

# Controlled Foreign Corporations, 1998

by John Comisky

For 1998, the 7,500 largest foreign corporations controlled by large U.S. multinational corporations held \$3.2 trillion in assets and reported receipts of \$1.7 trillion. These amounts increased from 1996 by 15.5 percent and 4.3 percent, respectively [1]. The 7,500 largest foreign corporations reported \$143.8 billion in earnings and profits (less deficit) before income taxes, a 2.0-percent increase from Tax Year 1996.

More than 78 percent of the 7,500 largest controlled foreign corporations (CFC's) were concentrated in three major industrial divisions: goods production, services, and finance, insurance, real estate and rental and leasing [2]. These three industrial divisions accounted for 85.8 percent of assets (\$2,763.7 billion), 73.7 percent of total receipts (\$1,289.4 billion), and 80.1 percent of current earnings and profits (less deficit) before income taxes (\$116.2 billion).

For 1998, the 7,500 largest CFC's were incorporated in 117 different countries [3]. Almost 55 percent, or 4,116 CFC's, were located in Europe. More than 92 percent of these European CFC's were based in European Union countries [4]. Latin America and Asia accounted for 15.0 percent and 10.8 percent of the 7,500 largest CFC's, respectively.

## Controlled Foreign Corporations

Direct foreign investment by U.S. persons may take several forms, including establishing foreign branches of a U.S. corporation, partnerships with foreign entities, and separate corporations. For U.S. income tax purposes, a foreign corporation is "controlled" if U.S. shareholders own more than 50 percent of its outstanding voting stock, or more than 50 percent of the value of all its outstanding stock (directly, indirectly, or constructively) on any day during the foreign corporation's tax year. A "noncontrolled" foreign corporation is any foreign corporation which fails to meet either of the above requirements for control. For purposes of determining control, a U.S. shareholder is defined as a U.S. person who owns 10 percent or more of the foreign corporation's total

combined voting stock [5]. However, for SOI purposes, a foreign corporation is controlled only if one U.S. corporation satisfies either of the above 50-percent ownership requirements for an uninterrupted period of at least 30 days. For Tax Year 1998, there were 996 U.S. corporations that controlled the 7,500 largest CFC's.

In general, the foreign source income of a foreign corporation is not taxable to its U.S. shareholders until repatriated in the form of a dividend. Recognizing that income could be accumulated in a CFC, thus deferring U.S. tax on this income indefinitely, Congress enacted the Subpart F provisions of the Internal Revenue Code in 1962. These provisions require certain items of income to be treated as deemed paid to the U.S. shareholders (as if repatriated) and therefore subject to U.S. taxation. Currently, a U.S. shareholder of a CFC may be required to include in gross income the shareholder's ratable share of the CFC's: (1) Subpart F income (see *Subpart F Income* in the *Explanation of Selected Terms*); (2) earnings invested in U.S. property; (3) previously excluded Subpart F income withdrawn from "qualified investments" in less developed countries and in "foreign base company" shipping operations; (4) previously excluded export trade income withdrawn from investment in export trade assets; (5) increase in earnings in excess passive assets [6]; and (6) factoring income (income derived from the acquisition of a trade or service receivable).

## CFC's by Industrial Sector Under NAICS

For 1998, the North American Industry Classification System (NAICS) was implemented as a means of measuring all economic activities more accurately, producing and nonproducing. NAICS was designed to group common businesses together according to their primary economic activity [7]. The development of NAICS came about in response to the North American Free Trade Agreement (NAFTA) between Canada, Mexico, and the United States and the desire for compatible industry statistics among the three countries [8]. With its implementation, NAICS replaced the existing Standard Industrial Classification (SIC) system, which was developed in the 1930's by the United States. As the course of the twentieth century progressed, the American economy shifted from a goods-producing economy to a more services-oriented one. NAICS was developed as a result of

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these economic shifts as the SIC system was no longer able to properly capture all economic activity.

Tax Year 1998 was the first year foreign corporations used NAICS to classify their primary business activities, and, thus, was the first year for which Statistics of Income (SOI) compiled CFC data according to NAICS. For the 7,500 largest CFC's, the highest aggregate industry data are tabulated within seven major groupings:

- Raw materials and energy production, which includes agriculture, forestry, fishing, and hunting, mining, and utilities;
- Goods production, which includes construction and manufacturing;
- Distribution and transportation of goods, which include wholesale trade, retail trade, and transportation and warehousing;

- Information;
- Finance, insurance, real estate, and rental and leasing;
- Services, which include professional and business services, education, health and social services, leisure, accommodation, and food services, and all other services;
- Nature of business not allocable.

The most significant industry classification change for purposes of aggregating CFC data is the grouping of offices of management (holding companies). The SIC system included these companies in finance, insurance, and real estate. The NAICS system classifies these companies under professional and business services. Figure A highlights other significant industry classification changes affecting the CFC data for 1998.

Figure A

### Selected Industrial Classification Differences between Standard Industrial Classification (SIC) System and the North American Industry Classification System (NAICS), Tax Year 1998

Selected NAICS industry sector	Major industrial division under SIC	Major industrial sector under NAICS or other groupings
Broadcasting and telecommunications	Formerly Communications industry under Transportation and public utilities	Information
Mining	Separate major division known as Mining	Raw materials and energy production
Motion picture and sound recording	Services	Information
Offices of management (holding companies)	Finance, insurance, and real estate	Professional and business services
Printing and publishing	Manufacturing	Information
Transportation and warehousing	Separate major division known as Transportation and public utilities	Distribution and transportation of goods
Utilities	Formerly Energy, gas, and sanitary services industry under Transportation and public utilities	Raw materials and energy production

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For 1998, CFC's engaged in finance, insurance, real estate, and rental and leasing accounted for 40.2 percent of end-of-year assets, 10.6 percent of total receipts, and 14.5 percent of current earnings and profits (less deficit) before income taxes reported by the largest CFC's (Figure B and Table 1). Nearly 62 percent of the total receipts and 50.9 percent of earnings and profits (less deficit) before income taxes for this industrial grouping were accounted for by two subsectors: security, commodity contracts, and other financial investments and related products; and insurance carriers and related activities. Goods producers accounted for 26.0 percent of end-of-year assets, 52.8 percent of total receipts, and 45.0 percent of earnings and profits (less deficit) before income taxes. Chemical, computer, and electronic products, and motor vehicles and parts manufactures collectively reported 54.9 percent of end-of-year assets, 55.9 percent of total receipts, and 61.0 percent of current earnings and profits (less deficit) before income taxes for all goods producers. In contrast, CFC's engaged in services reported 19.6 percent of end-of-year assets, 10.3 percent of total receipts, and 21.3 percent of current earnings and profits (less deficit) before income taxes. Over 89 percent of end-of-year assets, total receipts, and current earnings and profits (less deficit) before income taxes in services were reported by CFC's engaged in professional and business services. This group included offices of management (holding companies).

Table 4 presents the number of CFC's, end-of-year assets, total receipts, and earnings and profits (less deficit) before income taxes for both NAICS and SIC industry classifications using NAICS industry groupings. The implementation of the NAICS system had little effect on the industry classification of most of the 7,500 largest CFC's. The biggest change under NAICS for the 7,500 largest CFC's was the grouping of offices of management (holding companies) under services. These CFC's were grouped with the major division of finance, insurance, and real estate under SIC. A majority of the increases in end-of-year assets (319.8-percent increase), total receipts (114.2-percent increase), and earnings and profits (less deficit) before income taxes (292.5-percent increase) for services are attributable to the addition of these holding companies. As a result of this change, finance, insurance, real estate, and rental and leasing experienced large decreases in

end-of-year assets (26.6-percent decrease), total receipts (29.4-percent decrease), and earnings and profits (less deficit) before income taxes (52.2-percent decrease). Another significant NAICS industry change occurred in the newly created information sector. This sector consists of the printing industries (under manufacturing for SIC), broadcasting and telecommunications (formerly communications under transportation and public utilities for SIC), motion picture and sound recording industries, and information services and data processing services (both primarily under services for SIC).

The overall industrial composition of the 7,500 largest CFC's shifted during the period of 1992 to 1998, moving away from manufacturing, wholesale and retail trade, and construction. Figure C (based on SIC for time series purposes) displays the 7,500 largest CFC's by industrial division [9]. The number of foreign corporations increased steadily in the following industries during this period: transportation and public utilities (60.1-percent increase); mining (52.9-percent increase); finance, insurance, and real estate (23.1-percent increase); and agriculture, forestry, and fishing (7.7-percent increase). Decreases in the number of foreign corporations occurred in the following industries: construction (28.8-decrease), services (21.6-decrease) wholesale and retail trade (20.1-decrease), and manufacturing (14.5-decrease).

### Geographic Distribution

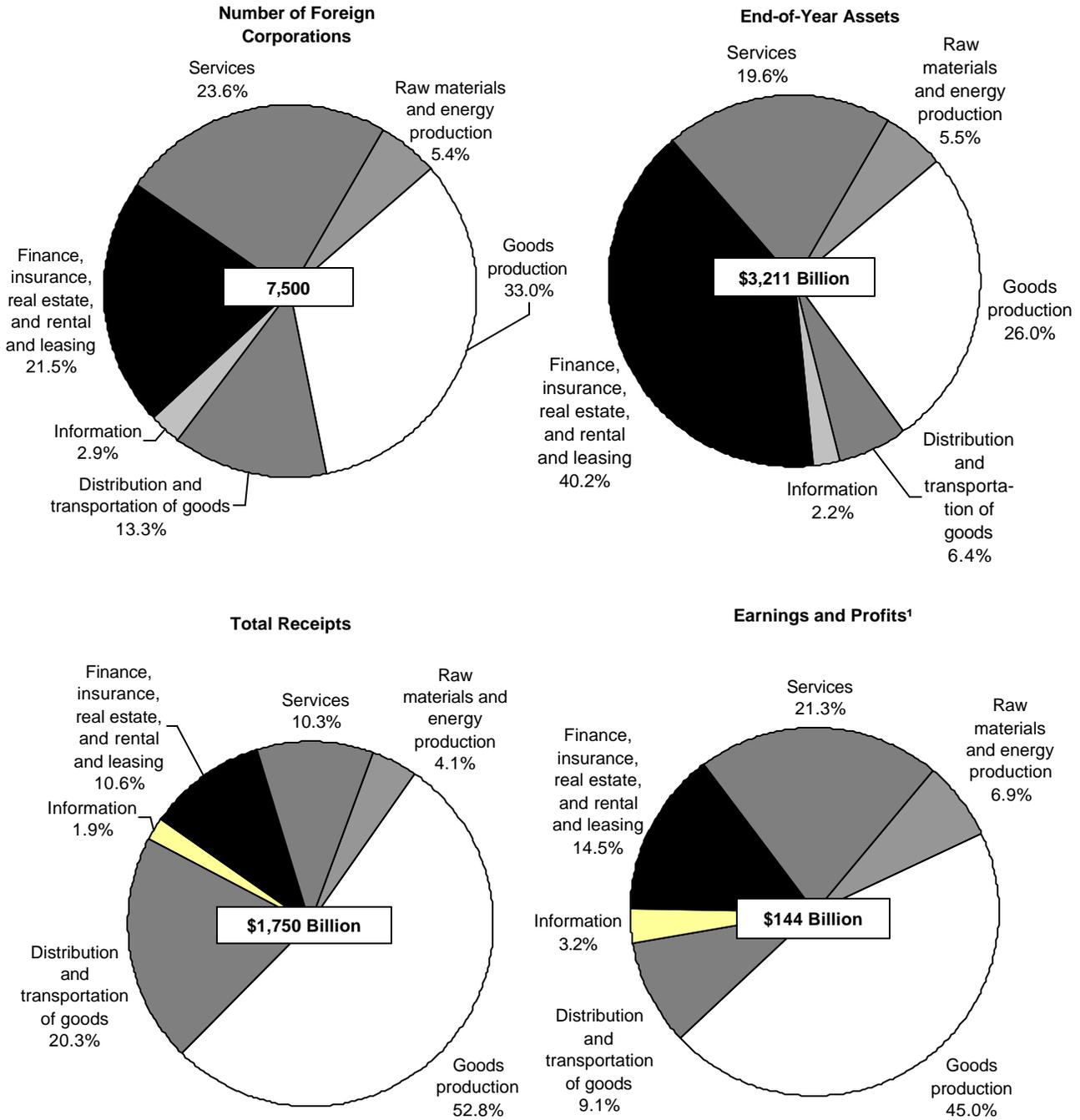
For 1998, Europe accounted for 62.7 percent and 58.5 percent of assets and total receipts for the 7,500 largest CFC's, consistent with 1996 levels (Figures D and E, Tables 2 and 3). Current earnings and profits (less deficit) before income taxes rose more significantly from 54.2 percent to 63.5 percent. Foreign entities incorporated in other Western Hemisphere countries, including Canada, accounted for 12.5 percent (\$402.2 billion) of end-of-year assets, 14.0 percent (\$244.9 billion) of total receipts, and 11.9 percent (\$17.1 billion) of earnings and profits (less deficit) before income taxes. The smallest distribution of the 7,500 largest CFC's occurred in Africa and U.S. Possessions (including Puerto Rico). These two geographic regions collectively accounted for slightly more than 1.0 percent of end-of-year assets, total receipts, and earnings and profits (less deficit) before income taxes.

CFC's based in the following countries reported

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Figure B

## U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, End-of-Year Assets, Receipts, Earnings and Profits, by North American Industry Classification System (NAICS) Industry Groupings, Tax Year 1998



<sup>1</sup> Less deficits and before income taxes.

NOTES: "Nature of business not allocable," not shown separately. Detail may not add to 100 percent because of rounding.

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Figure C

### U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number of Foreign Corporations, by Standard Industrial Classification (SIC) Division of Controlled Foreign Corporation, Selected Tax Years 1992-1998

Industrial division of Controlled Foreign Corporation	Number of foreign corporations				Percentage change 1992 to 1998
	1992	1994	1996	1998	
	(1)	(2)	(3)	(4)	(5)
<b>All industries</b> <sup>1</sup> .....	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>7,500</b>	<b>N.A.</b>
Agriculture, forestry, and fishing.....	26	26	32	28	7.7
Mining.....	170	187	201	260	52.9
Construction.....	80	72	67	57	-28.8
Manufacturing.....	2,862	2,845	2,734	2,448	-14.5
Transportation and public utilities.....	213	226	239	341	60.1
Wholesale and retail trade.....	1,131	1,127	1,044	904	-20.1
Finance, insurance, and real estate.....	2,277	2,292	2,476	2,804	23.1
Services.....	737	702	695	578	-21.6

N.A.--Not applicable.

<sup>1</sup> Includes "Nature of business not allocable," not shown separately.

the largest amounts of total receipts: United Kingdom (\$301.4 billion), Canada (\$209.5 billion), Germany (\$172.7 billion), Netherlands (\$168.2 billion), France (\$100.9 billion), Japan (\$100.3 billion), and Brazil (\$63.2 billion). These seven countries accounted for 63.8 percent of the total receipts of the 7,500 largest CFC's. These countries reported a 3.9-percent increase in total receipts (\$1,116.2 billion) for 1998 compared to 1996 (\$1,074.6 billion). CFC's in these countries engaged primarily in goods production and distribution and transportation of goods.

For 1998, United Kingdom-based CFC's reported \$129.1 billion in total receipts for goods production activities, a decrease of 7.0 percent from 1996 (\$138.8 billion). CFC's engaged in manufacturing and construction still accounted for 42.8 percent of total receipts generated by United Kingdom-based CFC's for 1998, while CFC's engaged in finance, insurance, real estate, and rental and leasing accounted for 19.7 percent (\$59.4 billion) of total receipts. The information sector accounted for 1.9 percent (\$5.7 billion) of total receipts, the smallest distribution for United Kingdom-based CFC's.

The number of Netherlands-based CFC's, in the pool of 7,500 largest foreign corporations, increased by 13.2 percent from 1996 to 1998. Total receipts for these CFC's increased 43.7 percent from 1996 to \$168.2 billion for 1998. In addition, earnings and profits (less deficit) before income taxes increased

42.2 percent from 1996 to \$20.5 billion for 1998. Nearly a quarter of Netherlands-based CFC's were engaged in the goods production division, reporting \$85.8 billion in total receipts. Netherlands-based CFC's also engaged in the services and distribution and transportation of goods industries, with total receipts of \$26.5 and \$26.4 billion, respectively.

#### Profitability

For the purpose of this article, two measures are used to assess pre-tax profitability for the 7,500 largest CFC's: rate of return on assets and profit margin. Rate of return on assets was defined as current earnings and profits (less deficit) before income taxes divided by end-of-year assets. Profit margin was defined as current earnings and profits (less deficit) before income taxes divided by total receipts.

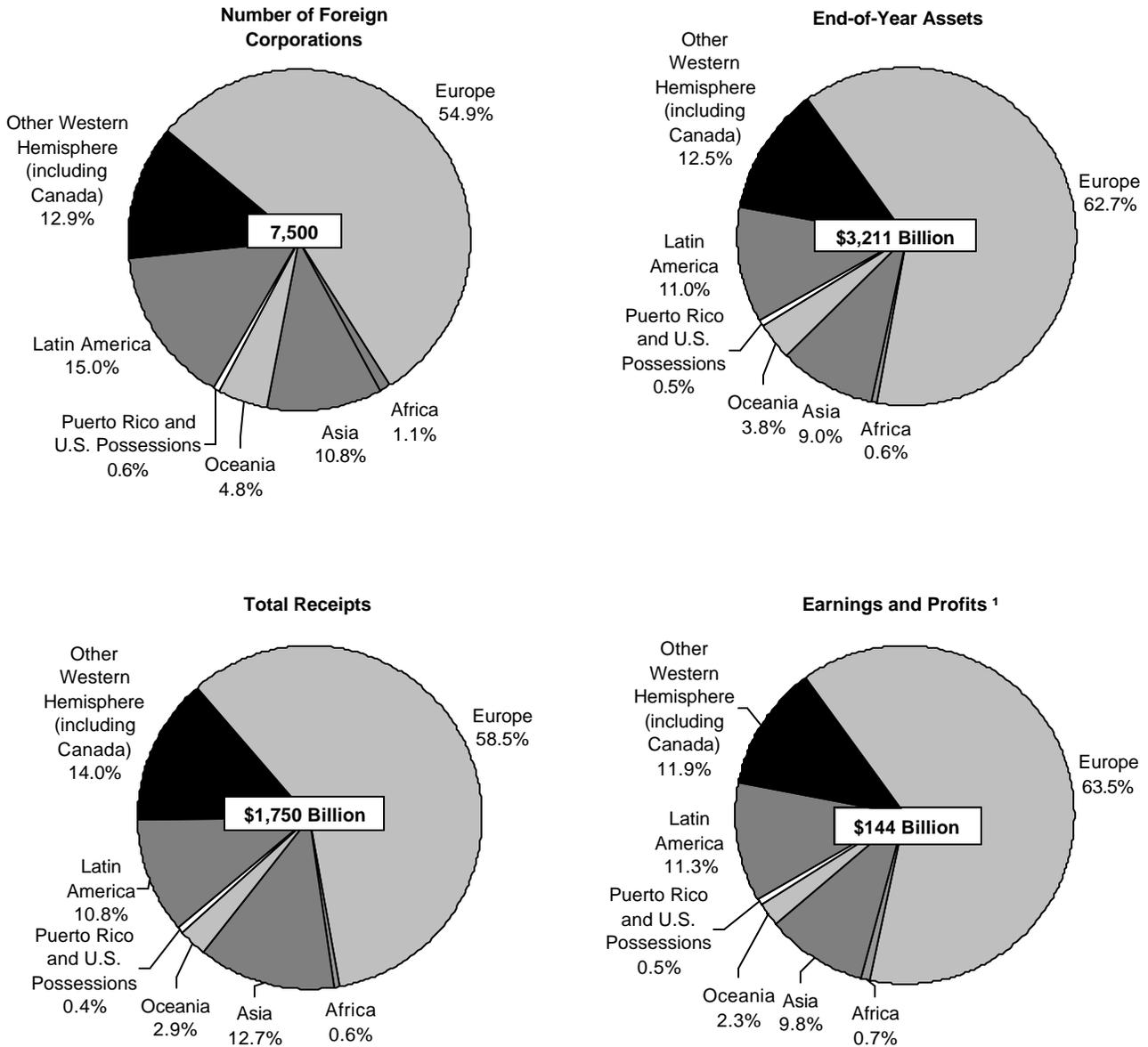
From 1992 to 1996, the 7,500 largest CFC's saw overall profitability increase in both measures yet decrease between 1996 and 1998. Between 1992 and 1996, the rate of return on assets increased on the aggregate level from 4.4 percent to 5.1 percent. However, the rate of return on assets decreased to 4.5 percent for 1998. Profit margins followed a similar pattern during the period 1992 to 1996, but were more stable from 1996 to 1998. Profit margins increased from 5.7 percent to 8.4 percent between 1992 and 1996, but decreased slightly to 8.2 percent for 1998.

On the industry level, the rate of return on assets

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Figure D

## U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, End-of-Year Assets, Receipts, and Earnings and Profits, by Major Geographic Region, Tax Year 1998



<sup>1</sup> Less deficits and before income taxes.

NOTES: Detail may not add to 100 percent because of rounding.

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Figure E

### U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number and Receipts by Selected Country of Incorporation, Tax Years 1996 and 1998

[Money amounts are in millions of dollars]

Selected country	Number of foreign corporations		Total receipts	
	1996	1998	1996	1998
	(1)	(2)	(3)	(4)
<b>All countries.....</b>	<b>7,500</b>	<b>7,500</b>	<b>1,676,659</b>	<b>1,749,517</b>
United Kingdom.....	1,200	1,255	310,606	301,366
Canada.....	685	682	195,744	209,536
Netherlands.....	462	523	117,047	168,177
Germany.....	535	516	184,869	172,700
France.....	521	479	108,632	100,922
Australia.....	332	294	47,187	44,912
Brazil.....	241	260	54,114	63,246
Mexico.....	201	244	41,564	51,502
Italy.....	295	242	61,410	58,879
Japan.....	266	236	103,660	100,278
Cayman Islands.....	128	216	15,505	25,315
Spain.....	203	177	38,921	38,256
Belgium.....	206	171	33,721	29,869
Bermuda.....	163	164	16,949	18,554
Ireland.....	135	157	19,338	30,729
Switzerland.....	157	147	39,974	49,535
Argentina.....	122	133	16,199	19,911
Hong Kong.....	155	127	34,920	28,162
Singapore.....	114	111	39,656	43,336

and profit margin varied relative to the aggregate totals. Most industries' rate of return on assets decreased from 1996 to 1998, while profit margins were mixed. The most profitable activities occurred in the services and information industries. For 1998, the profit margin for CFC's based in the services sector was 17.0 percent, up from 9.6 percent for 1996. The large increase in the services industry's profit margins was directly attributable to the inclusion of CFC's engaged in the management of companies (holding companies) sector. For 1998, CFC's engaged in the management of companies reported a profit margin of 28.4 percent [10]. These CFC's were classified under finance, insurance, and real estate under the SIC system. As a result of this classification change, profit margins in finance, insurance, real estate, and rental and leasing dropped from 18.7 percent in 1996 to 11.2 percent in 1998. CFC's engaged in the information sector had a rate of return on assets and a profit margin of 6.3 percent and 14.0 percent, respectively. Finance, insurance, real estate, and rental and

leasing CFC's experienced the lowest rate of return on assets of 1.6 percent, while CFC's engaged in the distribution and transportation of goods reported the lowest profit margin of 3.7 percent.

#### Distribution of Earnings and Profits

For 1998, the 7,500 largest CFC's distributed \$74.2 billion to U.S. parent corporations and shareholders. Nearly 67 percent of distributions out of earnings and profits were from not previously taxed earnings and profits (\$49.6 billion), while the remainder was distributed from previously taxed earnings and profits (\$24.6 billion).

Goods production and services accounted for 64.0 percent (\$47.5 billion) of total distributions out of earnings and profits. Goods producers distributed 71.0 percent (\$20.1 billion) from not previously tax earnings and profits and 29.0 percent (\$8.2 billion) from previously taxed earnings and profits. With the inclusion of holding companies under NAICS, the services industry distributed \$19.2 billion of its earnings and profits, a dramatic increase from the \$2.7 billion distributed in 1996. More than 97 percent (\$18.7 billion) of these distributions were attributed to CFC's engaged in professional and business services. CFC's engaged in the information sector accounted for 1.6 percent of the total distributions out of earnings and profits, the smallest industry aggregate amount.

European-based CFC's accounted for 62.5 percent (\$46.3 billion) of all distributions out of earnings and profits. Nearly 70 percent of these distributions were from not previously taxed earnings and profits (\$32.3 billion), with the remainder distributed from previously taxed earnings and profits (\$14.1 billion). CFC's engaged in other Western Hemisphere countries (including Canada) and Latin America accounted for 13.1 percent (\$9.7 billion) and 11.4 percent (\$8.4 billion) of total distributions, respectively. In contrast, Africa and U.S. Possessions (including Puerto Rico) distributed the least amount of earnings and profits, with 0.5 percent and 0.1 percent, respectively.

#### Data Sources and Limitations

The statistics presented in this article are based on information collected from corporation tax returns with accounting periods ending July 1998 through June 1999 and their attached Form(s) 5471, *Informa-*

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*tion Return of U.S. Persons With Respect to Certain Foreign Corporations.* A U.S. corporation is required by Internal Revenue Service regulations to submit a Form 5471 for any Controlled Foreign Corporation (CFC) with an accounting period ending with or within the U.S. parent's accounting period. Thus, the CFC's accounting period may have ended as early as July 1997 or as late as June 1999. However, most CFC activity occurred in Calendar Year 1998.

These statistics report data for the largest (in terms of total assets) active 7,500 foreign corporations controlled by U.S. corporations with total assets of \$500 million or more. (See definitions of "Active versus inactive Controlled Foreign Corporations" in the *Explanation of Selected Terms*.) The 7,500 largest CFC's accounted for 90.8 percent of total end-of-year assets, 81.6 percent of total receipts, and 89.1 percent of current earnings and profits before taxes reported by all active CFC's of these U.S. corporations with assets of \$500 million or more [11]. The amount of total assets for these 7,500 largest CFC's ranged from approximately \$57 million to \$127 billion [12].

Since the 996 parent corporations with assets of \$500 million or more were selected at a 100-percent rate for the Statistics of Income sample of all corporation income tax returns, the data are not subject to sampling variability, although they may be subject to nonsampling error. Thus, it is difficult to determine the exact population of CFC's controlled by these U.S. corporations.

Several limitations apply when making comparisons to prior-year statistics for the 7,500 largest CFC's. First, the composition of the 7,500 largest CFC's is not completely consistent across years. For example, only 66.1 percent of the largest 7,500 CFC's for 1998 were also included in the 7,500 largest CFC's for 1996. Many of the 7,500 largest CFC's for 1996 that were not included among the 7,500 for 1998 were still controlled by large U.S. corporations, but the size of their total assets for 1998 excluded them from this group. In addition, some of the 7,500 largest CFC's for 1996 were not included for 1998 because they were no longer "controlled," or because the size of the U.S. parent's total assets had fallen under \$500 million.

Second, the industrial mix of the 7,500 largest CFC's is not always representative of the industrial mix of all CFC's controlled by U.S. corporations

reporting \$500 million or more in assets. For 1998, 54.6 percent of the 7,500 largest CFC's were primarily engaged in goods production and professional and business services, while accounting for 68.2 percent of the 45,876 total for active CFC's of U.S. corporations with \$500 million or more in total assets [13]. However, the distribution and transportation of goods and finance, insurance, real estate, and rental and leasing groupings have increased among the largest CFC's. The distribution and transportation of goods and finance, insurance, real estate, and rental and leasing groupings accounted for 13.3 percent and 21.5 percent, respectively, for the largest 7,500 largest CFC's. These same two groupings only accounting for 8.9 percent and 8.2 percent, respectively, for all active CFC's controlled by parents with \$500 million or more in total assets [14].

Finally, statistics previously published by *Statistics of Income* for tax years before 1986 were for all CFC's controlled by U.S. parent corporations, not just the largest CFC's. Therefore, the statistics for these years include smaller and inactive CFC's. For this reason, comparisons between statistics on the largest CFC's and statistics for years before 1986 should be made with caution.

In addition, caution should be used when comparing data by industrial groupings. For 1998, CFC's were classified under the NAICS system, which differs somewhat from the SIC system used in prior years. While most industries were not affected by the implementation of NAICS, the grouping of some economic activity was changed, specifically in the finance, insurance, real estate, and rental leasing, and services divisions where offices of management (holding companies) shifted from finance, insurance, and real estate under SIC to services under NAICS. Furthermore, CFC's were classified by industry based on their principal business activity as reported on Form 5471. However, assets, receipts, and profits may have also been related to secondary business activities. It is not possible to measure the extent of these secondary business activities, because these activities were not detailed on Form 5471.

### Explanation of Selected Terms

*Active versus inactive Controlled Foreign Corporations.*--In general, a CFC was considered "active" if earnings and profits, income taxes, receipts, expenses, or certain transactions between the CFC

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and its majority shareholder were reported on Form 5471, *Information Return of U.S. Persons With Respect to Certain Foreign Corporations*. The filing of Form 5471 was required even if a CFC was dormant or inactive for 1998. The 7,500 largest CFC's used for this study were all active.

*Controlled Foreign Corporation.*--The Internal Revenue Code section 957 defines a foreign corporation as "controlled" if more than 50 percent of the value of its outright voting stock, or the value of all its outstanding stock, is owned (directly, indirectly, or constructively) by U.S. shareholders on any day during the foreign corporation's tax year. A U.S. shareholder for these purposes is defined as a "U.S. person" owning 10 percent or more of the foreign corporation's voting stock. A U.S. person could be a U.S. citizen or resident, a domestic partnership, a domestic corporation, or an estate or trust (other than a foreign estate or trust whose income from sources outside the United States is not includable in the beneficiaries' gross income). For purposes of these statistics, a foreign corporation was "controlled" only if a single U.S. corporation satisfied the ownership requirements for an uninterrupted period of at least 30 days. A CFC could be owned indirectly through a partnership if the U.S. corporation was a controlling partner. To the extent possible, these CFC's were also included in the statistics.

*Country of incorporation.*--The country of incorporation of a CFC was not necessarily the principal place of business. For 1998, there were 268 (4.6 percent) of the 7,500 largest CFC's whose principal places of business were in countries other than their respective countries of incorporation. Tables 2 and 3 provide data by country of incorporation; data by principal place of business are not included in these statistics.

*Current earnings and profits.*--"Current earnings and profits" represent the difference between total earnings and profits of the foreign corporation at the end of the current year (before reduction by dividends paid during the year) and the accumulated earnings and profits of the corporation at the beginning of the year. Although current earnings and profits typically are an after-tax measure of profits, they are shown in the article both before and after taxes. Earnings and profits are a tax concept referring to the economic capacity of a corporation to make a distribution to shareholders that is not a return

on capital. The concept is similar to the notion of retained earnings. The term "earnings and profits" is not specifically defined in the Internal Revenue Code. In those instances where current earnings and profits were not reported for the foreign corporation, net income per books was used in the place of missing earnings and profits.

*Distribution from earnings and profits.*--A distribution comes first from current earnings and profits and then from accumulated earnings and profits.

*Income taxes.*--Income, war profits, and excess profits taxes paid or accrued to the United States and to any foreign country or U.S. possession, following U.S. generally-accepted accounting principals (GAAP) for the annual accounting period were reported as income tax by the CFC.

*OPEC countries.*--The members of the Organization of Petroleum Exporting Countries (OPEC) for 1998 were: Algeria, Indonesia, Iran, Iraq, Kuwait, Libya, Nigeria, Qatar, Saudi Arabia, United Arab Emirates, and Venezuela.

*Previously taxed earnings and profits.*--This includes any earnings and profits amounts that were taxed in a prior year but not distributed. Previously taxed earnings and profits include amounts related to Subpart F income (see definition below), earnings related to investments in certain U.S. property, previously excluded subpart F income withdrawn from qualified investments, previously excluded export trade income withdrawn from investment in export trade assets, factoring income, and earnings invested in excess passive assets.

*Profit margin.*--For purposes of this article, a CFC's profit margin is the ratio of current earnings and profits (less deficit) before income taxes to total receipts.

*Return on assets.*--For purposes of this article, a CFC's return on assets is the ratio of current earnings and profits (less deficit) before income taxes to end-of-year assets.

*Subpart F income.*--Internal Revenue Code sections 951 and 952 stipulate specific cases in which earnings and profits are deemed to have been paid by a CFC to the U.S. shareholder. These "deemed" distributions are taxable, even though the income may not have been repatriated to the United States in the form of an actual dividend. Internal Revenue Code section 951 provided that U.S. shareholders include in their gross income certain undistributed profits of

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foreign corporations controlled by U.S. shareholders. Subpart F income from a CFC includes certain insurance income of U.S. risks, "foreign base company" income, international boycott participation income, bribes and other illegal payments to foreign government officials, and income from any country which the United States does not recognize or with which it has severed relations, or which repeatedly provided support for acts of international terrorism.

*Total assets.*--Two types of total assets are shown in Tables 1 through 3: beginning-of-year and end-of-year. However, not all of the 7,500 largest CFC's reported beginning and end-of-year total assets; 164 CFC's reported beginning-of-year assets only, and 516 CFC's reported end-of-year assets only.

*Total receipts.*--Total receipts equal business receipts (gross receipts from sales and operations), plus income from investment. In the statistics reported prior to 1990, business receipts were used to describe the larger of gross receipts from sales and operations and "total income." The latter is a tax return concept used to describe the sum of business receipts less cost of sales and operations (gross receipts from sales and operations), plus income (less loss) from investments.

### Notes and References

- [1] Statistics of Income studies of Controlled Foreign Corporations are conducted for even-numbered tax years. For 1996 data, see Nutter, Sarah E., "Controlled Foreign Corporations, 1996," *Statistics of Income Bulletin*, Spring 2001, Volume 20, Number 4.
- [2] Starting with Tax Year 1998, industry composition is defined by the North American Industry Classification System (NAICS). In previous tax years, the Standard Industrial Classification system (SIC) was used to show distribution of the 7,500 largest CFC's. For purposes of this article, Figure C presents the number of foreign corporations by SIC during Tax Years 1992 to 1998. Table 4 has been added for 1998 as a crossover table to show comparisons between NAICS and SIC using NAICS industry group-

ings. See the section *CFC's by Industrial Sector Under NAICS* for further explanation.

- [3] Based on unpublished data.
- [4] For Tax Year 1998, Austria, Finland, and Sweden are included with the European Union in Table 2. For 1996, these countries were included in "Other West European countries."
- [5] The current definition of a Controlled Foreign Corporation is given in Internal Revenue Code section 957. Ownership attribution rules are discussed in section 958.
- [6] During Tax Year 1999, increase in earnings in excess passive assets was repealed.
- [7] *North American Industry Classification System United States, 1997*, Executive Office of the President, Office of Management and Budget, 1998.
- [8] See footnote 7.
- [9] Data reported in Figure C show the 7,500 largest CFC's by SIC and do not reflect the industry shifts between SIC and NAICS for Tax Year 1998. Caution should be taken when comparing foreign corporations by industry.
- [10] Based on unpublished data.
- [11] Based on unpublished data. For 1998, there were 1,742 U.S. corporation returns with 45,876 active controlled foreign corporations. The controlled foreign corporations reported \$3,549.3 billion in end-of-year assets. For 1998, the 45,876 active CFC's reported total receipts of \$2,143.0 billion, current earnings and profits before taxes of \$161.5 billion, current earnings and profits after taxes of \$119.5 billion, and distributions out of earnings and profits of \$86.1 billion.
- [12] Based on unpublished data.
- [13] Based on unpublished data.
- [14] Based on unpublished data.

SOURCE: IRS, *Statistics of Income Bulletin*, Winter 2002-2003, Publication 1136 (Rev. 4-2003).

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>All industries.....</b>	<b>996</b>	<b>7,500</b>	<b>2,877,359,804</b>	<b>3,221,489,984</b>	<b>1,749,516,820</b>
<b>Raw materials and energy production.....</b>	<b>117</b>	<b>405</b>	<b>159,437,083</b>	<b>178,721,836</b>	<b>71,311,519</b>
Agriculture, forestry, fishing, and hunting.....	14	28	2,794,656	3,070,316	4,677,177
Mining.....	75	260	96,139,342	106,409,555	39,220,498
Oil and gas extraction.....	51	176	79,492,098	90,760,922	30,242,547
Coal mining.....	4	9	1,958,292	908,024	634,005
Metal ore mining.....	8	19	6,920,036	6,613,516	2,296,676
Other mining.....	24	56	7,768,915	8,127,093	6,047,270
Utilities.....	32	117	60,503,085	69,241,965	27,413,844
<b>Goods production.....</b>	<b>514</b>	<b>2,477</b>	<b>699,437,081</b>	<b>836,110,494</b>	<b>923,232,646</b>
Construction.....	16	57	7,999,733	9,406,403	12,257,735
Building, developing, and general contracting.....	5	5	879,970	836,846	382,207
Heavy construction.....	3	12	2,050,152	2,752,599	3,770,281
Special trade contractors.....	8	40	5,069,611	5,816,959	8,105,247
Manufacturing.....	504	2,420	691,437,347	826,704,090	910,974,911
Food manufacturing.....	32	196	43,047,182	50,502,853	59,631,107
Beverage and tobacco product manufacturing.....	13	107	36,020,063	43,891,476	51,048,091
Beverage manufacturing.....	10	69	22,299,007	27,397,956	23,466,190
Tobacco manufacturing.....	3	38	13,721,057	16,493,520	27,581,901
Textile mills and textile product mills.....	12	18	1,622,835	2,081,211	1,595,707
Apparel manufacturing.....	10	33	5,867,843	7,382,008	7,217,263
Wood product manufacturing.....	8	11	834,701	1,068,604	528,432
Paper manufacturing.....	36	114	28,787,733	37,630,822	22,875,042
Petroleum and coal products manufacturing.....	15	50	44,815,454	44,711,791	72,797,524
Chemical manufacturing.....	120	579	166,970,110	215,954,532	154,979,722
Pharmaceutical and medicine manufacturing.....	31	189	62,869,915	102,666,204	63,489,100
Other chemical manufacturing.....	97	390	104,100,195	113,288,329	91,490,622
Plastics and rubber products manufacturing.....	30	82	12,111,767	13,229,883	17,081,640
Nonmetallic mineral product manufacturing.....	15	59	9,195,970	13,881,284	9,314,505
Primary metal manufacturing.....	13	29	10,270,268	9,813,319	8,061,639
Fabricated metal product manufacturing.....	44	117	16,993,152	18,423,306	16,694,495
Machinery manufacturing.....	60	154	34,111,198	40,134,082	42,462,358
Computer and electronic product manufacturing.....	90	267	114,370,428	126,119,308	162,372,176
Electric equipment, appliance, and component manufacturing.....	42	117	21,572,872	26,327,594	31,363,798
Transportation equipment manufacturing.....	48	236	104,255,015	122,503,714	206,539,178
Motor vehicles and parts manufacturing.....	38	207	99,146,417	116,716,618	198,420,877
Other transportation equipment manufacturing.....	18	29	5,108,598	5,787,096	8,118,301
Miscellaneous manufacturing.....	88	241	39,332,250	51,539,067	45,065,034

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>Distribution and transportation of goods.....</b>	<b>278</b>	<b>1,001</b>	<b>185,714,674</b>	<b>204,573,238</b>	<b>355,151,932</b>
Wholesale and retail trade <sup>2</sup> .....	256	904	172,679,965	189,442,957	345,138,283
Wholesale trade.....	222	768	144,770,301	158,501,521	286,723,573
Machinery, equipment, and suppliers wholesalers.....	28	56	11,680,851	12,339,712	16,677,369
Drugs and druggists' sundries wholesalers.....	24	71	17,284,712	18,919,255	21,889,765
Grocery and related product wholesalers.....	12	20	3,808,825	4,019,875	7,075,284
Petroleum and petroleum products wholesalers.....	14	75	25,291,401	26,100,438	56,833,451
Other wholesale trade.....	167	546	86,704,512	97,122,241	184,247,704
Retail trade.....	52	136	27,909,665	30,941,435	58,414,710
Motor vehicle dealers and parts dealers.....	4	9	822,545	774,279	2,415,334
Building materials and garden equipment and supplies dealers.....	4	10	1,889,570	2,320,622	3,893,908
Food and beverage stores.....	3	3	1,647,192	1,763,398	6,651,747
Clothing and clothing accessories stores.....	5	11	1,702,504	2,266,752	3,684,229
General merchandise stores.....	4	23	8,444,404	8,926,846	16,692,273
Other retailers.....	33	80	13,403,449	14,889,539	25,077,220
Transportation and warehousing.....	37	97	13,034,708	15,130,282	10,013,649
Transportation.....	30	85	11,245,008	12,698,794	7,560,423
Warehousing and storage.....	8	12	1,789,700	2,431,488	2,453,226
<b>Information.....</b>	<b>56</b>	<b>216</b>	<b>57,169,165</b>	<b>71,854,510</b>	<b>32,507,167</b>
Publishing industries.....	13	28	3,831,263	6,055,994	3,295,316
Broadcasting and telecommunications.....	25	127	42,167,729	52,761,258	20,740,593
Other information industries.....	20	61	11,170,174	13,037,259	8,471,257
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>359</b>	<b>1,612</b>	<b>1,267,746,413</b>	<b>1,295,958,973</b>	<b>185,490,963</b>
Depository credit intermediation.....	26	128	129,571,403	139,272,542	14,126,210
Nondepository credit intermediation.....	109	381	205,952,897	250,964,046	25,985,055
Security, commodity contracts and other financial investments and related products.....	162	538	738,238,684	656,839,828	71,162,644
Insurance carriers and related activities.....	82	277	126,166,078	153,164,825	43,090,851
Funds, trusts, and other financial activities.....	59	108	32,840,625	48,270,747	22,344,373
Real estate and rental and leasing.....	74	180	34,976,727	47,446,984	8,781,830
<b>Services.....</b>	<b>506</b>	<b>1,770</b>	<b>507,130,853</b>	<b>631,582,868</b>	<b>180,629,840</b>
Professional and business services.....	487	1,616	474,581,986	594,198,245	160,920,828
Education, health, and social assistance.....	6	8	2,542,615	2,777,235	451,112
Leisure, accommodation, and food services.....	26	100	21,871,457	24,941,508	15,670,847
Other services.....	24	46	8,134,795	9,665,880	3,587,053
<b>Nature of business not allocable.....</b>	<b>17</b>	<b>19</b>	<b>724,535</b>	<b>2,688,064</b>	<b>1,192,754</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
<b>All industries.....</b>	<b>143,840,451</b>	<b>34,744,726</b>	<b>109,095,725</b>	<b>171,053,118</b>	<b>33,933,591</b>	<b>137,119,528</b>
<b>Raw materials and energy production.....</b>	<b>9,944,041</b>	<b>3,064,176</b>	<b>6,879,865</b>	<b>12,331,276</b>	<b>2,947,008</b>	<b>9,384,268</b>
Agriculture, forestry, fishing, and hunting.....	141,493	19,816	121,677	203,509	29,489	174,020
Mining.....	7,018,487	2,639,980	4,378,506	8,977,557	2,522,083	6,455,473
Oil and gas extraction.....	6,017,454	2,247,816	3,769,638	7,469,874	2,162,079	5,307,795
Coal mining.....	8,510	30,868	-22,358	136,069	12,616	123,453
Metal ore mining.....	62,621	99,078	-36,457	341,694	91,007	250,687
Other mining.....	929,902	262,218	667,684	1,029,920	256,381	773,538
Utilities.....	2,784,062	404,380	2,379,682	3,150,211	395,436	2,754,775
<b>Goods production.....</b>	<b>64,699,560</b>	<b>17,247,413</b>	<b>47,452,147</b>	<b>74,417,394</b>	<b>17,072,191</b>	<b>57,345,203</b>
Construction.....	702,136	249,066	453,070	812,824	260,709	552,115
Building, developing, and general contracting.....	46,937	19,993	26,944	46,937	19,993	26,944
Heavy construction.....	133,788	29,219	104,568	184,117	36,249	147,869
Special trade contractors.....	521,411	199,853	321,558	581,770	204,467	377,303
Manufacturing.....	63,997,425	16,998,348	46,999,077	73,604,570	16,811,482	56,793,088
Food manufacturing.....	3,739,236	1,133,140	2,606,095	4,038,513	1,106,642	2,931,872
Beverage and tobacco product manufacturing.....	6,289,864	1,545,063	4,744,802	6,731,931	1,541,355	5,190,577
Beverage manufacturing.....	3,221,775	690,288	2,531,487	3,596,086	686,580	2,909,506
Tobacco manufacturing.....	3,068,089	854,774	2,213,314	3,135,845	854,774	2,281,071
Textile mills and textile product mills.....	97,654	28,081	69,574	107,775	26,246	81,529
Apparel manufacturing.....	557,445	44,603	512,842	634,994	45,728	589,265
Wood product manufacturing.....	7,183	10,581	-3,398	55,108	10,496	44,612
Paper manufacturing.....	600,587	295,586	305,002	1,349,074	318,662	1,030,412
Petroleum and coal products manufacturing.....	1,783,293	843,668	939,625	2,455,663	833,313	1,622,349
Chemical manufacturing.....	20,233,339	4,642,511	15,590,828	22,395,426	4,555,609	17,839,817
Pharmaceutical and medicine manufacturing.....	13,251,572	2,402,853	10,848,719	13,994,127	2,371,128	11,622,999
Other chemical manufacturing.....	6,981,767	2,239,659	4,742,109	8,401,299	2,184,481	6,216,818
Plastics and rubber products manufacturing.....	1,067,688	296,012	771,676	1,157,563	294,067	863,496
Nonmetallic mineral product manufacturing.....	785,393	324,211	461,182	1,012,653	323,674	688,978
Primary metal manufacturing.....	750,338	195,236	555,102	762,899	193,955	568,944
Fabricated metal product manufacturing.....	1,109,226	250,052	859,174	1,339,449	257,311	1,082,138
Machinery manufacturing.....	2,077,427	757,946	1,319,481	2,884,367	748,470	2,135,898
Computer and electronic product manufacturing.....	12,935,168	2,967,835	9,967,333	14,204,725	2,933,755	11,270,971
Electric equipment, appliance, and component manufacturing.....	1,556,630	455,653	1,100,977	2,215,365	438,297	1,777,068
Transportation equipment manufacturing.....	6,771,174	1,722,301	5,048,873	8,050,656	1,694,643	6,356,013
Motor vehicles and parts manufacturing.....	6,276,574	1,606,359	4,670,216	7,475,910	1,568,145	5,907,764
Other transportation equipment manufacturing.....	494,599	115,942	378,658	574,747	126,498	448,249
Miscellaneous manufacturing.....	3,533,842	1,452,706	2,081,137	4,087,492	1,467,170	2,620,323

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
<b>Distribution and transportation of goods.....</b>	<b>13,147,147</b>	<b>3,677,559</b>	<b>9,469,588</b>	<b>15,890,302</b>	<b>3,610,476</b>	<b>12,279,826</b>
Wholesale and retail trade <sup>2</sup> .....	12,719,268	3,581,317	9,137,951	15,250,347	3,508,439	11,741,908
Wholesale trade.....	10,880,961	2,922,607	7,958,354	12,821,571	2,831,133	9,990,438
Machinery, equipment, and suppliers wholesalers.....	442,730	135,193	307,537	549,589	122,256	427,332
Drugs and druggists' sundries wholesalers.....	2,291,604	596,911	1,694,694	2,450,966	595,210	1,855,757
Grocery and related product wholesalers.....	389,181	77,079	312,101	413,906	75,659	338,247
Petroleum and petroleum products wholesalers.....	1,102,279	237,214	865,064	1,419,935	233,747	1,186,188
Other wholesale trade.....	6,655,167	1,876,209	4,778,957	7,987,176	1,804,261	6,182,915
Retail trade.....	1,838,307	658,711	1,179,596	2,428,776	677,306	1,751,469
Motor vehicle dealers and parts dealers.....	10,914	4,749	6,165	33,130	4,749	28,381
Building materials and garden equipment and supplies dealers.....	239,018	168,530	70,487	294,908	168,530	126,378
Food and beverage stores.....	208,160	57,555	150,605	208,160	57,555	150,605
Clothing and clothing accessories stores.....	194,832	44,652	150,181	197,150	44,652	152,499
General merchandise stores.....	381,901	55,020	326,881	583,610	74,250	509,360
Other retailers.....	803,481	328,205	475,277	1,111,818	327,571	784,247
Transportation and warehousing.....	427,879	96,241	331,637	639,955	102,037	537,918
Transportation.....	405,760	65,521	340,239	566,362	71,528	494,834
Warehousing and storage.....	22,119	30,721	-8,602	73,592	30,509	43,083
<b>Information.....</b>	<b>4,535,689</b>	<b>935,510</b>	<b>3,600,179</b>	<b>6,526,211</b>	<b>926,861</b>	<b>5,599,350</b>
Publishing industries.....	991,484	143,181	848,303	1,024,257	140,789	883,468
Broadcasting and telecommunications.....	2,631,374	589,036	2,042,338	4,412,755	584,283	3,828,473
Other information industries.....	912,830	203,292	709,538	1,089,199	201,790	887,410
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>20,860,964</b>	<b>5,649,641</b>	<b>15,211,323</b>	<b>25,891,751</b>	<b>5,411,396</b>	<b>20,480,354</b>
Depository credit intermediation.....	2,746,560	720,525	2,026,035	3,073,563	719,747	2,353,817
Nondepository credit intermediation.....	4,506,871	1,364,392	3,142,480	5,274,811	1,329,965	3,944,846
Security, commodity contracts and other financial investments and related products.....	5,812,826	2,196,629	3,616,197	8,620,867	2,043,158	6,577,709
Insurance carriers and related activities.....	4,802,321	830,665	3,971,656	5,334,608	793,389	4,541,219
Funds, trusts, and other financial activities.....	2,136,438	157,092	1,979,346	2,247,578	153,597	2,093,981
Real estate and rental and leasing.....	855,948	380,339	475,609	1,340,323	371,541	968,783
<b>Services.....</b>	<b>30,651,975</b>	<b>4,156,364</b>	<b>26,495,610</b>	<b>35,955,171</b>	<b>3,951,596</b>	<b>32,003,575</b>
Professional and business services.....	28,762,451	3,634,723	25,127,728	33,842,316	3,438,438	30,403,877
Education, health, and social assistance.....	50,335	10,894	39,441	71,138	10,894	60,244
Leisure, accommodation, and food services.....	1,398,142	469,841	928,301	1,526,593	463,516	1,063,077
Other services.....	441,046	40,906	400,141	515,125	38,748	476,377
<b>Nature of business not allocable.....</b>	<b>1,076</b>	<b>14,063</b>	<b>-12,987</b>	<b>41,014</b>	<b>14,062</b>	<b>26,951</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
<b>All industries.....</b>	<b>74,188,419</b>	<b>49,586,670</b>	<b>24,601,749</b>	<b>26,885,724</b>	<b>20,238,440</b>
<b>Raw materials and energy production.....</b>	<b>7,932,197</b>	<b>7,262,112</b>	<b>670,085</b>	<b>2,947,397</b>	<b>587,936</b>
Agriculture, forestry, fishing, and hunting.....	16,086	16,086	--	10,613	15,125
Mining.....	6,020,304	5,438,094	582,211	2,743,968	445,057
Oil and gas extraction.....	5,419,612	4,921,863	497,748	2,526,845	256,442
Coal mining.....	117	--	117	--	533
Metal ore mining.....	143,389	140,274	3,115	59,383	5,384
Other mining.....	457,187	375,956	81,231	157,739	182,697
Utilities.....	1,895,807	1,807,933	87,874	192,816	127,755
<b>Goods production.....</b>	<b>28,272,530</b>	<b>20,080,468</b>	<b>8,192,062</b>	<b>10,226,541</b>	<b>7,329,974</b>
Construction.....	497,709	395,316	102,393	44,178	32,582
Building, developing, and general contracting.....	15,852	15,852	--	--	--
Heavy construction.....	45,017	41,750	3,266	--	14,785
Special trade contractors.....	436,840	337,714	99,126	44,178	17,797
Manufacturing.....	27,774,821	19,685,152	8,089,669	10,182,363	7,297,393
Food manufacturing.....	2,677,420	2,534,229	143,190	928,156	86,461
Beverage and tobacco product manufacturing.....	2,044,884	1,557,138	487,746	777,954	1,115,099
Beverage manufacturing.....	1,245,241	1,069,116	176,124	670,231	169,277
Tobacco manufacturing.....	799,643	488,022	311,622	107,723	945,821
Textile mills and textile product mills.....	12,663	12,270	393	2,028	7,237
Apparel manufacturing.....	118,147	63,441	54,705	39,122	138,202
Wood product manufacturing.....	9,872	9,872	--	8,032	--
Paper manufacturing.....	728,482	537,305	191,178	291,550	78,260
Petroleum and coal products manufacturing.....	1,720,676	1,246,409	474,267	730,686	252,127
Chemical manufacturing.....	7,658,315	5,121,581	2,536,734	1,913,630	1,898,944
Pharmaceutical and medicine manufacturing.....	3,405,383	1,767,749	1,637,633	530,430	1,196,088
Other chemical manufacturing.....	4,252,932	3,353,831	899,101	1,383,200	702,856
Plastics and rubber products manufacturing.....	605,160	561,056	44,104	338,623	26,272
Nonmetallic mineral product manufacturing.....	434,591	349,045	85,546	86,570	104,946
Primary metal manufacturing.....	494,641	390,912	103,729	213,366	93,400
Fabricated metal product manufacturing.....	499,703	343,191	156,512	90,387	138,261
Machinery manufacturing.....	1,292,151	1,193,847	98,304	959,108	267,712
Computer and electronic product manufacturing.....	3,573,042	2,292,602	1,280,441	1,711,598	1,311,987
Electric equipment, appliance, and component manufacturing.....	526,915	325,697	201,218	159,947	214,554
Transportation equipment manufacturing.....	3,880,903	1,961,367	1,919,536	1,251,236	1,390,324
Motor vehicles and parts manufacturing.....	3,642,473	1,746,634	1,895,838	1,242,758	1,360,004
Other transportation equipment manufacturing.....	238,430	214,733	23,697	8,478	30,320
Miscellaneous manufacturing.....	1,492,961	1,180,896	312,065	677,238	173,608

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
<b>Distribution and transportation of goods.....</b>	<b>7,533,057</b>	<b>4,273,290</b>	<b>3,259,767</b>	<b>3,119,020</b>	<b>2,285,859</b>
Wholesale and retail trade <sup>2</sup> .....	6,770,895	4,159,386	2,611,509	3,105,020	2,011,325
Wholesale trade.....	5,623,264	3,207,808	2,415,456	2,255,171	1,797,751
Machinery, equipment, and suppliers wholesalers.....	176,822	132,309	44,513	42,339	26,255
Drugs and druggists' sundries wholesalers.....	1,343,423	877,062	466,361	725,468	158,824
Grocery and related product wholesalers.....	175,636	151,957	23,678	111,626	25,120
Petroleum and petroleum products wholesalers.....	469,848	354,637	115,211	253,384	125,665
Other wholesale trade.....	3,457,536	1,691,843	1,765,692	1,122,355	1,461,885
Retail trade.....	1,147,631	951,578	196,054	849,849	213,574
Motor vehicle dealers and parts dealers.....	29,352	3,931	25,421	--	4,524
Building materials and garden equipment and supplies dealers.....	143,429	136,283	7,146	132,631	7,146
Food and beverage stores.....	--	--	--	--	--
Clothing and clothing accessories stores.....	21,777	21,777	--	21,476	89,694
General merchandise stores.....	592,465	548,925	43,540	458,004	56,956
Other retailers.....	360,609	240,661	119,947	237,738	55,253
Transportation and warehousing.....	762,162	113,904	648,258	14,000	274,534
Transportation.....	732,180	83,922	648,258	14,000	274,534
Warehousing and storage.....	29,981	--	--	--	--
<b>Information.....</b>	<b>1,196,622</b>	<b>967,233</b>	<b>229,389</b>	<b>235,118</b>	<b>260,345</b>
Publishing industries.....	418,036	403,049	14,988	92,237	64,856
Broadcasting and telecommunications.....	417,086	357,506	59,580	20,353	59,085
Other information industries.....	361,500	206,678	154,821	122,528	136,404
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>10,025,823</b>	<b>3,696,583</b>	<b>6,329,240</b>	<b>1,061,827</b>	<b>5,520,693</b>
Depository credit intermediation.....	1,059,884	312,016	747,868	67,790	155,976
Nondepository credit intermediation.....	1,787,336	562,101	1,225,234	204,338	725,118
Security, commodity contracts and other financial investments and related products.....	4,195,913	1,711,725	2,484,188	467,372	2,071,936
Insurance carriers and related activities.....	1,762,241	456,679	1,305,562	102,882	1,864,832
Funds, trusts, and other financial activities.....	699,739	281,365	418,374	151,700	595,294
Real estate and rental and leasing.....	520,709	372,696	148,013	67,746	107,537
<b>Services.....</b>	<b>19,218,134</b>	<b>13,306,986</b>	<b>5,911,149</b>	<b>9,295,822</b>	<b>4,252,819</b>
Professional and business services.....	18,721,411	12,836,206	5,885,205	9,213,998	4,152,053
Education, health, and social assistance.....	80,187	80,187	--	24,376	583
Leisure, accommodation, and food services.....	272,543	265,835	6,708	42,627	53,150
Other services.....	143,993	124,757	19,236	14,820	47,034
<b>Nature of business not allocable.....</b>	<b>10,057</b>	<b>--</b>	<b>10,057</b>	<b>--</b>	<b>813</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Receipts by foreign corporations from						
	All sources	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
<b>All industries.....</b>	<b>1,749,516,820</b>	<b>502,808,237</b>	<b>108,724,524</b>	<b>76,016,810</b>	<b>318,024,799</b>	<b>42,104</b>	<b>1,253,389,403</b>
<b>Raw materials and energy production.....</b>	<b>71,311,519</b>	<b>12,635,667</b>	<b>441,774</b>	<b>4,674,093</b>	<b>7,516,876</b>	<b>2,924</b>	<b>58,776,398</b>
Agriculture, forestry, fishing, and hunting.....	4,677,177	2,308,601	66,471	1,343,479	898,650	--	2,369,899
Mining.....	39,220,498	8,130,930	370,267	2,852,453	4,908,211	--	31,188,791
Oil and gas extraction.....	30,242,547	6,896,716	238,983	2,513,093	4,144,640	--	23,433,091
Coal mining.....	634,005	164,988	--	--	164,988	--	469,017
Metal ore mining.....	2,296,676	346,326	79,483	197,519	69,324	--	1,954,806
Other mining.....	6,047,270	722,901	51,801	141,840	529,259	--	5,331,877
Utilities.....	27,413,844	2,196,136	5,035	478,161	1,710,016	2,924	25,217,709
<b>Goods production.....</b>	<b>923,232,646</b>	<b>324,118,386</b>	<b>93,298,596</b>	<b>47,729,842</b>	<b>183,058,728</b>	<b>31,221</b>	<b>601,705,477</b>
Construction.....	12,257,735	983,924	14,674	102,723	865,494	1,034	11,273,810
Building, developing, and general contracting.....	382,207	64,724	--	431	64,293	--	317,483
Heavy construction.....	3,770,281	31,746	--	352	31,394	--	3,738,535
Special trade contractors.....	8,105,247	887,454	14,674	101,940	769,807	1,034	7,217,793
Manufacturing.....	910,974,911	323,134,462	93,283,922	47,627,118	182,193,234	30,187	590,431,667
Food manufacturing.....	59,631,107	6,549,519	686,093	592,756	5,270,671	--	53,103,110
Beverage and tobacco product manufacturing.....	51,048,091	9,062,078	3,229	1,086,716	7,972,133	--	41,986,029
Beverage manufacturing.....	23,466,190	2,940,964	3,229	679,551	2,258,183	--	20,525,227
Tobacco manufacturing.....	27,581,901	6,121,115	--	407,165	5,713,950	--	21,460,802
Textile mills and textile product mills.....	1,595,707	414,196	26,660	20,488	367,048	--	1,188,187
Apparel manufacturing.....	7,217,263	3,869,982	480,068	2,387,530	1,002,384	--	3,347,281
Wood product manufacturing.....	528,432	63,575	58,958	61	4,556	--	464,857
Paper manufacturing.....	22,875,042	3,885,236	1,344,963	198,195	2,342,078	--	18,989,806
Petroleum and coal products manufacturing.....	72,797,524	13,239,056	1,510,006	4,586,834	7,142,093	123	59,558,468
Chemical manufacturing.....	154,979,722	44,820,522	6,210,713	5,317,201	33,292,608	--	110,520,034
Pharmaceutical and medicine manufacturing.....	63,489,100	22,042,991	2,715,446	2,883,907	16,443,638	--	41,454,298
Other chemical manufacturing.....	91,490,622	22,777,530	3,495,267	2,433,294	16,848,970	--	69,065,737
Plastics and rubber products manufacturing.....	17,081,640	6,818,181	2,345,810	201,974	4,270,397	--	10,263,523
Nonmetallic mineral product manufacturing.....	9,314,505	1,371,036	303,635	286,335	751,001	30,064	7,952,524
Primary metal manufacturing.....	8,061,639	2,125,965	425,006	336,654	1,364,305	--	5,935,675
Fabricated metal product manufacturing.....	16,694,495	3,683,750	740,128	509,254	2,434,368	--	13,040,620
Machinery manufacturing.....	42,462,358	13,587,820	4,587,375	1,330,795	7,669,650	--	28,886,624
Computer and electronic product manufacturing.....	162,372,176	76,103,431	26,615,529	9,314,602	40,173,299	--	88,278,758
Electric equipment, appliance, and component manufacturing.....	31,363,798	14,612,344	8,404,615	1,190,038	5,017,691	--	16,757,036
Transportation equipment manufacturing.....	206,539,178	106,940,268	37,491,482	18,383,471	51,065,314	--	99,641,522
Motor vehicles and parts manufacturing.....	198,420,877	103,920,447	36,581,029	16,876,083	50,463,335	--	94,543,042
Other transportation equipment manufacturing.....	8,118,301	3,019,820	910,453	1,507,388	601,979	--	5,098,481
Miscellaneous manufacturing.....	45,065,034	15,589,639	1,909,061	1,641,360	12,039,218	--	29,568,277

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Receipts by foreign corporations from						
	All sources	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
<b>Distribution and transportation of goods.....</b>	<b>355,151,932</b>	<b>73,123,199</b>	<b>8,468,335</b>	<b>11,403,969</b>	<b>53,243,884</b>	<b>7,012</b>	<b>282,477,544</b>
Wholesale and retail trade <sup>2</sup> .....	345,138,283	70,361,244	8,451,416	9,838,158	52,064,659	7,012	275,220,541
Wholesale trade.....	286,723,573	68,454,878	7,861,999	9,614,790	50,971,077	7,012	218,700,867
Machinery, equipment, and suppliers wholesalers.....	16,677,369	2,636,397	915,816	148,677	1,571,904	--	14,045,385
Drugs and druggists' sundries wholesalers.....	21,889,765	8,212,504	16,970	133,316	8,055,710	6,508	13,762,329
Grocery and related product wholesalers.....	7,075,284	1,304,427	176,800	562,663	564,964	--	5,770,857
Petroleum and petroleum products wholesalers.....	56,833,451	11,255,959	20,744	3,905,455	7,329,760	--	45,581,505
Other wholesale trade.....	184,247,704	45,045,591	6,731,668	4,864,679	33,448,740	504	139,540,791
Retail trade.....	58,414,710	1,906,366	589,417	223,367	1,093,582	--	56,519,674
Motor vehicle dealers and parts dealers.....	2,415,334	113,846	20,167	59	93,621	--	2,301,488
Building materials and garden equipment and supplies dealers.....	3,893,908	209,299	102,115	9,965	97,218	--	3,685,216
Food and beverage stores.....	6,651,747	8,543	7,623	--	920	--	6,643,204
Clothing and clothing accessories stores.....	3,684,229	333,405	127,730	--	205,675	--	3,350,823
General merchandise stores.....	16,692,273	296,846	42,012	3,640	251,194	--	16,406,150
Other retailers.....	25,077,220	944,427	289,770	209,704	444,954	--	24,132,793
Transportation and warehousing.....	10,013,649	2,761,955	16,919	1,565,811	1,179,225	--	7,257,003
Transportation.....	7,560,423	2,393,166	437	1,565,715	827,014	--	5,170,202
Warehousing and storage.....	2,453,226	368,789	16,482	96	352,211	--	2,086,801
<b>Information.....</b>	<b>32,507,167</b>	<b>3,088,152</b>	<b>56,336</b>	<b>618,417</b>	<b>2,413,399</b>	<b>--</b>	<b>29,505,045</b>
Publishing industries.....	3,295,316	260,525	25,722	19,277	215,526	--	3,034,791
Broadcasting and telecommunications.....	20,740,593	1,891,609	30,614	380,822	1,480,173	--	18,935,015
Other information industries.....	8,471,257	936,018	--	218,318	717,700	--	7,535,239
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>185,490,963</b>	<b>35,399,943</b>	<b>2,684,198</b>	<b>6,577,002</b>	<b>26,137,796</b>	<b>948</b>	<b>150,682,191</b>
Depository credit intermediation.....	14,126,210	2,703,390	1,288,178	774,590	640,622	--	11,480,469
Nondepository credit intermediation.....	25,985,055	5,006,580	84,025	305,038	4,617,518	--	21,040,876
Security, commodity contracts and other financial investments and related products.....	71,162,644	13,793,758	1,033,911	3,856,915	8,901,984	948	57,571,574
Insurance carriers and related activities.....	43,090,851	1,881,567	165,599	481,803	1,234,166	--	41,306,036
Funds, trusts, and other financial activities.....	22,344,373	9,845,081	41,030	242,807	9,561,244	--	12,607,186
Real estate and rental and leasing.....	8,781,830	2,169,567	71,455	915,849	1,182,262	--	6,676,049
<b>Services.....</b>	<b>180,629,840</b>	<b>54,345,072</b>	<b>3,764,241</b>	<b>5,009,099</b>	<b>45,571,732</b>	<b>--</b>	<b>129,141,951</b>
Professional and business services.....	160,920,828	52,451,153	3,298,071	4,774,554	44,378,528	--	111,070,713
Education, health, and social assistance.....	451,112	126,000	--	--	126,000	--	348,813
Leisure, accommodation, and food services.....	15,670,847	769,095	8,744	95,449	664,901	--	14,911,691
Other services.....	3,587,053	998,824	457,425	139,096	402,303	--	2,810,734
<b>Nature of business not allocable.....</b>	<b>1,192,754</b>	<b>97,817</b>	<b>11,045</b>	<b>4,388</b>	<b>82,384</b>	<b>--</b>	<b>1,100,797</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Payments by foreign corporations to						
	All recipients	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>All industries.....</b>	<b>1,675,129,198</b>	<b>535,575,579</b>	<b>146,216,959</b>	<b>108,077,629</b>	<b>280,554,133</b>	<b>726,859</b>	<b>1,146,737,668</b>
<b>Raw materials and energy production.....</b>	<b>70,628,588</b>	<b>13,848,173</b>	<b>2,286,620</b>	<b>3,889,565</b>	<b>7,668,585</b>	<b>3,403</b>	<b>56,891,964</b>
Agriculture, forestry, fishing, and hunting.....	4,546,193	873,119	15,413	180,751	676,954	--	3,673,075
Mining.....	40,000,999	9,540,450	2,210,290	3,272,279	4,057,881	--	30,529,267
Oil and gas extraction.....	31,609,881	8,050,919	2,135,239	2,352,350	3,563,330	--	23,565,680
Coal mining.....	531,508	46,022	--	395	45,627	--	485,485
Metal ore mining.....	2,337,101	199,376	6,612	125,767	66,998	--	2,137,725
Other mining.....	5,522,509	1,244,132	68,438	793,767	381,927	--	4,340,377
Utilities.....	26,081,396	3,434,605	60,917	436,535	2,933,750	3,403	22,689,622
<b>Goods production.....</b>	<b>886,433,996</b>	<b>283,316,628</b>	<b>90,795,346</b>	<b>49,624,074</b>	<b>142,260,633</b>	<b>636,574</b>	<b>607,668,648</b>
Construction.....	12,008,802	1,461,115	115,570	367,455	903,748	74,343	10,614,337
Building, developing, and general contracting.....	359,708	13,507	2,022	2,312	9,173	--	346,201
Heavy construction.....	3,607,124	166,447	--	45,983	53,805	66,659	3,507,328
Special trade contractors.....	8,041,970	1,281,161	113,547	319,159	840,770	7,685	6,760,809
Manufacturing.....	874,425,193	281,855,513	90,679,777	49,256,620	141,356,886	562,231	597,054,311
Food manufacturing.....	58,685,092	9,708,771	1,063,543	1,518,258	7,123,271	3,699	49,013,818
Beverage and tobacco product manufacturing.....	46,700,499	9,091,218	759,549	3,061,510	5,269,852	308	37,609,281
Beverage manufacturing.....	21,455,186	5,000,599	759,549	1,973,228	2,267,515	308	16,454,587
Tobacco manufacturing.....	25,245,313	4,090,619	--	1,088,282	3,002,337	--	21,154,694
Textile mills and textile product mills.....	1,506,493	346,694	104,775	22,093	219,826	--	1,159,798
Apparel manufacturing.....	6,889,575	1,130,342	408,474	305,611	416,257	--	5,759,233
Wood product manufacturing.....	512,424	74,461	1,691	71,582	1,188	--	437,963
Paper manufacturing.....	22,902,331	4,049,666	855,835	584,997	2,608,833	--	18,884,246
Petroleum and coal products manufacturing.....	71,694,902	15,128,880	1,008,542	4,803,100	8,823,189	494,049	56,566,776
Chemical manufacturing.....	143,183,824	46,383,609	12,852,929	8,900,155	24,567,757	62,767	96,878,628
Pharmaceutical and medicine manufacturing.....	54,252,145	21,335,142	3,485,176	5,761,139	12,088,827	--	32,920,770
Other chemical manufacturing.....	88,931,679	25,048,467	9,367,753	3,139,016	12,478,930	62,767	63,957,857
Plastics and rubber products manufacturing.....	16,547,563	6,133,374	2,162,592	297,794	3,672,988	--	10,414,189
Nonmetallic mineral product manufacturing.....	7,593,169	1,888,133	524,441	290,606	1,072,407	680	5,718,480
Primary metal manufacturing.....	7,720,781	1,749,404	437,368	402,576	909,461	--	5,971,377
Fabricated metal product manufacturing.....	16,112,479	3,572,180	1,048,635	854,464	1,669,081	--	12,542,247
Machinery manufacturing.....	41,716,974	10,603,509	4,220,469	1,885,544	4,497,496	--	31,149,918
Computer and electronic product manufacturing.....	154,652,082	75,200,155	26,382,285	16,119,230	32,698,334	306	83,642,171
Electric equipment, appliance, and component manufacturing.....	30,572,827	7,627,766	3,128,400	1,632,083	2,866,861	422	22,992,792
Transportation equipment manufacturing.....	202,617,077	75,054,284	31,528,660	6,199,386	37,326,238	--	127,579,253
Motor vehicles and parts manufacturing.....	194,657,226	73,429,036	31,209,676	5,588,452	36,630,907	--	121,228,191
Other transportation equipment manufacturing.....	7,959,851	1,625,248	318,984	610,934	695,331	--	6,351,062
Miscellaneous manufacturing.....	43,613,995	13,954,372	4,084,498	2,286,152	7,583,723	--	29,689,730

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 1.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Payments by foreign corporations to						
	All recipients	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>Distribution and transportation of goods.....</b>	<b>351,324,526</b>	<b>123,075,147</b>	<b>33,363,169</b>	<b>16,300,100</b>	<b>73,411,626</b>	<b>252</b>	<b>229,232,476</b>
Wholesale and retail trade <sup>2</sup> .....	341,218,649	119,731,607	33,236,241	15,254,899	71,240,467	--	222,468,161
Wholesale trade.....	282,773,395	108,273,780	29,549,531	13,300,469	65,423,781	--	175,324,426
Machinery, equipment, and suppliers wholesalers.....	16,464,078	8,497,771	4,730,322	561,927	3,205,522	--	7,966,308
Drugs and druggists' sundries wholesalers.....	21,046,416	9,469,414	1,386,477	1,610,073	6,472,863	--	11,621,997
Grocery and related product wholesalers.....	6,868,466	2,225,502	239,283	59,317	1,926,902	--	4,642,964
Petroleum and petroleum products wholesalers.....	56,391,083	8,495,687	302,148	2,846,987	5,346,552	--	47,895,396
Other wholesale trade.....	182,003,352	79,578,654	22,891,301	8,220,047	48,468,376	--	103,175,096
Retail trade.....	58,445,254	11,457,827	3,686,711	1,954,431	5,816,685	--	47,143,735
Motor vehicle dealers and parts dealers.....	2,436,300	906,189	16,222	113,900	776,067	--	1,530,111
Building materials and garden equipment and supplies dealers.....	3,823,527	2,185,369	1,865,990	167,088	152,290	--	1,759,870
Food and beverage stores.....	6,501,731	136,959	135,817	--	1,142	--	6,364,773
Clothing and clothing accessories stores.....	3,514,326	431,511	105,053	88,473	237,985	--	3,082,815
General merchandise stores.....	17,155,678	2,403,692	165,752	471,497	1,766,443	--	14,777,758
Other retailers.....	25,013,691	5,394,107	1,397,876	1,113,472	2,882,759	--	19,628,409
Transportation and warehousing.....	10,105,877	3,343,540	126,927	1,045,201	2,171,160	252	6,764,315
Transportation.....	7,696,789	1,970,617	45,520	1,044,890	879,954	252	5,728,149
Warehousing and storage.....	2,409,088	1,372,923	81,407	311	1,291,205	--	1,036,165
<b>Information.....</b>	<b>30,846,494</b>	<b>5,804,919</b>	<b>392,025</b>	<b>2,153,657</b>	<b>3,253,299</b>	<b>5,937</b>	<b>25,046,568</b>
Publishing industries.....	3,100,202	636,519	164,541	102,165	369,813	--	2,463,683
Broadcasting and telecommunications.....	19,511,991	2,648,267	197,012	341,390	2,103,927	5,937	16,868,273
Other information industries.....	8,234,301	2,520,133	30,472	1,710,102	779,560	--	5,714,613
<b>Finance, insurance, real estate, and rental and leasing..</b>	<b>174,872,842</b>	<b>44,352,054</b>	<b>7,871,308</b>	<b>10,541,369</b>	<b>25,939,376</b>	<b>--</b>	<b>130,814,063</b>
Depository credit intermediation.....	12,522,580	3,545,109	604,687	1,474,136	1,466,286	--	8,993,286
Nondepository credit intermediation.....	23,557,869	6,193,892	1,379,296	1,374,735	3,439,861	--	17,403,162
Security, commodity contracts and other financial investments and related products.....	69,267,994	17,716,696	1,728,146	6,030,937	9,957,613	--	51,640,469
Insurance carriers and related activities.....	40,254,572	2,991,295	544,765	760,724	1,685,806	--	37,263,277
Funds, trusts, and other financial activities.....	21,260,482	12,234,694	3,452,312	655,652	8,126,730	--	9,026,100
Real estate and rental and leasing.....	8,009,345	1,670,368	162,103	245,185	1,263,080	--	6,487,770
<b>Services.....</b>	<b>159,820,682</b>	<b>65,112,173</b>	<b>11,503,169</b>	<b>25,555,159</b>	<b>27,973,153</b>	<b>80,692</b>	<b>95,948,237</b>
Professional and business services.....	141,489,282	62,426,088	10,766,621	24,653,251	26,925,524	80,692	80,234,971
Education, health, and social assistance.....	488,786	152,295	--	24,411	127,885	--	337,049
Leisure, accommodation, and food services.....	14,465,511	1,665,063	468,103	587,367	609,593	--	12,802,592
Other services.....	3,377,104	868,726	268,444	290,130	310,152	--	2,573,626
<b>Nature of business not allocable.....</b>	<b>1,202,069</b>	<b>66,486</b>	<b>5,322</b>	<b>13,705</b>	<b>47,460</b>	<b>--</b>	<b>1,135,711</b>

<sup>1</sup> Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one industrial group. The industrial activity of the parent corporation filing the return often differs from that of the Controlled Foreign Corporations.

<sup>2</sup> Includes "Wholesale and retail trade not allocable," which is not shown separately.

NOTE: Detail may not add to totals because of rounding and because data are shown for selected industries only.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>All geographic areas.....</b>	<b>996</b>	<b>7,500</b>	<b>2,877,359,804</b>	<b>3,221,489,984</b>	<b>1,749,516,820</b>
<b>Canada.....</b>	<b>401</b>	<b>682</b>	<b>250,063,798</b>	<b>281,662,342</b>	<b>209,536,478</b>
<b>Latin America, total.....</b>	<b>339</b>	<b>1,125</b>	<b>302,389,255</b>	<b>353,590,992</b>	<b>189,792,307</b>
Mexico.....	125	244	53,040,899	58,257,249	51,502,322
Central America, total.....	38	54	7,185,502	9,608,421	5,319,653
Costa Rica .....	6	6	391,303	645,565	517,357
El Salvador.....	4	5	309,253	593,281	261,631
Panama (including Canal Zone).....	28	34	5,926,626	6,874,604	4,023,451
Caribbean countries, total.....	113	242	80,232,425	110,298,480	27,673,282
Cayman Islands (British).....	99	216	75,380,090	102,568,195	25,314,850
South America, total.....	208	585	161,930,430	175,426,843	105,297,050
Argentina.....	92	133	25,571,486	28,926,649	19,910,896
Brazil.....	138	260	100,098,247	103,765,895	63,245,520
Chile.....	44	69	15,964,917	15,867,793	5,627,735
Colombia.....	25	30	4,853,062	7,529,136	4,080,680
Ecuador.....	6	7	483,374	608,573	529,227
Peru.....	14	20	4,425,606	4,845,970	2,081,993
Uruguay.....	10	12	1,033,588	1,231,903	362,825
Venezuela.....	34	47	8,121,697	11,225,087	8,951,187
<b>Other Western Hemisphere, total.....</b>	<b>143</b>	<b>282</b>	<b>98,160,685</b>	<b>120,559,738</b>	<b>35,329,495</b>
Bahamas.....	27	55	13,948,120	17,177,620	5,039,661
Bermuda.....	98	164	61,615,564	76,258,505	18,553,756
Netherlands Antilles.....	22	26	14,451,377	13,698,732	900,887
<b>Europe, total.....</b>	<b>703</b>	<b>4,116</b>	<b>1,830,769,682</b>	<b>2,018,611,641</b>	<b>1,023,483,319</b>
European Union, total .....	686	3,790	1,705,694,297	1,879,080,594	946,491,073
Austria.....	26	37	6,985,966	8,769,695	8,307,734
Belgium.....	102	171	59,162,112	65,111,959	29,869,391
Denmark.....	30	39	5,386,184	6,751,299	4,354,852
Finland.....	16	18	2,235,087	2,733,975	3,028,707
France (including Andorra).....	231	479	128,386,034	149,626,229	100,921,709
Germany.....	241	516	200,465,239	239,357,165	172,700,484
Greece.....	11	14	1,124,288	1,081,417	1,411,426
Ireland.....	95	157	59,057,288	68,332,916	30,728,775
Italy (including San Marino).....	148	242	58,141,603	58,872,456	58,878,820
Luxembourg.....	34	51	23,515,996	40,494,062	7,313,710
Netherlands.....	277	523	182,093,020	269,434,517	168,176,648
Portugal.....	28	39	4,756,025	6,092,275	5,476,218
Spain.....	120	177	36,540,456	50,886,466	38,255,714
Sweden.....	48	72	14,814,909	18,414,125	15,700,595
United Kingdom.....	467	1,255	923,030,089	893,122,039	301,366,290
Other West European countries, total.....	123	221	110,418,209	121,244,605	65,475,217
Norway.....	33	45	12,470,018	14,391,669	9,076,703
Switzerland.....	99	147	94,639,192	102,947,916	49,534,635
Turkey.....	19	26	3,084,926	3,596,694	6,711,993
East European countries, total.....	54	104	14,620,892	18,205,223	11,480,140
Romania.....	3	3	181,395	315,707	53,745
Former Soviet Union.....	14	21	4,118,369	2,636,003	1,814,893
Other East European countries <sup>2</sup> .....	45	81	10,357,412	15,334,732	9,648,391

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations--Continued			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>Africa, total.....</b>	<b>51</b>	<b>82</b>	<b>18,066,197</b>	<b>18,406,418</b>	<b>11,245,929</b>
North Africa, total.....	4	5	502,101	609,705	1,061,261
Morocco.....	3	3	329,136	391,826	442,086
East Africa, total.....	14	14	1,095,197	1,531,531	560,660
Kenya.....	3	3	290,216	298,224	339,096
West and Central Africa, total.....	15	29	11,654,696	10,691,441	5,041,503
Liberia.....	13	18	9,452,765	8,684,254	3,561,309
Nigeria.....	5	8	1,878,433	851,572	1,289,183
Southern Africa, total.....	24	34	4,814,204	5,573,742	4,582,504
South Africa.....	23	32	4,687,392	5,477,996	4,277,628
<b>Asia, total.....</b>	<b>277</b>	<b>812</b>	<b>255,571,878</b>	<b>291,174,786</b>	<b>222,348,112</b>
Middle East, total.....	21	31	7,032,505	8,344,924	4,994,656
Israel.....	13	22	4,552,364	5,771,833	3,776,405
Saudi Arabia.....	4	5	493,144	507,241	655,027
Southern and Southeastern Asia, total.....	124	274	77,714,294	82,287,415	63,794,302
India.....	20	30	2,217,210	3,111,481	1,997,732
Indonesia.....	9	11	1,437,570	1,133,696	461,532
Malaysia.....	32	45	12,909,406	13,829,457	9,708,897
Philippines.....	22	32	6,486,062	8,115,236	3,598,467
Singapore.....	72	111	45,669,549	46,176,980	43,336,065
Thailand.....	30	40	8,164,903	8,998,255	4,550,258
Eastern Asia, total.....	217	507	170,825,079	200,542,446	153,559,154
China.....	40	62	6,282,588	9,907,505	7,594,611
Hong Kong.....	78	127	64,822,352	63,493,434	28,162,314
Japan.....	149	236	81,485,026	106,127,818	100,277,687
South Korea, Republic of.....	35	41	5,340,684	6,363,321	5,644,496
Taiwan.....	33	41	12,894,429	14,650,368	11,880,047
<b>Oceania, total.....</b>	<b>146</b>	<b>359</b>	<b>106,287,695</b>	<b>122,197,586</b>	<b>50,122,539</b>
Australia.....	135	294	84,866,243	99,671,228	44,912,246
New Zealand.....	20	40	18,296,489	19,249,264	4,782,402
Other countries of Oceania.....	9	25	3,124,963	3,277,093	427,891
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>34</b>	<b>42</b>	<b>16,050,614</b>	<b>15,286,480</b>	<b>7,658,641</b>
Puerto Rico.....	29	37	13,503,402	13,503,438	5,276,082
U.S. Possessions, total.....	5	5	2,547,212	1,783,042	2,382,560
<b>OPEC countries, total (countries included above).....</b>	<b>51</b>	<b>73</b>	<b>13,729,209</b>	<b>15,534,821</b>	<b>11,845,589</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
<b>All geographic areas.....</b>	<b>143,840,451</b>	<b>34,744,726</b>	<b>109,095,725</b>	<b>171,053,118</b>	<b>33,933,591</b>	<b>137,119,528</b>
<b>Canada.....</b>	<b>12,741,305</b>	<b>4,295,507</b>	<b>8,445,798</b>	<b>14,958,527</b>	<b>4,225,190</b>	<b>10,733,337</b>
<b>Latin America, total.....</b>	<b>16,304,924</b>	<b>3,203,554</b>	<b>13,101,370</b>	<b>21,330,383</b>	<b>3,005,998</b>	<b>18,324,385</b>
Mexico.....	4,444,735	877,233	3,567,502	5,225,242	787,994	4,437,248
Central America, total.....	694,507	61,042	633,465	758,852	58,385	700,467
Costa Rica .....	47,668	577	47,091	63,426	551	62,874
El Salvador.....	65,941	6,588	59,353	65,941	6,588	59,353
Panama (including Canal Zone).....	547,430	43,263	504,167	581,595	40,746	540,849
Caribbean countries, total.....	4,026,429	379,793	3,646,636	4,760,265	353,119	4,407,145
Cayman Islands (British).....	3,653,076	308,561	3,344,515	4,267,149	282,067	3,985,082
South America, total.....	7,139,253	1,885,486	5,253,767	10,586,024	1,806,501	8,779,524
Argentina.....	1,046,910	429,283	617,626	1,697,030	420,434	1,276,596
Brazil.....	3,872,005	1,061,766	2,810,239	6,031,202	1,003,402	5,027,800
Chile.....	177,591	43,323	134,268	450,012	45,205	404,807
Colombia.....	102,460	62,943	39,517	210,827	53,951	156,876
Ecuador.....	19,351	11,552	7,799	49,593	11,552	38,042
Peru.....	348,322	54,637	293,685	404,939	54,637	350,302
Uruguay.....	41,188	12,860	28,328	51,615	12,860	38,754
Venezuela.....	1,509,200	205,158	1,304,042	1,668,116	200,496	1,467,621
<b>Other Western Hemisphere, total.....</b>	<b>4,355,812</b>	<b>634,141</b>	<b>3,721,671</b>	<b>5,448,721</b>	<b>617,299</b>	<b>4,831,423</b>
Bahamas.....	263,161	123,034	140,127	872,595	103,184	769,410
Bermuda.....	3,576,294	445,113	3,131,181	3,854,282	448,874	3,405,408
Netherlands Antilles.....	163,409	13,392	150,017	228,201	13,007	215,194
<b>Europe, total.....</b>	<b>91,400,402</b>	<b>20,726,049</b>	<b>70,674,354</b>	<b>105,066,544</b>	<b>20,313,988</b>	<b>84,752,556</b>
European Union, total .....	84,378,402	19,600,587	64,777,815	96,811,460	19,222,616	77,588,844
Austria.....	597,072	139,572	457,500	630,870	139,692	491,178
Belgium.....	3,651,786	590,070	3,061,716	3,831,719	583,877	3,247,841
Denmark.....	220,423	84,452	135,971	358,912	84,006	274,905
Finland.....	364,623	92,691	271,932	374,540	91,486	283,054
France (including Andorra).....	6,147,078	1,771,403	4,375,675	7,721,938	1,752,939	5,969,000
Germany.....	10,876,945	3,785,465	7,091,480	12,319,686	3,751,907	8,567,780
Greece.....	112,025	59,491	52,533	140,394	59,491	80,902
Ireland.....	8,475,201	741,244	7,733,957	8,620,904	736,277	7,884,627
Italy (including San Marino).....	4,535,456	2,094,651	2,440,805	5,056,497	2,070,622	2,985,875
Luxembourg.....	1,710,622	578,569	1,132,054	1,773,978	577,222	1,196,756
Netherlands.....	20,484,601	3,178,596	17,306,006	21,996,021	3,116,908	18,879,113
Portugal.....	501,460	139,535	361,925	572,501	139,269	433,232
Spain.....	2,746,563	609,303	2,137,260	2,947,815	599,819	2,347,996
Sweden.....	1,559,879	362,102	1,197,776	1,822,011	356,872	1,465,139
United Kingdom.....	22,394,670	5,373,443	17,021,227	28,643,675	5,162,229	23,481,446
Other West European countries, total.....	6,272,194	911,500	5,360,694	6,938,513	883,195	6,055,318
Norway.....	308,703	164,011	144,692	521,244	135,867	385,377
Switzerland.....	5,509,135	604,023	4,905,111	5,929,210	607,943	5,321,267
Turkey.....	455,774	143,285	312,489	480,998	139,385	341,613
East European countries, total.....	748,190	213,784	534,405	1,314,956	208,001	1,106,955
Romania.....	10,426	7,282	3,144	17,342	7,282	10,061
Former Soviet Union.....	3,198	27,035	-23,837	236,264	22,786	213,478
Other East European countries <sup>2</sup> .....	736,181	179,644	556,537	1,062,965	178,109	884,855

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Foreign corporations with current earnings and profits (+) before income taxes		
				Current earnings and profits before income taxes	Income taxes	Current earnings and profits after income taxes
	(6)	(7)	(8)	(9)	(10)	(11)
<b>Africa, total.....</b>	<b>959,808</b>	<b>193,425</b>	<b>766,384</b>	<b>1,170,881</b>	<b>187,608</b>	<b>983,272</b>
North Africa, total.....	54,110	17,841	36,269	66,340	16,796	49,544
Morocco.....	-3,072	2,003	-5,075	9,158	957	8,200
East Africa, total.....	78,078	13,372	64,706	86,892	12,456	74,436
Kenya.....	61,120	10,063	51,057	61,120	10,063	51,057
West and Central Africa, total.....	664,973	121,081	543,892	768,817	117,227	651,590
Liberia.....	182,837	37,212	145,625	270,544	33,359	237,186
Nigeria.....	446,639	83,204	363,435	462,776	83,204	379,572
Southern Africa, total.....	162,648	41,131	121,517	248,832	41,129	207,702
South Africa.....	115,478	27,441	88,036	201,661	27,440	174,222
<b>Asia, total.....</b>	<b>14,116,717</b>	<b>4,633,536</b>	<b>9,483,181</b>	<b>18,087,218</b>	<b>4,579,019</b>	<b>13,508,200</b>
Middle East, total.....	764,461	181,378	583,083	973,003	180,370	792,633
Israel.....	882,800	172,631	710,169	912,075	171,744	740,331
Saudi Arabia.....	55,204	8,747	46,457	55,677	8,626	47,051
Southern and Southeastern Asia, total.....	4,056,062	669,748	3,386,313	5,619,875	619,928	4,999,947
India.....	-10,867	38,638	-49,505	110,507	35,606	74,901
Indonesia.....	3,824	134	3,690	69,282	129	69,153
Malaysia.....	1,092,350	98,618	993,733	1,198,879	98,175	1,100,704
Philippines.....	573,176	113,663	459,513	626,298	112,697	513,601
Singapore.....	2,861,378	375,189	2,486,189	3,310,986	331,109	2,979,876
Thailand.....	-498,141	41,875	-540,016	268,058	40,613	227,446
Eastern Asia, total.....	9,296,193	3,782,410	5,513,784	11,494,340	3,778,721	7,715,619
China.....	642,438	103,523	538,915	881,192	99,713	781,479
Hong Kong.....	2,534,775	409,247	2,125,528	2,996,713	400,807	2,595,906
Japan.....	5,254,307	3,051,943	2,202,364	6,334,275	3,050,478	3,283,797
South Korea, Republic of.....	130,437	98,396	32,040	320,450	96,339	224,111
Taiwan.....	734,237	119,301	614,936	961,710	131,384	830,326
<b>Oceania, total.....</b>	<b>3,257,200</b>	<b>958,087</b>	<b>2,299,113</b>	<b>4,251,818</b>	<b>905,939</b>	<b>3,345,880</b>
Australia.....	2,742,872	817,612	1,925,260	3,561,043	776,778	2,784,265
New Zealand.....	441,555	120,699	320,856	581,744	110,665	471,078
Other countries of Oceania.....	72,773	19,777	52,997	109,031	18,495	90,536
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>704,282</b>	<b>100,427</b>	<b>603,855</b>	<b>739,025</b>	<b>98,549</b>	<b>640,476</b>
Puerto Rico.....	703,538	94,280	609,258	716,919	92,402	624,517
U.S. Possessions, total.....	745	6,147	-5,403	22,107	6,147	15,959
<b>OPEC countries, total (countries included above).....</b>	<b>1,847,462</b>	<b>297,243</b>	<b>1,550,219</b>	<b>2,261,102</b>	<b>292,454</b>	<b>1,968,648</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
<b>All geographic areas.....</b>	<b>74,188,419</b>	<b>49,586,670</b>	<b>24,601,749</b>	<b>26,885,724</b>	<b>20,238,440</b>
<b>Canada.....</b>	<b>7,715,410</b>	<b>4,626,267</b>	<b>3,089,142</b>	<b>2,982,712</b>	<b>1,938,338</b>
<b>Latin America, total.....</b>	<b>8,420,682</b>	<b>5,455,358</b>	<b>2,965,323</b>	<b>3,203,844</b>	<b>2,662,363</b>
Mexico.....	1,841,098	1,594,016	247,082	726,685	622,884
Central America, total.....	811,888	168,742	643,146	167,221	264,498
Costa Rica .....	--	--	--	--	879
El Salvador.....	1,169	1,169	--	--	688
Panama (including Canal Zone).....	808,949	165,803	643,146	165,803	262,931
Caribbean countries, total.....	1,200,293	431,141	769,152	91,045	1,248,427
Cayman Islands (British).....	1,077,188	358,299	718,888	89,401	1,178,552
South America, total.....	4,567,402	3,261,459	1,305,944	2,218,892	526,554
Argentina.....	581,460	539,940	41,521	356,038	20,643
Brazil.....	2,836,838	1,960,808	876,031	1,458,406	312,611
Chile.....	284,926	122,590	162,336	86,107	87,020
Colombia.....	44,863	36,726	8,137	13,381	74,051
Ecuador.....	6,151	5,105	1,046	2,612	249
Peru.....	249,010	231,080	17,930	44,138	5,414
Uruguay.....	21,938	2,878	19,060	1,548	7,906
Venezuela.....	536,653	358,500	178,152	254,814	16,941
<b>Other Western Hemisphere, total.....</b>	<b>1,977,534</b>	<b>185,159</b>	<b>1,792,375</b>	<b>134,224</b>	<b>2,295,670</b>
Bahamas.....	212,178	66,247	145,931	52,794	166,266
Bermuda.....	1,382,554	90,850	1,291,704	53,365	1,694,529
Netherlands Antilles.....	215,253	2,346	212,907	2,346	170,811
<b>Europe, total.....</b>	<b>46,338,950</b>	<b>32,277,458</b>	<b>14,061,492</b>	<b>16,361,978</b>	<b>11,048,947</b>
European Union, total .....	43,704,744	31,031,280	12,673,464	15,695,344	9,467,378
Austria.....	223,800	191,421	32,380	118,450	37,654
Belgium.....	1,380,469	387,241	993,228	250,528	638,519
Denmark.....	173,138	99,410	73,728	11,438	72,288
Finland.....	41,024	20,855	20,169	11,179	17,230
France (including Andorra).....	2,284,613	1,800,463	484,150	715,757	510,936
Germany.....	6,963,189	5,171,391	1,791,798	3,811,407	1,327,047
Greece.....	71,117	71,117	--	15,554	--
Ireland.....	1,515,602	597,285	918,317	181,932	884,430
Italy (including San Marino).....	2,046,676	1,501,516	545,159	860,980	352,200
Luxembourg.....	1,309,860	517,579	792,281	422,225	235,072
Netherlands.....	7,620,670	4,723,421	2,897,248	1,544,445	2,982,594
Portugal.....	189,495	94,256	95,238	43,069	48,544
Spain.....	1,457,030	1,314,099	142,931	688,926	143,555
Sweden.....	1,068,061	770,738	297,323	611,117	54,006
United Kingdom.....	17,360,001	13,770,487	3,589,514	6,408,336	2,163,303
Other West European countries, total.....	2,269,183	1,035,903	1,233,281	582,747	1,553,097
Norway.....	245,372	220,592	24,779	54,396	62,639
Switzerland.....	1,855,903	663,080	1,192,823	486,723	1,461,086
Turkey.....	166,706	152,229	14,477	41,628	24,203
East European countries, total.....	365,023	210,275	154,748	83,888	27,033
Romania.....	--	--	--	--	--
Former Soviet Union.....	181,275	75,204	106,071	50,670	18,547
Other East European countries <sup>2</sup> .....	183,748	135,071	48,677	33,218	9,925

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued				
	Distributions out of earnings and profits			Dividends paid to controlling U.S. corporation	Total Subpart F income
	Total	Not previously taxed earnings and profits	Previously taxed earnings and profits		
	(12)	(13)	(14)	(15)	(16)
<b>Africa, total.....</b>	<b>375,769</b>	<b>223,877</b>	<b>151,892</b>	<b>174,395</b>	<b>137,480</b>
North Africa, total.....	8,427	8,427	--	4,000	--
Morocco.....	--	--	--	--	--
East Africa, total.....	2,109	1,356	753	622	2,150
Kenya.....	2,109	1,356	753	622	1,212
West and Central Africa, total.....	329,026	184,052	144,974	165,757	107,305
Liberia.....	154,972	26,211	128,761	10,096	82,035
Nigeria.....	161,535	145,322	16,213	143,142	1,250
Southern Africa, total.....	36,207	30,041	6,166	4,015	28,025
South Africa.....	23,836	17,670	6,166	4,015	28,025
<b>Asia, total.....</b>	<b>6,956,249</b>	<b>5,164,071</b>	<b>1,792,178</b>	<b>2,996,721</b>	<b>1,472,049</b>
Middle East, total.....	194,718	154,392	40,325	17,837	20,942
Israel.....	127,000	86,674	40,325	16,901	20,942
Saudi Arabia.....	67,718	67,718	--	936	--
Southern and Southeastern Asia, total.....	1,922,294	1,201,523	720,772	770,136	589,412
India.....	25,199	24,780	418	17,450	62
Indonesia.....	--	--	--	--	379
Malaysia.....	159,661	98,334	61,328	95,280	39,812
Philippines.....	399,496	361,791	37,704	204,746	87,663
Singapore.....	1,233,668	620,233	613,435	369,860	412,665
Thailand.....	103,125	95,510	7,615	81,904	48,831
Eastern Asia, total.....	4,839,236	3,808,156	1,031,081	2,208,749	861,695
China.....	256,377	250,343	6,034	5,983	38,206
Hong Kong.....	1,349,650	793,295	556,355	209,031	510,143
Japan.....	2,648,304	2,269,650	378,655	1,633,072	282,727
South Korea, Republic of.....	237,090	202,397	34,693	207,433	15,208
Taiwan.....	347,815	292,471	55,345	153,230	15,410
<b>Oceania, total.....</b>	<b>2,355,077</b>	<b>1,626,123</b>	<b>728,953</b>	<b>1,003,492</b>	<b>668,762</b>
Australia.....	1,913,876	1,481,370	432,505	946,444	521,844
New Zealand.....	365,971	127,647	238,325	55,759	93,875
Other countries of Oceania.....	75,230	17,107	58,123	1,290	53,043
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>48,750</b>	<b>28,357</b>	<b>20,393</b>	<b>28,357</b>	<b>14,830</b>
Puerto Rico.....	29,750	28,357	1,393	28,357	14,448
U.S. Possessions, total.....	19,000	--	19,000	--	382
<b>OPEC countries, total (countries included above).....</b>	<b>765,906</b>	<b>571,540</b>	<b>194,365</b>	<b>398,892</b>	<b>18,570</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Receipts by foreign corporations from						
	All sources	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
<b>All geographic areas.....</b>	<b>1,749,516,820</b>	<b>502,808,237</b>	<b>108,724,524</b>	<b>76,016,810</b>	<b>318,024,799</b>	<b>42,104</b>	<b>1,253,389,403</b>
<b>Canada.....</b>	<b>209,536,478</b>	<b>69,770,045</b>	<b>37,139,689</b>	<b>21,426,605</b>	<b>11,172,653</b>	<b>31,098</b>	<b>140,206,834</b>
<b>Latin America, total.....</b>	<b>189,792,306</b>	<b>42,164,904</b>	<b>12,263,969</b>	<b>11,992,078</b>	<b>17,904,985</b>	<b>3,872</b>	<b>147,888,319</b>
Mexico.....	51,502,322	15,472,553	5,445,266	6,819,033	3,208,254	--	36,131,536
Central America, total.....	5,319,653	2,823,454	317,316	658,051	1,848,087	--	2,498,409
Costa Rica .....	517,357	413,763	311,106	406	102,251	--	103,593
El Salvador.....	261,631	210	--	210	--	--	261,421
Panama (including Canal Zone).....	4,023,451	2,242,552	6,211	648,375	1,587,967	--	1,783,109
Caribbean countries, total.....	27,673,282	11,242,366	4,852,956	2,336,616	4,051,847	948	16,455,291
Cayman Islands (British).....	25,314,850	10,555,304	4,612,755	1,973,726	3,967,876	948	14,783,921
South America, total.....	105,297,050	12,626,531	1,648,431	2,178,377	8,796,798	2,924	92,803,083
Argentina.....	19,910,896	2,645,620	225,254	198,554	2,221,812	--	17,293,637
Brazil.....	63,245,520	8,271,128	1,271,968	1,486,994	5,512,166	--	55,072,066
Chile.....	5,627,735	570,130	90,510	180,339	299,281	--	5,057,604
Colombia.....	4,080,680	342,509	19,581	93,989	228,483	455	3,738,172
Ecuador.....	529,227	49,271	--	221	49,050	--	479,956
Peru.....	2,081,993	192,282	--	101,491	90,792	--	1,896,092
Uruguay.....	362,825	24,411	1,314	12,036	11,061	--	338,413
Venezuela.....	8,951,187	403,404	39,803	47,801	313,331	2,469	8,547,932
<b>Other Western Hemisphere, total.....</b>	<b>35,329,495</b>	<b>11,396,845</b>	<b>1,627,451</b>	<b>3,771,013</b>	<b>5,998,382</b>	<b>--</b>	<b>23,969,231</b>
Bahamas.....	5,039,661	678,586	18,477	342,571	317,538	--	4,361,074
Bermuda.....	18,553,756	5,241,530	1,234,441	1,216,627	2,790,462	--	13,327,802
Netherlands Antilles.....	900,887	282,557	16,591	115,314	150,652	--	631,392
<b>Europe, total.....</b>	<b>1,023,483,319</b>	<b>301,838,956</b>	<b>33,189,615</b>	<b>26,619,318</b>	<b>242,023,011</b>	<b>7,012</b>	<b>727,201,766</b>
European Union, total .....	946,491,073	278,444,590	31,888,951	24,386,029	222,162,599	7,012	673,215,340
Austria.....	8,307,734	4,245,247	41,681	1,694,719	2,508,847	--	4,073,969
Belgium.....	29,869,391	10,894,446	613,261	1,544,357	8,736,828	--	19,042,229
Denmark.....	4,354,852	1,297,171	48,768	152,464	1,095,938	--	3,061,890
Finland.....	3,028,707	214,974	5,346	109,192	100,436	--	2,813,733
France (including Andorra).....	100,921,709	29,194,823	2,915,592	1,821,322	24,457,908	--	72,152,487
Germany.....	172,700,484	48,540,374	4,152,349	3,928,539	40,458,982	504	126,187,495
Greece.....	1,411,426	50,285	3,872	61	46,352	--	1,361,141
Ireland.....	30,728,775	11,621,949	1,548,299	1,278,551	8,795,099	--	19,147,710
Italy (including San Marino).....	58,878,820	9,233,138	633,402	919,868	7,673,360	6,508	49,736,915
Luxembourg.....	7,313,710	2,894,559	25,669	66,808	2,802,081	--	4,420,349
Netherlands.....	168,176,648	67,568,125	7,551,680	3,063,567	56,952,878	--	101,003,929
Portugal.....	5,476,218	861,549	66,497	21,460	773,592	--	4,614,668
Spain.....	38,255,714	11,823,546	731,231	303,042	10,789,274	--	26,441,223
Sweden.....	15,700,595	3,143,544	89,931	167,503	2,886,110	--	12,658,425
United Kingdom.....	301,366,290	76,860,861	13,461,372	9,314,576	54,084,913	--	226,499,177
Other West European countries, total.....	65,475,217	21,901,860	1,270,042	1,935,951	18,695,867	--	43,934,484
Norway.....	9,076,703	1,590,323	29,224	12,876	1,548,222	--	7,584,772
Switzerland.....	49,534,635	19,714,808	1,239,416	1,910,060	16,565,332	--	30,080,161
Turkey.....	6,711,993	586,021	1,402	13,005	571,614	--	6,128,374
East European countries, total.....	11,480,140	1,490,528	30,622	297,339	1,162,567	--	10,017,029
Romania.....	53,745	5,051	--	531	4,520	--	48,694
Former Soviet Union.....	1,814,893	375,494	--	58,014	317,480	--	1,459,436
Other East European countries <sup>2</sup> .....	9,648,391	1,111,960	30,622	238,793	842,545	--	8,543,813

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Receipts by foreign corporations from						
	All sources	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(17)	(18)	(19)	(20)	(21)	(22)	(23)
<b>Africa, total.....</b>	<b>11,245,929</b>	<b>3,531,333</b>	<b>11,093</b>	<b>2,600,984</b>	<b>919,256</b>	--	<b>7,717,569</b>
North Africa, total.....	1,061,261	15,739	57	11,471	4,212	--	1,045,522
Morocco.....	442,086	5,907	57	1,922	3,928	--	436,179
East Africa, total.....	560,660	120,295	--	13,327	106,968	--	440,364
Kenya.....	339,096	21,592	--	10,544	11,048	--	317,504
West and Central Africa, total.....	5,041,503	3,011,543	7,309	2,492,530	511,704	--	2,031,375
Liberia.....	3,561,309	2,051,844	7,309	1,615,158	429,378	--	1,509,464
Nigeria.....	1,289,183	816,073	--	815,986	87	--	473,109
Southern Africa, total.....	4,582,504	383,755	3,727	83,656	296,372	--	4,200,307
South Africa.....	4,277,628	382,725	3,727	82,846	296,152	--	3,896,461
<b>Asia, total.....</b>	<b>222,348,112</b>	<b>64,778,461</b>	<b>22,637,024</b>	<b>8,343,360</b>	<b>33,797,954</b>	<b>123</b>	<b>157,812,889</b>
Middle East, total.....	4,994,656	1,423,893	633,328	163,155	627,410	--	3,570,887
Israel.....	3,776,405	1,423,788	633,328	163,155	627,305	--	2,352,741
Saudi Arabia.....	655,027	105	--	--	105	--	654,922
Southern and Southeastern Asia, total.....	63,794,302	36,697,071	15,557,313	5,160,164	15,979,471	123	27,199,934
India.....	1,997,732	153,619	29,972	12,419	111,228	--	1,844,113
Indonesia.....	461,532	26,896	49	--	26,847	--	434,636
Malaysia.....	9,708,897	7,064,348	4,778,471	305,785	1,980,092	--	2,657,804
Philippines.....	3,598,467	1,090,494	247,565	83,202	759,727	--	2,516,434
Singapore.....	43,336,065	27,011,031	10,149,812	4,683,120	12,178,099	--	16,406,021
Thailand.....	4,550,258	1,324,336	351,444	53,792	918,977	123	3,225,922
Eastern Asia, total.....	153,559,154	26,657,497	6,446,382	3,020,041	17,191,074	--	127,042,068
China.....	7,594,611	2,049,269	618,190	27,843	1,403,235	--	5,577,561
Hong Kong.....	28,162,314	8,145,863	1,451,340	1,400,203	5,294,320	--	20,118,287
Japan.....	100,277,687	13,074,255	2,765,347	1,209,335	9,099,572	--	87,208,405
South Korea, Republic of.....	5,644,496	625,872	187,620	106,914	331,338	--	5,018,623
Taiwan.....	11,880,047	2,762,238	1,423,885	275,745	1,062,608	--	9,119,191
<b>Oceania, total.....</b>	<b>50,122,539</b>	<b>7,450,118</b>	<b>385,316</b>	<b>896,987</b>	<b>6,167,814</b>	--	<b>42,811,730</b>
Australia.....	44,912,246	6,590,532	363,716	859,296	5,367,521	--	38,451,493
New Zealand.....	4,782,402	745,483	21,601	34,380	689,502	--	4,038,848
Other countries of Oceania.....	427,891	114,102	--	3,311	110,792	--	321,389
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>7,658,641</b>	<b>1,877,575</b>	<b>1,470,367</b>	<b>366,465</b>	<b>40,744</b>	--	<b>5,781,066</b>
Puerto Rico.....	5,276,082	226,965	139,228	69,053	18,684	--	5,049,117
U.S. Possessions, total.....	2,382,560	1,650,610	1,331,139	297,411	22,060	--	731,949
<b>OPEC countries, total (countries included above).....</b>	<b>11,845,589</b>	<b>1,246,478</b>	<b>39,852</b>	<b>863,788</b>	<b>340,370</b>	<b>2,469</b>	<b>10,599,259</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Payments by foreign corporations to						
	All recipients	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>All geographic areas.....</b>	<b>1,675,129,198</b>	<b>535,575,579</b>	<b>146,216,959</b>	<b>108,077,629</b>	<b>280,554,133</b>	<b>726,859</b>	<b>1,146,737,668</b>
<b>Canada.....</b>	<b>204,927,250</b>	<b>62,866,273</b>	<b>39,875,897</b>	<b>13,241,683</b>	<b>9,740,077</b>	<b>8,616</b>	<b>143,248,559</b>
<b>Latin America, total.....</b>	<b>182,348,328</b>	<b>44,659,115</b>	<b>14,679,819</b>	<b>13,158,271</b>	<b>16,663,363</b>	<b>157,662</b>	<b>138,158,707</b>
Mexico.....	49,741,319	14,346,907	5,672,562	5,055,062	3,552,625	66,659	35,478,758
Central America, total.....	5,411,506	2,393,205	403,758	925,573	1,063,566	308	3,018,301
Costa Rica .....	469,438	193,312	156,972	8,194	28,146	--	276,126
El Salvador.....	201,656	4,802	--	3,897	905	--	196,854
Panama (including Canal Zone).....	4,264,557	2,089,286	246,496	897,598	945,191	--	2,175,271
Caribbean countries, total.....	24,459,747	9,278,530	3,754,602	2,223,666	3,293,982	6,280	15,544,218
Cayman Islands (British).....	22,462,496	8,995,934	3,689,252	2,165,696	3,134,945	6,039	13,829,553
South America, total.....	102,735,756	18,640,473	4,848,897	4,953,971	8,753,190	84,416	84,117,430
Argentina.....	19,415,327	4,609,399	730,732	947,609	2,855,276	75,781	14,805,928
Brazil.....	62,400,270	10,315,010	3,300,678	2,716,627	4,295,370	2,336	52,107,330
Chile.....	5,721,982	895,368	221,795	300,543	373,030	--	4,826,614
Colombia.....	3,964,678	752,604	109,421	302,531	340,291	361	3,212,074
Ecuador.....	514,165	29,374	3,015	17,877	8,482	--	484,791
Peru.....	2,031,273	349,168	31,804	98,188	219,176	--	1,682,105
Uruguay.....	348,630	121,621	893	16,130	98,660	5,937	227,009
Venezuela.....	7,820,325	1,535,233	447,723	553,408	534,102	--	6,285,167
<b>Other Western Hemisphere, total.....</b>	<b>32,188,907</b>	<b>12,439,841</b>	<b>2,394,482</b>	<b>2,989,322</b>	<b>7,056,037</b>	<b>--</b>	<b>19,772,095</b>
Bahamas.....	4,762,585	1,350,590	87,076	705,476	558,038	--	3,412,062
Bermuda.....	15,801,448	5,946,888	1,067,897	1,284,456	3,594,535	--	9,877,522
Netherlands Antilles.....	896,477	652,693	27,785	416,377	208,531	--	243,784
<b>Europe, total.....</b>	<b>974,142,607</b>	<b>322,907,665</b>	<b>59,363,311</b>	<b>59,200,952</b>	<b>204,276,936</b>	<b>66,466</b>	<b>655,943,371</b>
European Union, total .....	902,408,411	298,516,867	54,622,899	54,570,794	189,319,475	3,699	608,573,370
Austria.....	7,927,078	2,731,128	233,151	785,954	1,712,023	--	5,232,081
Belgium.....	28,554,897	8,487,716	1,453,366	1,864,397	5,169,953	--	20,174,090
Denmark.....	4,282,016	1,481,314	49,474	327,147	1,104,693	--	2,800,702
Finland.....	2,691,225	916,222	37,095	91,835	787,291	--	1,779,612
France (including Andorra).....	97,478,628	26,806,621	4,174,949	3,980,111	18,651,561	--	70,980,892
Germany.....	167,288,074	50,329,205	5,853,033	8,306,072	36,170,100	--	120,090,933
Greece.....	1,358,608	326,565	27,807	51,211	247,547	--	1,032,043
Ireland.....	24,486,428	11,500,646	3,146,530	2,480,816	5,873,300	--	12,995,922
Italy (including San Marino).....	57,341,426	16,437,203	1,508,706	2,614,593	12,313,904	--	40,908,453
Luxembourg.....	6,679,275	2,740,480	335,221	968,025	1,437,234	--	3,947,114
Netherlands.....	155,860,446	75,279,906	20,434,620	16,343,692	38,497,895	3,699	80,931,582
Portugal.....	5,141,987	830,722	131,967	157,816	540,939	--	4,314,746
Spain.....	36,540,270	14,700,322	1,668,688	1,672,929	11,358,705	--	21,887,457
Sweden.....	15,342,535	4,585,328	913,325	295,632	3,376,371	--	10,857,144
United Kingdom.....	291,435,518	81,363,490	14,654,967	14,630,564	52,077,959	--	210,640,598
Other West European countries, total.....	60,421,957	22,286,262	4,644,066	4,145,905	13,433,524	62,767	38,153,864
Norway.....	8,660,361	2,104,910	141,071	273,761	1,690,078	--	6,569,075
Switzerland.....	45,163,686	19,114,091	4,475,274	3,650,317	10,925,733	62,767	26,054,140
Turkey.....	6,448,877	1,021,035	27,722	217,576	775,737	--	5,427,843
East European countries, total.....	11,311,880	2,104,472	96,346	484,253	1,523,873	--	9,215,841
Romania.....	49,624	3,444	793	5	2,646	--	46,180
Former Soviet Union.....	2,129,887	733,828	1,714	205,705	526,408	--	1,396,059
Other East European countries <sup>2</sup> .....	9,132,728	1,364,264	93,839	278,543	994,883	--	7,773,899

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

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

[Money amounts are in thousands of dollars]

Selected country of incorporation of the 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued						
	Payments by foreign corporations to						
	All recipients	All related parties	U.S. corporation filing return	Domestic corporations controlled by U.S. corporation filing return	Any foreign corporations controlled by U.S. corporation filing return	All other related parties	Unrelated parties
	(24)	(25)	(26)	(27)	(28)	(29)	(30)
<b>Africa, total.....</b>	<b>10,772,850</b>	<b>2,244,730</b>	<b>112,574</b>	<b>538,958</b>	<b>1,593,199</b>	--	<b>8,528,119</b>
North Africa, total.....	1,015,693	97,185	9,845	43,343	43,997	--	918,508
Morocco.....	444,611	62,860	9,845	13,853	39,163	--	381,750
East Africa, total.....	518,028	132,926	--	85,336	47,590	--	385,102
Kenya.....	310,622	128,351	--	82,503	45,848	--	182,271
West and Central Africa, total.....	4,749,909	1,330,162	73,522	311,249	945,391	--	3,419,747
Liberia.....	3,441,022	1,020,789	31,081	52,074	937,634	--	2,420,232
Nigeria.....	1,146,101	264,557	29,922	226,879	7,757	--	881,544
Southern Africa, total.....	4,489,220	684,457	29,207	99,029	556,222	--	3,804,763
South Africa.....	4,218,227	673,647	29,207	99,029	545,411	--	3,544,580
<b>Asia, total.....</b>	<b>216,173,251</b>	<b>78,166,269</b>	<b>26,259,007</b>	<b>15,842,091</b>	<b>35,571,056</b>	<b>494,115</b>	<b>138,685,986</b>
Middle East, total.....	4,747,927	1,272,478	393,141	82,865	796,473	--	3,475,449
Israel.....	3,385,758	1,076,694	393,073	66,602	617,019	--	2,309,064
Saudi Arabia.....	628,599	49,353	68	16,002	33,283	--	579,245
Southern and Southeastern Asia, total.....	61,769,129	25,449,730	8,972,421	4,770,556	11,212,944	493,808	36,525,573
India.....	2,003,492	288,465	133,205	31,308	123,952	--	1,715,026
Indonesia.....	486,593	51,832	15,847	26,621	9,365	--	434,760
Malaysia.....	8,878,425	3,951,215	1,952,700	542,844	1,454,463	1,207	4,976,467
Philippines.....	3,337,462	1,284,725	190,017	259,935	834,773	--	2,052,737
Singapore.....	41,864,831	17,902,907	6,298,230	3,697,154	7,907,523	--	24,109,704
Thailand.....	5,105,566	1,946,803	380,944	190,687	882,571	492,601	3,167,899
Eastern Asia, total.....	149,656,195	51,444,061	16,893,445	10,988,670	23,561,640	306	98,684,965
China.....	7,313,660	2,565,944	782,517	127,168	1,655,953	306	4,796,539
Hong Kong.....	27,227,656	10,703,008	3,202,521	1,866,385	5,634,102	--	16,938,189
Japan.....	97,578,454	32,171,555	10,448,804	7,811,447	13,911,305	--	65,417,366
South Korea, Republic of.....	5,787,984	2,222,107	823,048	560,788	838,271	--	3,565,877
Taiwan.....	11,748,440	3,781,446	1,636,556	622,883	1,522,008	--	7,966,993
<b>Oceania, total.....</b>	<b>47,440,933</b>	<b>11,410,104</b>	<b>3,378,559</b>	<b>2,604,326</b>	<b>5,427,220</b>	--	<b>36,147,341</b>
Australia.....	42,758,387	10,244,207	3,317,802	2,327,854	4,598,551	--	32,626,621
New Zealand.....	4,259,566	1,057,864	58,894	255,733	743,237	--	3,203,795
Other countries of Oceania.....	422,980	108,034	1,863	20,739	85,432	--	316,924
<b>Puerto Rico and U.S. Possessions, total.....</b>	<b>7,135,071</b>	<b>881,581</b>	<b>153,310</b>	<b>502,026</b>	<b>226,246</b>	--	<b>6,253,490</b>
Puerto Rico.....	4,603,392	517,184	110,864	392,114	14,206	--	4,086,208
U.S. Possessions, total.....	2,531,679	364,397	42,446	109,911	212,040	--	2,167,282
<b>OPEC countries, total (countries included above).....</b>	<b>10,736,679</b>	<b>2,047,146</b>	<b>493,560</b>	<b>822,909</b>	<b>730,677</b>	--	<b>8,689,609</b>

<sup>1</sup> Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one country of incorporation.

<sup>2</sup> Includes "Europe not allocable."

NOTE: Detail may not add to totals because of rounding and because data are shown for selected countries only.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>All geographic areas <sup>2</sup></b>					
All industries.....	996	7,500	2,877,359,804	3,221,489,984	1,749,516,820
Raw materials and energy production.....	117	405	159,437,083	178,721,836	71,311,519
Goods production.....	514	2,477	699,437,081	836,110,494	923,232,646
Distribution and transportation of goods.....	278	1,001	185,714,674	204,573,238	355,151,932
Information.....	56	216	57,169,165	71,854,510	32,507,167
Finance, insurance, real estate, and rental and leasing.....	359	1,612	1,267,746,413	1,295,958,973	185,490,963
Services.....	506	1,770	507,130,853	631,582,868	180,629,839
<b>Argentina <sup>2</sup></b>					
All industries.....	92	133	25,571,486	28,926,649	19,910,896
Raw materials and energy production.....	17	28	6,146,883	6,276,169	2,132,383
Goods production.....	39	44	9,082,191	9,607,740	10,264,962
Distribution and transportation of goods.....	11	11	2,888,064	3,217,991	4,744,266
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	15	16	2,510,096	3,292,863	635,506
Services.....	20	27	3,070,774	4,225,595	740,779
<b>Australia</b>					
All industries.....	135	294	84,866,243	99,671,228	44,912,246
Raw materials and energy production.....	20	33	11,080,282	9,710,539	3,318,172
Goods production.....	58	78	15,040,501	19,598,369	22,059,883
Distribution and transportation of goods.....	21	23	3,996,354	4,249,871	9,741,273
Information.....	6	6	699,065	1,109,381	1,096,398
Finance, insurance, real estate, and rental and leasing.....	35	68	24,751,774	28,138,574	2,977,293
Professional and business services.....	55	86	29,298,267	36,864,494	5,719,226
<b>Belgium</b>					
All industries.....	102	171	59,162,112	65,111,959	29,869,391
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	57	69	19,159,366	20,768,315	19,517,900
Distribution and transportation of goods.....	24	25	4,976,937	5,905,935	5,774,503
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	29	35	18,453,621	20,131,189	2,257,821
Services.....	34	38	15,526,222	17,158,523	2,182,022
<b>Bermuda <sup>2</sup></b>					
All industries.....	98	164	61,615,564	76,258,505	18,553,756
Raw materials and energy production.....	11	20	4,632,198	5,815,224	3,553,749
Goods production.....	**	**	**	**	**
Distribution and transportation of goods.....	9	16	3,081,545	3,129,529	2,950,865
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	64	89	44,242,179	51,873,209	8,174,351
Services.....	20	26	3,950,313	7,735,491	1,377,144
<b>Brazil <sup>2</sup></b>					
All industries.....	138	260	100,098,247	103,765,895	63,245,520
Raw materials and energy production.....	9	16	8,729,136	10,597,768	3,412,892
Goods production.....	82	113	31,236,913	33,124,714	30,916,221
Distribution and transportation of goods.....	12	13	4,513,468	4,868,235	8,279,540
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	29	54	28,704,631	26,798,386	7,895,755
Services.....	37	53	17,776,327	18,837,468	7,323,507
<b>Canada <sup>2</sup></b>					
All industries.....	401	682	250,063,798	281,662,342	209,536,478
Raw materials and energy production.....	43	58	30,931,303	38,229,978	10,863,121
Goods production.....	206	244	82,848,714	85,438,223	121,923,733
Distribution and transportation of goods.....	72	82	19,002,769	20,151,205	50,341,915
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	94	148	82,519,048	94,892,650	12,284,222
Services.....	87	126	28,588,006	34,550,992	9,709,861

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>Cayman Islands (British) <sup>2</sup></b>					
All industries.....	99	216	75,380,090	102,568,195	25,314,850
Raw materials and energy production.....	20	34	5,143,936	6,665,082	2,130,037
Goods production.....	16	23	11,270,813	12,411,310	13,556,817
Distribution and transportation of goods.....	5	5	669,399	1,559,585	3,679,775
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	38	95	49,213,718	69,312,726	3,916,999
Services.....	36	56	8,931,461	12,053,088	1,982,931
<b>France <sup>2</sup></b>					
All industries.....	231	479	128,386,034	149,626,229	100,921,709
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	129	185	43,606,978	51,228,901	61,531,884
Distribution and transportation of goods.....	59	75	10,588,578	13,224,436	19,732,388
Information.....	6	7	528,513	748,125	577,367
Finance, insurance, real estate, and rental and leasing.....	44	80	40,632,204	46,205,639	4,756,124
Services.....	81	125	31,879,294	36,845,465	13,518,025
<b>Germany <sup>2</sup></b>					
All industries.....	241	516	200,465,239	239,357,165	172,700,484
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	123	189	75,747,101	91,088,344	121,263,086
Distribution and transportation of goods.....	62	77	13,534,612	15,699,225	23,518,752
Information.....	9	10	879,211	1,714,762	1,121,470
Finance, insurance, real estate, and rental and leasing.....	40	64	72,345,760	78,490,536	14,874,936
Services.....	116	172	37,667,859	51,890,786	11,752,032
<b>Hong Kong</b>					
All industries.....	78	127	64,822,352	63,493,434	28,162,314
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	20	22	2,947,930	2,990,907	6,169,440
Distribution and transportation of goods.....	29	37	5,084,793	5,763,250	11,589,270
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	18	38	47,818,808	45,423,785	5,627,789
Services.....	25	26	3,944,096	3,997,875	2,520,616
<b>Ireland</b>					
All industries.....	95	157	59,057,288	68,332,916	30,728,775
Raw materials and energy production.....	--	--	--	--	--
Goods production.....	48	55	12,281,552	16,767,942	15,628,917
Distribution and transportation of goods.....	**	**	**	**	**
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	30	46	30,839,118	31,549,399	2,184,362
Services.....	31	39	12,797,082	17,511,182	9,104,969
<b>Italy</b>					
All industries.....	148	242	58,141,603	58,872,456	58,878,820
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	90	142	31,381,366	31,157,529	35,612,861
Distribution and transportation of goods.....	37	40	11,196,392	10,236,709	16,049,454
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	16	18	5,559,584	5,912,893	1,004,932
Services.....	29	37	9,571,174	11,069,527	5,733,532
<b>Japan</b>					
All industries.....	149	236	81,485,026	106,127,818	100,277,687
Raw materials and energy production.....	--	--	--	--	--
Goods production.....	81	114	45,496,287	49,160,960	56,625,094
Distribution and transportation of goods.....	58	70	17,590,065	18,870,502	31,371,489
Information.....	3	6	494,365	617,142	933,688
Finance, insurance, real estate, and rental and leasing.....	11	22	12,530,406	30,765,449	4,042,365
Services.....	21	24	5,373,904	6,713,765	7,305,050

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>Mexico</b>					
All industries.....	125	244	53,040,899	58,257,249	51,502,322
Raw materials and energy production.....	5	5	489,245	546,046	570,366
Goods production.....	71	97	19,676,067	20,876,926	32,547,971
Distribution and transportation of goods.....	20	30	4,129,539	3,784,052	9,142,536
Information.....	5	9	631,715	794,307	555,222
Finance, insurance, real estate, and rental and leasing.....	26	42	8,525,060	9,354,529	1,962,344
Services.....	42	61	19,589,272	22,901,390	6,723,883
<b>Netherlands <sup>2</sup></b>					
All industries.....	277	523	182,093,020	269,434,517	168,176,648
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	103	129	60,101,089	107,124,277	85,790,115
Distribution and transportation of goods.....	56	64	11,351,672	14,397,896	26,366,802
Information.....	13	21	5,148,042	8,620,693	2,236,709
Finance, insurance, real estate, and rental and leasing.....	58	88	40,135,290	48,477,072	22,658,897
Services.....	146	204	58,525,449	82,961,736	26,528,534
<b>New Zealand</b>					
All industries.....	20	40	18,296,489	19,249,264	4,782,402
Raw materials and energy production.....	3	4	778,441	723,660	139,794
Goods production.....	4	7	7,479,817	7,762,067	2,298,802
Distribution and transportation of goods.....	**	**	**	**	**
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	8	15	7,291,742	6,074,102	857,350
Services.....	8	9	1,814,972	3,863,203	472,725
<b>Singapore</b>					
All industries.....	72	111	45,669,549	46,176,980	43,336,065
Raw materials and energy production.....	--	--	--	--	--
Goods production.....	37	46	19,572,906	21,586,267	23,238,989
Distribution and transportation of goods.....	20	23	5,173,820	4,764,398	16,320,465
Information.....	--	--	--	--	--
Finance, insurance, real estate, and rental and leasing.....	19	24	17,269,114	15,155,191	1,468,531
Services.....	14	18	3,653,708	4,671,124	2,308,081
<b>Spain</b>					
All industries.....	120	177	36,540,456	50,886,466	38,255,714
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	68	93	16,629,954	23,823,480	27,325,295
Distribution and transportation of goods.....	27	27	3,775,202	4,818,193	5,884,454
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	18	23	11,740,943	15,653,642	2,059,773
Services.....	22	27	3,851,806	6,065,427	2,489,861
<b>Sweden</b>					
All industries.....	48	72	14,814,909	18,414,125	15,700,595
Raw materials and energy production.....	**	**	**	**	**
Goods production.....	19	22	3,938,239	5,052,409	6,504,339
Distribution and transportation of goods.....	14	21	4,377,416	4,951,191	6,608,376
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	8	11	2,881,090	4,519,369	755,657
Services.....	12	13	2,866,938	2,998,914	991,916
<b>Switzerland</b>					
All industries.....	99	147	94,639,192	102,947,916	49,534,635
Raw materials and energy production.....	--	--	--	--	--
Goods production.....	31	35	16,295,326	16,877,299	16,325,710
Distribution and transportation of goods.....	37	40	9,884,719	10,675,112	18,953,988
Information.....	--	--	--	--	--
Finance, insurance, real estate, and rental and leasing.....	26	33	57,267,896	60,762,599	9,668,000
Services.....	28	39	11,191,250	14,632,906	4,586,936

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	Number of U.S. corporation returns <sup>1</sup>	7,500 largest Controlled Foreign Corporations			
		Number of foreign corporations	Total assets		Total receipts
			Beginning of year	End of year	
	(1)	(2)	(3)	(4)	(5)
<b>United Kingdom <sup>2</sup></b>					
All industries.....	467	1,255	923,030,089	893,122,039	301,366,290
Raw materials and energy production.....	30	55	49,191,818	51,303,325	25,028,439
Goods production.....	202	299	101,131,242	112,492,503	129,088,296
Distribution and transportation of goods.....	91	116	21,597,799	23,571,944	36,088,547
Information.....	22	63	18,717,872	23,150,376	5,716,548
Finance, insurance, real estate, and rental and leasing.....	134	349	574,191,257	499,614,612	59,445,254
Services.....	221	370	158,132,526	182,750,511	45,971,790
<b>European Union, total <sup>2</sup></b>					
All industries.....	686	3,790	1,705,694,297	1,879,080,594	946,491,073
Raw materials and energy production.....	43	90	58,355,150	61,709,392	31,536,959
Goods production.....	360	1,259	374,597,353	478,915,023	518,083,378
Distribution and transportation of goods.....	194	493	86,190,981	99,166,812	151,120,950
Information.....	36	118	29,638,668	37,757,476	11,453,074
Finance, insurance, real estate, and rental and leasing.....	220	753	812,550,775	772,015,110	111,960,265
Services.....	393	1,065	343,969,470	428,207,699	121,883,890
<b>OPEC countries, total <sup>2</sup></b>					
All industries.....	51	73	13,729,209	15,534,821	11,845,589
Raw materials and energy production.....	14	18	2,637,276	2,023,201	1,956,828
Goods production.....	23	28	4,488,318	4,566,391	3,501,510
Distribution and transportation of goods.....	7	7	995,795	1,088,270	1,880,914
Information.....	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	7	8	1,319,034	1,046,963	310,243
Services.....	6	8	1,243,087	1,992,945	890,867

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	(6)	(7)	(8)	(9)	(10)	(11)
<b>All geographic areas <sup>2</sup></b>						
All industries.....	143,840,451	34,744,726	109,095,725	74,188,419	26,885,724	20,238,440
Raw materials and energy production.....	9,944,041	3,064,176	6,879,865	7,932,197	2,947,397	587,936
Goods production.....	64,699,560	17,247,413	47,452,147	28,272,530	10,226,541	7,329,974
Distribution and transportation of goods.....	13,147,147	3,677,559	9,469,588	7,533,057	3,119,020	2,285,859
Information.....	4,535,689	935,510	3,600,179	1,196,622	235,118	260,345
Finance, insurance, real estate, and rental and leasing.....	20,860,964	5,649,641	15,211,323	10,025,823	1,061,827	5,520,693
Services.....	30,651,975	4,156,364	26,495,611	19,218,134	9,295,821	4,252,819
<b>Argentina <sup>2</sup></b>						
All industries.....	1,046,910	429,283	617,626	581,460	356,038	20,643
Raw materials and energy production.....	66,658	75,468	-8,810	127,249	34,453	1,688
Goods production.....	712,667	234,875	477,792	399,311	294,912	15,283
Distribution and transportation of goods.....	82,405	27,057	55,348	11,700	1,560	2,296
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	143,979	41,524	102,454	38,393	22,595	708
Services.....	-4,084	6,948	-11,032	4,807	2,518	667
<b>Australia</b>						
All industries.....	2,742,872	817,612	1,925,260	1,913,876	946,444	521,844
Raw materials and energy production.....	79,597	51,482	28,115	80,471	9,530	62,044
Goods production.....	1,292,541	433,637	858,904	998,601	439,461	339,744
Distribution and transportation of goods.....	132,629	76,815	55,814	60,407	18,617	2,117
Information.....	54,778	15,735	39,043	62,154	49,979	9,921
Finance, insurance, real estate, and rental and leasing.....	610,693	154,981	455,712	195,991	5,136	86,732
Professional and business services.....	572,633	84,962	487,671	516,251	423,722	21,285
<b>Belgium</b>						
All industries.....	3,651,786	590,070	3,061,716	1,380,469	250,528	638,519
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	1,880,661	372,081	1,508,580	686,948	152,175	239,026
Distribution and transportation of goods.....	384,290	64,322	319,968	314,298	89,330	30,309
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	997,062	114,788	882,274	137,541	7,549	179,879
Services.....	382,191	38,767	343,425	231,715	1,474	176,426
<b>Bermuda <sup>2</sup></b>						
All industries.....	3,576,294	445,113	3,131,181	1,382,554	53,365	1,694,529
Raw materials and energy production.....	906,866	321,010	585,856	46,416	8,808	9,371
Goods production.....	**	**	**	**	**	**
Distribution and transportation of goods.....	273,392	14,523	258,869	167,852	2,613	169,963
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	1,621,608	60,977	1,560,631	924,599	37,544	1,322,222
Services.....	254,092	7,551	246,541	70,782	4,400	108,927
<b>Brazil <sup>2</sup></b>						
All industries.....	3,872,005	1,061,766	2,810,239	2,836,838	1,458,406	312,611
Raw materials and energy production.....	164,394	71,648	92,746	30,350	--	4,572
Goods production.....	768,195	413,607	354,589	1,039,634	643,483	130,289
Distribution and transportation of goods.....	656,468	57,431	599,037	536,814	461,875	8,303
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	1,013,693	365,391	648,302	759,393	78,243	125,729
Services.....	1,264,980	148,366	1,116,613	470,647	274,804	43,718
<b>Canada <sup>2</sup></b>						
All industries.....	12,741,305	4,295,507	8,445,798	7,715,410	2,982,712	1,938,338
Raw materials and energy production.....	775,051	487,477	287,574	734,947	352,012	115,102
Goods production.....	6,424,208	2,220,751	4,203,457	4,068,569	1,686,198	1,241,890
Distribution and transportation of goods.....	1,330,850	494,523	836,327	312,841	216,243	180,612
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	1,547,936	476,707	1,071,229	620,826	120,443	175,135
Services.....	1,600,555	320,142	1,280,413	1,612,653	593,963	170,710

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	(6)	(7)	(8)	(9)	(10)	(11)
<b>Cayman Islands (British) <sup>2</sup></b>						
All industries.....	3,653,076	308,561	3,344,515	1,077,188	89,401	1,178,552
Raw materials and energy production.....	362,440	45,366	317,073	55,159	5,719	63,676
Goods production.....	1,967,776	97,918	1,869,857	361,271	74,202	407,042
Distribution and transportation of goods.....	61,466	-3,120	64,587	122,600	--	72,604
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	820,475	110,923	709,551	454,734	--	517,594
Services.....	413,544	56,349	357,195	83,424	9,480	117,636
<b>France <sup>2</sup></b>						
All industries.....	6,147,078	1,771,403	4,375,675	2,284,613	715,757	510,936
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	3,355,970	1,132,784	2,223,186	1,256,842	547,167	347,658
Distribution and transportation of goods.....	680,645	234,143	446,502	95,013	12,609	11,878
Information.....	59,358	2,318	57,040	8,422	--	--
Finance, insurance, real estate, and rental and leasing.....	930,537	193,824	736,713	423,230	98,358	111,350
Services.....	1,069,340	191,886	877,453	491,049	57,623	39,236
<b>Germany <sup>2</sup></b>						
All industries.....	10,876,945	3,785,465	7,091,480	6,963,189	3,811,407	1,327,047
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	6,466,340	2,223,296	4,243,043	2,597,970	934,783	1,088,628
Distribution and transportation of goods.....	743,149	329,886	413,263	1,045,881	891,535	22,416
Information.....	231,974	36,304	195,670	95,497	25,888	1,400
Finance, insurance, real estate, and rental and leasing.....	1,603,623	567,312	1,036,311	475,162	84,210	106,243
Services.....	1,824,217	623,769	1,200,447	2,748,679	1,874,992	108,359
<b>Hong Kong</b>						
All industries.....	2,534,775	409,247	2,125,528	1,349,650	209,031	510,143
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	225,861	26,028	199,833	52,415	7,023	47,769
Distribution and transportation of goods.....	767,638	66,949	700,689	452,828	34,740	284,215
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	534,547	198,162	336,385	182,930	15,023	116,306
Services.....	431,049	31,260	399,789	248,024	152,245	55,437
<b>Ireland</b>						
All industries.....	8,475,201	741,244	7,733,957	1,515,602	181,932	884,430
Raw materials and energy production.....	--	--	--	--	--	--
Goods production.....	3,450,306	308,220	3,142,086	649,317	102,957	365,102
Distribution and transportation of goods.....	**	**	**	**	**	**
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	466,729	97,991	368,738	165,706	--	259,911
Services.....	4,346,766	295,655	4,051,111	629,012	70,841	209,322
<b>Italy</b>						
All industries.....	4,535,456	2,094,651	2,440,805	2,046,676	860,980	352,200
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	3,132,567	1,555,899	1,576,667	1,210,849	399,591	150,437
Distribution and transportation of goods.....	922,204	388,274	533,931	275,389	52,561	154,325
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	77,202	45,677	31,525	6,779	4,855	3,364
Services.....	318,047	69,407	248,639	540,825	403,298	29,246
<b>Japan</b>						
All industries.....	5,254,307	3,051,943	2,202,364	2,648,304	1,633,072	282,727
Raw materials and energy production.....	--	--	--	--	--	--
Goods production.....	3,320,789	1,930,814	1,389,975	2,044,233	1,269,397	28,672
Distribution and transportation of goods.....	849,771	555,477	294,294	484,307	275,612	89,106
Information.....	26,569	11,735	14,835	34,699	30,058	--
Finance, insurance, real estate, and rental and leasing.....	386,536	231,204	155,332	4,380	885	--
Services.....	670,641	322,714	347,928	80,685	57,121	164,950

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	(6)	(7)	(8)	(9)	(10)	(11)
<b>Mexico</b>						
All industries.....	4,444,735	877,233	3,567,502	1,841,098	726,685	622,884
Raw materials and energy production.....	115,706	10,376	105,330	--	--	--
Goods production.....	2,171,372	547,484	1,623,888	993,420	367,137	75,849
Distribution and transportation of goods.....	632,302	52,627	579,675	182,031	46,727	18,196
Information.....	-92,149	3,408	-95,557	--	--	--
Finance, insurance, real estate, and rental and leasing.....	150,285	58,801	91,484	79,731	--	13,879
Services.....	1,467,219	204,537	1,262,683	585,916	312,821	514,961
<b>Netherlands <sup>2</sup></b>						
All industries.....	20,484,601	3,178,596	17,306,006	7,620,670	1,544,445	2,982,594
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	10,229,176	1,725,449	8,503,727	2,764,174	353,598	1,410,643
Distribution and transportation of goods.....	912,821	184,998	727,822	785,777	28,446	310,120
Information.....	375,259	41,828	333,431	--	--	20,846
Finance, insurance, real estate, and rental and leasing.....	1,724,783	278,198	1,446,585	1,124,477	170,989	425,629
Services.....	5,298,794	275,649	5,023,145	1,563,434	330,026	785,896
<b>New Zealand</b>						
All industries.....	441,555	120,699	320,856	365,971	55,759	93,875
Raw materials and energy production.....	-8,264	-1,008	-7,257	--	--	--
Goods production.....	97,989	17,575	80,415	149,805	23,029	9,654
Distribution and transportation of goods.....	**	**	**	**	**	**
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	112,564	59,388	53,176	105,528	--	79,943
Services.....	230,368	33,940	196,428	81,177	24,755	--
<b>Singapore</b>						
All industries.....	2,861,378	375,189	2,486,189	1,233,668	369,860	412,665
Raw materials and energy production.....	--	--	--	--	--	--
Goods production.....	2,203,482	93,651	2,109,831	823,203	346,176	231,574
Distribution and transportation of goods.....	-70,720	57,558	-128,278	200,058	17,838	15,788
Information.....	--	--	--	--	--	--
Finance, insurance, real estate, and rental and leasing.....	416,715	188,526	228,189	53,653	--	60,838
Services.....	311,901	35,453	276,446	156,754	5,846	104,464
<b>Spain</b>						
All industries.....	2,746,563	609,303	2,137,260	1,457,030	688,926	143,555
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	1,869,597	477,527	1,392,070	763,641	203,915	60,552
Distribution and transportation of goods.....	217,637	75,378	142,259	44,027	255	21,020
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	142,189	35,219	106,970	27,035	1,915	9,823
Services.....	440,852	15,385	425,467	604,567	473,634	50,970
<b>Sweden</b>						
All industries.....	1,559,879	362,102	1,197,776	1,068,061	611,117	54,006
Raw materials and energy production.....	**	**	**	**	**	**
Goods production.....	136,463	43,642	92,820	82,654	42,766	21,970
Distribution and transportation of goods.....	883,170	239,908	643,262	764,820	560,099	7,749
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	117,775	26,935	90,840	77,663	2,140	23,943
Services.....	204,180	14,128	190,051	44,928	6,112	--
<b>Switzerland</b>						
All industries.....	5,509,135	604,023	4,905,111	1,855,903	486,723	1,461,086
Raw materials and energy production.....	--	--	--	--	--	--
Goods production.....	2,971,735	260,976	2,710,760	695,624	2,553	347,160
Distribution and transportation of goods.....	884,188	118,529	765,659	250,389	22,624	340,672
Information.....	--	--	--	--	--	--
Finance, insurance, real estate, and rental and leasing.....	604,677	111,249	493,428	148,500	7,318	92,573
Services.....	1,048,534	113,270	935,264	761,390	454,228	680,680

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 3.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, Earnings, Taxes, Distributions, and Subpart F Income, by Selected Country of Incorporation and North American Industry Classification System (NAICS) Industrial Sector of Controlled Foreign Corporation--Continued**

[Money amounts are in thousands of dollars]

Selected country of incorporation and NAICS industrial sector of 7,500 largest Controlled Foreign Corporations	7,500 largest Controlled Foreign Corporations--Continued					
	Current earnings and profits (less deficit) before income taxes	Income taxes	Current earnings and profits (less deficit) after income taxes	Distributions out of earnings and profits	Dividends paid to controlling U.S. corporation	Total Subpart F income
	(6)	(7)	(8)	(9)	(10)	(11)
<b>United Kingdom <sup>2</sup></b>						
All industries.....	22,394,670	5,373,443	17,021,227	17,360,001	6,408,336	2,163,303
Raw materials and energy production.....	3,556,011	790,901	2,765,110	4,251,141	1,567,922	172,587
Goods production.....	6,185,432	1,704,912	4,480,519	3,919,905	1,179,904	334,590
Distribution and transportation of goods.....	885,900	228,615	657,285	231,390	97,430	131,062
Information.....	574,685	90,946	483,740	197,865	70,321	99,380
Finance, insurance, real estate, and rental and leasing.....	4,255,768	1,833,572	2,422,196	2,607,087	33,758	940,228
Services.....	6,936,901	723,064	6,213,836	6,152,615	3,459,000	485,457
<b>European Union, total <sup>2</sup></b>						
All industries.....	84,378,402	19,600,587	64,777,815	43,704,744	15,695,344	9,467,378
Raw materials and energy production.....	5,704,095	1,513,353	4,190,741	5,671,713	2,229,846	218,409
Goods production.....	38,169,646	9,959,457	28,210,190	14,554,337	4,170,480	4,064,827
Distribution and transportation of goods.....	6,360,804	1,894,109	4,466,696	3,692,100	1,753,848	802,297
Information.....	1,702,437	279,153	1,423,284	491,955	105,554	177,305
Finance, insurance, real estate, and rental and leasing.....	10,765,725	3,277,056	7,488,668	5,283,800	542,125	2,177,712
Services.....	21,653,491	2,669,922	18,983,569	14,000,780	6,893,491	2,026,014
<b>OPEC countries, total <sup>2</sup></b>						
All industries.....	1,847,462	297,243	1,550,219	765,906	398,892	18,570
Raw materials and energy production.....	425,502	78,518	346,984	151,412	140,497	725
Goods production.....	34,292	44,328	-10,036	229,061	107,607	7,385
Distribution and transportation of goods.....	102,413	12,914	89,498	111,045	74,289	2,604
Information.....	**	**	**	**	**	**
Finance, insurance, real estate, and rental and leasing.....	-15,214	14,110	-29,324	6,794	1,500	1,426
Services.....	222,740	26,953	195,788	162,286	63,853	--

\*\* Not shown to avoid disclosure of information on specific corporations. However, the data are included in the appropriate totals.

<sup>1</sup> Number of returns is not additive because some U.S. corporations had Controlled Foreign Corporations in more than one industrial group. The industrial activity of the parent corporation filing the return often differs from that of the Controlled Foreign Corporations.

<sup>2</sup> Includes "Nature of business not allocable" not shown separately.

NOTE: Detail may not add to totals because of rounding and because data are shown for selected countries only.

# Controlled Foreign Corporations, 1998

**Table 4.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, and Earnings, Standard Industrial Classification (SIC) and North American Industry Classification System (NAICS), by Selected NAICS Industrial Sector**

(Money amounts are in thousands of dollars)

Selected NAICS industrial sector	Number of returns		Percentage difference between NAICS/SIC	End of year assets		Percentage difference between NAICS/SIC
	SIC	NAICS		SIC	NAICS	
	(1)	(2)	(3)	(4)	(5)	(6)
<b>All industries.....</b>	<b>7,500</b>	<b>7,500</b>	<b>--</b>	<b>3,221,489,984</b>	<b>3,221,489,984</b>	<b>--</b>
<b>Raw materials and energy production.....</b>	<b>418</b>	<b>405</b>	<b>-3.1</b>	<b>168,764,202</b>	<b>178,721,836</b>	<b>5.9</b>
Agriculture, forestry, fishing, and hunting.....	26	28	7.7	3,032,455	3,070,316	1.2
Mining.....	257	260	1.2	95,717,424	106,409,555	11.2
Utilities.....	135	117	-13.3	70,014,323	69,241,965	-1.1
<b>Goods production.....</b>	<b>2,479</b>	<b>2,477</b>	<b>-0.1</b>	<b>844,182,321</b>	<b>836,110,494</b>	<b>-1.0</b>
Construction.....	61	57	-6.6	10,973,425	9,406,403	-14.3
Manufacturing.....	2,418	2,420	0.1	833,208,896	826,704,090	-0.8
<b>Distribution and transportation of goods.....</b>	<b>1,069</b>	<b>1,001</b>	<b>-6.4</b>	<b>231,197,587</b>	<b>204,573,238</b>	<b>-11.5</b>
Wholesale and retail trade <sup>1</sup> .....	953	904	-5.1	209,220,884	189,442,957	-9.5
Wholesale trade.....	808	768	-5.0	171,558,753	158,501,521	-7.6
Retail trade.....	145	136	-6.2	37,662,131	30,941,435	-17.8
Transportation and warehousing.....	116	97	-16.4	21,976,703	15,130,282	-31.2
<b>Information <sup>2</sup>.....</b>	<b>157</b>	<b>216</b>	<b>37.6</b>	<b>57,474,160</b>	<b>71,854,510</b>	<b>25.0</b>
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>2,714</b>	<b>1,612</b>	<b>-40.6</b>	<b>1,766,736,052</b>	<b>1,295,958,973</b>	<b>-26.6</b>
Finance and insurance.....	2,628	1,432	-45.5	1,746,553,847	1,248,511,988	-28.5
Real estate and rental and leasing.....	86	180	109.3	20,182,205	47,446,984	135.1
<b>Services.....</b>	<b>644</b>	<b>1,770</b>	<b>174.8</b>	<b>150,447,598</b>	<b>631,582,868</b>	<b>319.8</b>
Professional and business services <sup>3</sup> .....	419	1,616	285.7	104,350,347	594,198,245	469.4
Education, health, and social assistance.....	16	8	-50.0	1,895,706	2,777,235	46.5
Leisure, accommodation, and food services.....	101	100	-1.0	20,712,718	24,941,508	20.4
Other services.....	108	46	-57.4	23,488,827	9,665,880	-58.8
<b>Nature of business not allocable.....</b>	<b>19</b>	<b>19</b>	<b>--</b>	<b>2,688,064</b>	<b>2,688,064</b>	<b>--</b>

Footnotes at end of table.

# Controlled Foreign Corporations, 1998

**Table 4.--U.S. Corporations with Total Assets of \$500 Million or More and Their 7,500 Largest Controlled Foreign Corporations: Number, Assets, Receipts, and Earnings, Standard Industrial Classification (SIC) and North American Industry Classification System (NAICS), by Selected NAICS Industrial Sector**  
**--Continued**

(Money amounts are in thousands of dollars)

Selected NAICS industrial sector	Total receipts		Percentage difference between NAICS/SIC	Current earnings and profits (less deficit) before income taxes		Percentage difference between NAICS/SIC
	SIC	NAICS		SIC	NAICS	
	(7)	(8)	(9)	(10)	(11)	(12)
<b>All industries.....</b>	<b>1,749,516,820</b>	<b>1,749,516,820</b>	<b>--</b>	<b>143,840,451</b>	<b>143,840,451</b>	<b>--</b>
<b>Raw materials and energy production.....</b>	<b>78,659,450</b>	<b>71,311,519</b>	<b>-9.3</b>	<b>9,569,361</b>	<b>9,944,041</b>	<b>3.9</b>
Agriculture, forestry, fishing, and hunting.....	4,681,333	4,677,177	-0.1	134,053	141,493	5.6
Mining.....	45,253,400	39,220,498	-13.3	6,597,598	7,018,487	6.4
Utilities.....	28,724,717	27,413,844	-4.6	2,837,710	2,784,062	-1.9
<b>Goods production.....</b>	<b>914,639,915</b>	<b>923,232,646</b>	<b>0.9</b>	<b>63,727,606</b>	<b>64,699,560</b>	<b>1.5</b>
Construction.....	12,842,089	12,257,735	-4.6	655,050	702,136	7.2
Manufacturing.....	901,797,826	910,974,911	1.0	63,072,556	63,997,425	1.5
<b>Distribution and transportation of goods.....</b>	<b>384,315,292</b>	<b>355,151,932</b>	<b>-7.6</b>	<b>15,807,464</b>	<b>13,147,147</b>	<b>-16.8</b>
Wholesale and retail trade <sup>1</sup> .....	370,560,824	345,138,283	-6.9	15,155,746	12,719,268	-16.1
Wholesale trade.....	307,351,489	286,723,573	-6.7	12,834,891	10,880,961	-15.2
Retail trade.....	63,209,335	58,414,710	-7.6	2,320,855	1,838,307	-20.8
Transportation and warehousing.....	13,754,468	10,013,649	-27.2	651,719	427,879	-34.3
<b>Information <sup>2</sup>.....</b>	<b>23,802,322</b>	<b>32,507,167</b>	<b>36.6</b>	<b>3,251,389</b>	<b>4,535,689</b>	<b>39.5</b>
<b>Finance, insurance, real estate, and rental and leasing.....</b>	<b>262,595,521</b>	<b>185,490,963</b>	<b>-29.4</b>	<b>43,673,386</b>	<b>20,860,964</b>	<b>-52.2</b>
Finance and insurance.....	259,197,561	176,709,133	-31.8	43,062,019	20,005,016	-53.5
Real estate and rental and leasing.....	3,397,960	8,781,830	158.4	611,367	855,948	40.0
<b>Services.....</b>	<b>84,311,567</b>	<b>180,629,840</b>	<b>114.2</b>	<b>7,810,168</b>	<b>30,651,975</b>	<b>292.5</b>
Professional and business services <sup>3</sup> .....	60,529,824	160,920,828	165.9	5,755,599	28,762,451	399.7
Education, health, and social assistance.....	1,324,022	451,112	-65.9	91,427	50,335	-44.9
Leisure, accommodation, and food services.....	8,998,814	15,670,847	74.1	898,232	1,398,142	55.7
Other services.....	13,458,907	3,587,053	-73.3	1,064,910	441,046	-58.6
<b>Nature of business not allocable.....</b>	<b>1,192,754</b>	<b>1,192,754</b>	<b>--</b>	<b>1,076</b>	<b>1,076</b>	<b>--</b>

<sup>1</sup> Includes "Wholesale and retail trade not allocable," not shown separately.

<sup>2</sup> The Communications group, classified in the Transportation and public utilities industry under the former Standard Industrial Classification System (SIC), is classified in the Information sector under the North American Industry Classification System (NAICS).

<sup>3</sup> Management of companies, specifically bank holding companies, is included in the Finance, insurance and real estate division under the former Standard Industrial Classification System (SIC).

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