,220,800	48,782,649	5,808,243	6,348,808	1,222,978	1,177,266	4,445,716	1,000,805
1970-1974	349	907	113,709,282	87,079,425	8,275,564	8,989,749	2,070,267	2,060,854	4,073,485	1,340,039
1965-1969	314	725	74,512,362	76,159,799	6,711,290	7,166,843	1,666,764	1,663,064	3,084,852	1,148,932
1960-1964	285	716	84,234,293	88,062,400	8,815,495	9,331,347	3,206,521	3,218,136	4,921,490	1,318,838
1955-1959	226	489	48,384,875	65,727,521	7,777,593	8,068,931	2,220,284	2,220,514	5,296,586	1,472,828
1950-1954	172	320	55,240,428	52,744,642	4,055,588	4,195,903	1,435,321	1,436,799	1,727,302	689,595
1945-1949	128	214	16,725,303	17,351,973	1,652,126	1,805,124	515,122	507,859	610,946	134,818
Prior to 1945	265	911	205,010,965	253,243,313	22,232,471	23,906,933	8,407,295	8,377,263	13,293,161	1,554,377
Year not reported	84	153	11,088,085	6,984,959	430,000	583,763	141,478	144,873	192,001	58,054
Agriculture, forestry and fishing	13	31	807,867	1,235,993	78,031	110,394	21,068	21,385	60,051	17,693
1988-1989 [3]	**	**	**	**	**	**	**	**	**	**
1985-1987	**	**	**	**	**	**	**	**	**	**
1980-1984	**	**	**	**	**	**	**	**	**	**
1975-1979	4	4	141,297	173,648	1,994	16,771	11	45	16,726	16,139
1970-1974	4	6	149,132	129,447	19,424	19,435	1,517	1,800	393	118
1965-1969	4	4	117,876	219,149	3,012	5,983	1,228	1,228	684	--
1960-1964	**	**	**	**	**	**	**	**	**	**
1955-1959	**	**	**	**	**	**	**	**	**	**
1950-1954	**	**	**	**	**	**	**	**	**	**
1945-1949	**	**	**	**	**	**	**	**	**	**
Prior to 1945	--	--	--	--	--	--	--	--	--	--
Year not reported	--	--	--	--	--	--	--	--	--	--
Mining	72	216	39,622,679	14,070,239	2,824,664	3,228,144	1,169,581	1,120,944	2,146,376	396,584
1988-1989 [3]	**	**	**	**	**	**	**	**	**	**
1985-1987	24	32	2,193,082	1,389,911	491,892	550,393	143,564	142,690	562,495	92,435
1980-1984	27	40	3,084,270	1,258,559	353,836	412,717	130,016	119,418	147,034	585
1975-1979	22	30	6,024,059	1,488,277	277,743	399,833	113,037	71,284	393,582	47,813
1970-1974	16	24	2,091,144	1,927,410	157,020	202,003	205,328	202,028	283,247	21,986
1965-1969	15	20	2,275,019	1,041,949	265,226	294,566	101,522	92,082	246,880	7,547
1960-1964	16	25	8,954,080	2,484,700	413,569	448,613	146,913	168,255	278,732	171,616
1955-1959	8	12	1,550,597	985,666	173,388	173,654	46,603	43,167	104,071	34,759
1950-1954	9	11	7,144,055	1,542,243	273,515	283,172	144,213	144,720	34,893	7,735
1945-1949	**	**	**	**	**	**	**	**	**	**
Prior to 1945	13	14	5,458,302	1,568,861	346,906	377,694	91,632	90,547	39,756	3,251
Year not reported	**	**	**	**	**	**	**	**	**	**
Construction	21	86	4,021,876	6,164,121	304,964	396,280	147,744	145,626	175,126	17,607
1988-1989 [3]	**	**	**	**	**	**	**	**	**	**
1985-1987	**	**	**	**	**	**	**	**	**	**
1980-1984	8	10	354,476	559,049	9,712	22,125	1,732	-1,174	--	2,364
1975-1979	6	8	172,558	267,001	6,546	12,145	842	974	2,311	713
1970-1974	8	9	254,820	845,232	18,730	25,358	9,595	10,102	10,259	1,204
1965-1969	8	9	747,829	1,021,209	71,840	89,012	23,742	22,743	37,067	11,391
1960-1964	6	9	364,227	612,025	28,635	42,799	20,559	20,123	21,508	73
1955-1959	6	9	308,618	598,470	28,196	35,480	17,786	17,725	8,057	--
1950-1954	5	9	489,269	681,709	35,538	44,422	21,461	22,238	38,382	--
1945-1949	**	**	**	**	**	**	**	**	**	**
Prior to 1945	6	14	1,065,869	1,214,603	55,898	69,336	33,514	33,454	43,374	1,862
Year not reported	--	--	--	--	--	--	--	--	--	--
Manufacturing	418	3,060	343,317,903	484,236,296	49,370,100	51,602,241	16,034,750	16,008,560	25,600,603	3,402,003
1988-1989 [3]	40	46	4,154,025	7,389,187	238,606	272,767	55,958	54,272	18,558	18,462
1985-1987	136	294	17,626,118	21,949,525	1,931,675	2,244,528	645,752	651,679	625,299	230,797
1980-1984	163	293	27,926,183	33,596,517	3,803,548	4,139,834	904,649	905,545	2,046,515	156,424
1975-1979	143	233	22,937,994	26,056,143	3,040,990	3,132,417	530,946	530,153	2,572,478	287,060
1970-1974	174	298	30,419,476	49,918,159	4,495,981	4,626,067	1,219,471	1,220,471	1,949,709	342,754
1965-1969	181	319	27,936,210	44,444,644	3,958,076	4,148,411	912,055	915,587	1,684,677	514,942
1960-1964	189	368	31,812,956	43,953,270	4,822,506	5,086,403	1,913,873	1,909,466	3,136,306	417,377
1955-1959	150	274	23,789,915	36,603,426	5,081,481	5,265,189	1,783,525	1,784,274	2,590,890	187,922
1950-1954	113	175	19,082,837	26,790,601	2,314,161	2,412,304	856,269	847,370	704,245	191,577
1945-1949	83	126	7,711,168	10,716,188	1,250,750	1,289,665	384,246	385,495	444,275	90,567
Prior to 1945	183	567	125,286,380	178,224,201	18,157,966	18,623,075	6,733,212	6,708,343	9,785,979	951,889
Year not reported	44	67	4,634,639	4,594,436	274,359	361,583	94,793	95,906	61,671	12,234

Footnotes at end of table.

Table 4.--U.S. Corporation Returns with Total Assets of $500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Total Assets, Receipts, Earnings, Taxes, Distributions and Subpart F Income, by Industrial Division and Year of Incorporation of Controlled Foreign Corporation--Continued

[Money amounts are in thousands of dollars]

Industrial division and year of incorporation of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns [1]	7,500 largest Controlled Foreign Corporations								
		Number of foreign corporations	Total assets	Business receipts	Current earnings and profits (less deficit) before taxes	Foreign corporations with current earnings and profits (+) before taxes		Foreign income taxes (net) on current earnings and profits (less deficit)	Actual distributions in current year	Subpart F income
						Current earnings and profits (+) before taxes	Foreign income taxes (net)			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Transportation and public utilities	72	194	18,458,833	11,680,656	1,322,159	1,502,800	391,366	393,398	528,920	264,533
1988-1989 [3]	**	**	**	**	**	**	**	**	**	**
1985-1987	17	23	644,298	318,580	35,052	51,512	14,702	14,705	1,351	11,838
1980-1984	20	43	3,610,469	1,586,594	211,707	309,487	73,321	73,596	162,890	46,778
1975-1979	20	32	2,033,264	1,017,699	165,121	174,056	24,659	23,929	148,836	22,884
1970-1974	21	29	1,714,369	989,975	62,067	78,978	10,103	8,373	11,959	17,150
1965-1969	8	8	577,455	622,204	28,586	42,984	2,945	4,306	10,087	23,819
1960-1964	10	11	1,591,313	1,074,233	163,580	170,346	8,890	8,859	23,338	117,998
1955-1959	7	7	1,362,703	1,645,821	34,544	34,997	8,604	11,070	43,239	16,345
1950-1954	9	9	1,075,660	1,437,358	127,822	129,451	53,665	53,787	32,126	1,119
1945-1949	--	--	--	--	--	--	--	--	--	--
Prior to 1945	17	24	5,481,207	2,470,341	501,403	507,458	192,878	193,184	95,095	6,601
Year not reported	**	**	**		**	**	**	**	**	**
Wholesale and retail trade	265	1,271	106,224,942	224,169,456	10,384,105	12,221,129	3,836,940	3,811,147	6,196,010	1,544,415
1988-1989 [3]	17	20	1,321,474	2,741,233	49,528	56,168	11,293	13,071	1,268	3,879
1985-1987	76	132	7,160,009	11,358,739	607,688	740,313	160,534	158,588	182,200	255,529
1980-1984	99	168	8,391,286	18,603,023	1,367,614	1,481,662	332,982	332,712	870,884	59,634
1975-1979	83	138	8,060,533	11,757,980	799,821	872,781	288,494	289,319	314,581	60,970
1970-1974	101	165	9,130,940	19,576,700	931,120	1,101,433	299,034	296,316	399,467	83,200
1965-1969	86	171	11,396,930	20,504,416	1,125,365	1,223,629	370,263	370,718	571,143	152,924
1960-1964	74	146	14,384,448	33,102,207	2,207,515	2,270,574	855,483	846,905	869,121	95,987
1955-1959	62	89	7,357,921	22,432,127	986,766	1,002,709	229,561	230,294	935,565	397,135
1950-1954	36	49	6,314,358	18,657,994	559,752	572,910	167,675	167,675	628,793	181,497
1945-1949	33	48	3,557,629	5,467,005	231,240	284,328	85,832	77,042	107,635	22,874
Prior to 1945	54	131	28,745,786	59,377,838	1,461,020	2,574,369	1,013,797	1,006,956	1,307,822	229,070
Year not reported	13	14	403,629	590,194	56,675	60,253	21,991	21,552	7,529	1,917
Finance, insurance and real estate	461	2,061	414,855,910	62,052,583	13,010,572	14,964,351	1,852,144	1,816,449	10,214,487	5,853,288
1988-1989 [3]	55	87	23,422,384	1,720,480	279,248	333,002	15,832	10,811	150,446	196,217
1985-1987	139	376	71,846,107	7,495,837	1,262,637	1,790,791	156,171	127,706	543,767	747,546
1980-1984	226	472	85,956,128	10,994,772	2,373,399	2,962,851	303,713	291,455	2,368,732	1,169,175
1975-1979	178	294	35,957,372	5,221,398	1,013,495	1,219,905	167,260	163,853	912,020	550,801
1970-1974	149	290	65,772,298	9,447,986	2,143,021	2,460,062	246,217	241,697	1,241,669	856,935
1965-1969	86	138	27,358,276	6,340,493	990,496	1,071,200	171,910	174,337	416,494	321,521
1960-1964	69	110	24,887,483	5,191,055	1,053,378	1,089,000	189,792	193,546	549,792	463,313
1955-1959	43	55	11,879,504	2,155,008	1,378,212	1,420,501	87,218	87,565	1,576,452	823,632
1950-1954	38	50	20,505,444	3,103,244	704,314	712,849	172,162	181,137	284,461	297,162
1945-1949	23	28	5,031,717	715,333	112,382	144,908	21,485	21,763	35,421	21,377
Prior to 1945	73	121	37,325,615	8,878,052	1,630,565	1,657,750	312,864	315,242	2,018,089	361,705
Year not reported	27	40	4,913,583	788,925	69,426	101,532	7,518	7,338	117,144	43,904
Services	198	568	30,103,216	18,759,361	2,304,892	2,647,405	604,249	605,350	602,213	604,952
1988-1989 [3]	10	12	578,742	150,410	9,320	20,885	4,501	1,585	--	--
1985-1987	50	76	4,228,253	1,647,623	282,632	318,998	42,019	43,786	11,179	135,563
1980-1984	60	97	5,915,621	2,951,891	644,327	668,208	119,614	119,409	124,781	245,469
1975-1979	51	70	3,602,712	2,578,040	319,172	337,541	97,067	97,048	85,181	14,424
1970-1974	60	86	4,177,103	4,244,517	448,201	476,413	79,002	80,066	176,781	16,692
1965-1969	39	56	4,102,767	1,965,736	268,690	291,059	83,099	82,063	117,819	116,789
1960-1964	30	43	2,140,895	1,501,468	126,970	211,963	66,047	66,019	24,240	52,474
1955-1959	32	42	2,116,149	1,306,227	94,989	138,383	46,798	46,230	28,080	13,035
1950-1954	12	16	608,952	453,848	39,477	39,787	19,876	19,873	4,401	10,504
1945-1949	6	6	144,246	156,938	-10,896	16,901	5,624	5,624	1,956	--
Prior to 1945	25	39	1,622,729	1,465,092	67,213	85,750	28,156	28,296	22,137	--
Year not reported	11	25	865,047	337,572	14,797	43,517	12,448	15,350	5,657	--

[1] Number of returns are not additive since some U.S. corporations have Controlled Foreign Corporations incorporated in different years.
[2] Includes "Nature of business not allocable," not shown separately.
[3] For 1989, includes only Controlled Foreign Corporations incorporated between January and June.
** Data deleted to avoid disclosure of information on specific corporations.
NOTE: Detail may not add to totals because of rounding.