

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

by Michael G. Seiders and Heather R. Duffy

Statistics of Income studies of the transactions between large "foreign-owned domestic corporations" and related foreign persons, conducted annually beginning with Tax Year 1988 and then biennially beginning with 1994, reflect the substantial interest in direct foreign investment in the United States. For Tax Year 1996, large foreign-owned domestic corporations reported receipts of \$132.5 billion and payments of \$212.3 billion in transactions with 10,316 related foreign persons. These 545 large domestic corporations (in general, each with total receipts of \$500 million or more) also reported outstanding balances at the end of the accounting periods of \$134.2 billion in loans received from, and \$30.4 billion in loans granted to, the same related foreign persons.

Receipts and Payments by Industrial Sectors

Corporations classified in the wholesale and retail trade industrial division reported the largest dollar volume of non-loan transactions, \$140.8 billion (40.8 percent of the total), and the second largest number of related foreign persons (1,942 persons or 18.8 percent of the total). Foreign-owned domestic wholesalers and retailers accounted for \$33.7 billion (25.4 percent) in receipts and \$107.1 billion (50.5 percent) in payments. Corporations classified in the manufacturing industrial division reported the second largest dollar volume of non-loan transactions, \$108.2 billion (31.4 percent), and reported transactions with the largest number of related foreign persons, 6,758 persons or 65.5 percent of the total. These manufacturers accounted for \$32.5 billion in receipts (24.5 percent) and \$75.8 billion in payments (35.7 percent). Transactions reported by foreign-owned domestic corporations classified in the finance, insurance, and real estate industrial division were the third largest group by both dollar volume, \$83.7 billion or 24.3 percent, and in the number of related foreign persons, 643 persons or 6.2 percent of all related foreign parties. These finance, insurance, and real estate companies reported transactions of \$59.7 billion in receipts (45.0 percent) and \$24.1

billion in payments (11.3 percent). It should be recognized that the "number of related foreign persons" is not necessarily the same as the "number of transactions." A related foreign person could have had multiple transactions with a foreign-owned domestic corporation during an accounting period included in this study. Data for the number of transactions were not available for this study.

The predominance of foreign-owned manufacturers, wholesalers, retailers, and financial entities on the statistics can be demonstrated in another way. Over 88.3 percent of the 545 large foreign-owned domestic corporations were classified in either the manufacturing (43.5 percent), wholesale and retail trade (30.5 percent), or finance, insurance, and real estate (14.3 percent) industrial divisions. The remaining returns by industrial division totaling 11.7 percent were divided, in decreasing order, among: services, transportation and public utilities, mining, and construction [1] (Figure A and Table 1).

Country of Residence of Related Foreign Persons

Non-loan transactions of foreign-owned domestic corporations with related foreign persons "resident" (see the Explanation of Selected Terms) in Australia, Canada, France, Germany, Japan, the Netherlands, Sweden, Switzerland, or the United Kingdom accounted for 82.2 percent of the total amount received and 79.5 percent of the total amount paid for Tax Year 1996 (Table 2). In addition, 52.6 percent of all related foreign persons were residents of one of these nine countries. Transactions with related foreign persons resident in Japan, the largest single source of both amounts received and amounts paid, accounted for \$73.4 billion (55.4 percent) and \$94.5 billion (44.5 percent) of the totals, respectively. For Japan, companies classified in the wholesale and retail industrial division reported 52.7 percent of the dollar volume of these transactions, and companies classified in the finance, insurance, and real estate industrial sectors reported an additional 34.9 percent of the dollar volume of these transactions.

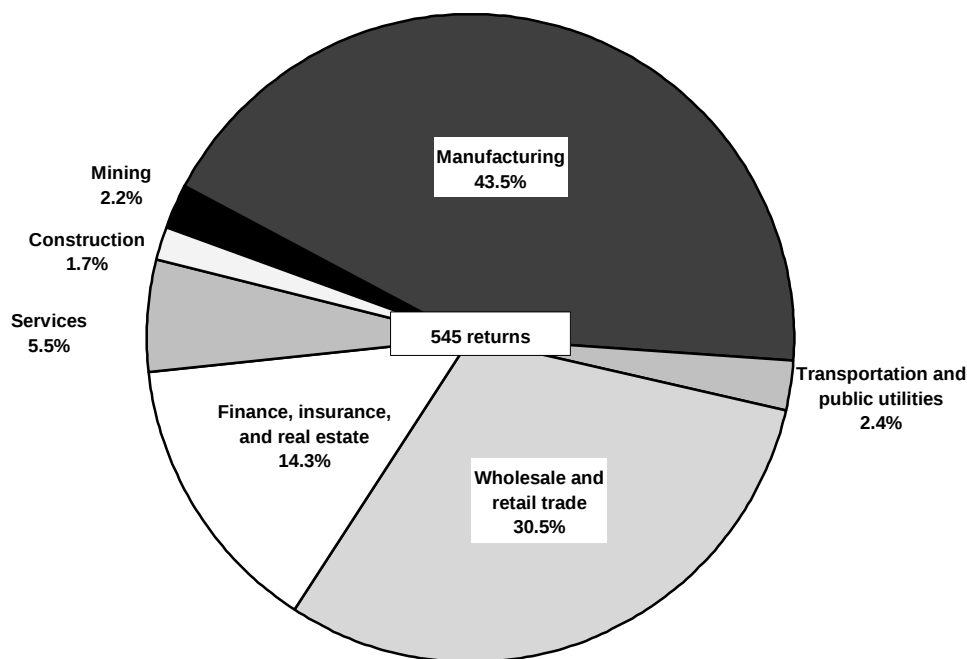
Transactions with related foreign persons resident in Canada were the second largest source of combined total amounts received and total amounts paid. Transactions with related foreign persons resident in Canada accounted for \$9.3 billion in

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Figure A

Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Number of Returns, by Industrial Division, Tax Year 1996



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

amounts received (7.0 percent) and \$18.7 billion in amounts paid (8.8 percent). The majority of these transactions were reported in the manufacturing industrial division, \$5.7 billion in receipts (61.2 percent) and \$11.1 billion in payments (59.3 percent). Transactions with related foreign persons resident in the United Kingdom, the third largest source of combined amounts received and amounts paid, accounted for \$10.3 billion (7.8 percent) and \$14.8 billion (7.0 percent), respectively. Nearly 58.3 percent of these transactions were reported by companies classified in the manufacturing industrial division, and an additional 22.0 percent were reported by companies classified in the finance, insurance, and real estate industrial sectors. Transactions with related foreign persons resident in Germany, Switzerland, the Netherlands, France, Sweden, and Australia, in decreasing order, accounted for an

additional 12.0 percent of the total amount received. Transactions with related foreign persons resident in Germany, Switzerland, Sweden, France, the Netherlands, and Australia, in decreasing order, accounted for an additional 19.2 percent of the total amount paid (Table 3).

Stock-in-trade, or inventory, transactions accounted for the majority of both the amounts received from and paid to related foreign persons, comprising 47.9 percent of the dollar volume of all transactions and 70.7 percent of all non-loan related transactions. Large foreign-owned domestic corporations sold \$65.8 billion and purchased \$178.0 billion of stock-in-trade in Tax Year 1996, accounting for 49.7 percent and 83.9 percent of the total amounts received and paid, respectively. Foreign-owned domestic corporations reported 48.8 percent of all stock-in-trade transactions with related foreign

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persons resident in Japan. These foreign-owned domestic corporations reported stock-in-trade transactions of \$31.4 billion (47.7 percent) received from and \$87.7 billion (49.3 percent) paid to related foreign persons resident in that country. Sales and purchases of stock-in-trade also comprised the largest dollar amount of transactions with related foreign persons residing in Australia, Canada, France, Germany, the Netherlands, Sweden, Switzerland, and the United Kingdom.

Foreign-owned domestic wholesalers and retailers reported the majority of stock-in-trade transactions received (\$20.3 billion or 70.6 percent) and paid (\$62.7 billion or 62.5 percent) with related foreign persons residing in Japan. These domestic wholesalers and retailers also reported the majority of total stock-in-trade transactions with related foreign persons residing in Sweden (57.7 percent) and Germany (55.6 percent). In transactions with related foreign persons resident in Canada, foreign-owned domestic manufacturers accounted for 65.5 percent of the total stock-in-trade transactions. Sales and purchases of stock-in-trade transactions also comprised the largest amounts among foreign-owned domestic manufacturers and related foreign persons in Australia (75.4 percent), the Netherlands (71.4 percent), France (64.6 percent), the United Kingdom (51.1 percent), and Switzerland (45.2 percent).

Most of the reported insurance transactions received were between foreign-owned domestic insurance companies and related foreign persons residing in Canada, while most of the reported insurance transactions paid were with related foreign persons residing in Switzerland. Foreign-owned domestic companies reported Canadian-related foreign party transactions accounting for \$0.6 billion of the \$0.9 billion total amount for premiums received (61.6 percent). Foreign-owned domestic insurance companies reported Swiss-related foreign

party transactions accounting for \$0.7 billion of the \$1.9 billion (37.8 percent) of insurance premiums paid.

Amounts Borrowed from and Loaned to Related Foreign Persons

Based on their yearend balances, foreign-owned domestic corporations reported owing \$134.2 billion in loans from related foreign persons, compared with \$101.2 billion at the beginning of the year. The increase between the opening and closing balances does not include short-term loans borrowed after the year began and paid off before the year ended, which would, therefore, not be reflected in either the beginning or ending balances (transactions completed entirely *within* the year period did not have to be reported).

Loans made by foreign-owned domestic corporations to related foreign persons were less than one-third the size of amounts borrowed. There were \$29.9 billion and \$30.4 billion of outstanding loans at the beginning of the year and at the end of the year, respectively. Here again, “new” loans made and paid off *during* the year are not reflected in the data. By the end of Tax Year 1996, total loans outstanding from related foreign persons increased by 32.5 percent from the beginning balance, while amounts loaned to related foreign persons increased by only 1.6 percent. The amounts of interest paid to related foreign persons (\$8.8 billion) and interest received (\$1.8 billion) reflect a similar difference in the magnitude of loans borrowed versus loans paid.

Transactions with related foreign persons resident in the United Kingdom accounted for the largest single amount of outstanding borrowing activity by foreign-owned domestic corporations as of the end of their 1996 accounting periods, slightly more than \$40.0 billion in amounts borrowed, 29.8 percent of the total. Amounts borrowed from persons resident in Germany and the Netherlands ranked a distant second and third, respectively. Related foreign persons resident in Germany accounted for \$19.6 billion (14.6 percent) of the total amounts borrowed, and related foreign persons resident in the Netherlands accounted for \$17.5 billion (13.0 percent) of the total amounts borrowed. These totals were followed, in decreasing order, by lesser amounts reported as loaned from persons resident in France,

Nearly 62 percent of insurance receipts and nearly 38 percent of insurance payments were between foreign-owned domestic insurance companies and between Canadian and Swiss related foreign parties, respectively.

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Japan, and Canada, which combined for \$25.0 billion (18.6 percent) of the total.

On the lending side, of the \$30.4 billion domestic corporations loaned to related foreign persons, persons resident in the United Kingdom also borrowed the most, as indicated by their year end balances, with \$10.6 billion (34.8 percent) of the total. Foreign persons resident in France, the Netherlands, Germany, and Canada, in decreasing order, also accounted for large proportions of the residual balance. The combined total for persons resident in these four countries was \$10.8 billion, 35.6 percent of the total.

Comparison of Selected Tax Years 1991-1996

Figure B presents selected data for large foreign-owned domestic corporations filing Forms 5472 for selected Tax Years 1991 through 1996 [2]. The number of related foreign persons increased by 15.5 percent from 1991 to 1992, by 14.2 percent from 1992 to 1993, by 11.5 percent from 1993 to 1994, and by 20.8 percent over the 2-year period from 1994 to 1996. Other trends in the data have greater variability. For example, the number of large domestic corporations reporting transactions with related foreign persons increased by 6.4 percent from 1991 to 1992, by 19.4 percent from 1992 to 1993, by 1.6 percent from 1993 to 1994, and by 22.8 percent from 1994 to 1996. (See the Data Sources and Limitations section of this article for additional information.)

The total amounts foreign-owned domestic corporations received from, and paid to, related foreign persons increased by 4.3 percent and 3.9 percent, respectively, from 1991 to 1992. However, from 1992 to 1993, total amounts received from, and paid to, related foreign persons increased by 22.2 percent and 33.1 percent, respectively. From 1993 to 1994, total amounts received from, and total payments made to, related foreign persons increased by 45.7 percent and 18.7 percent, respectively. From 1994 to 1996, total amounts received from related foreign persons increased by 18.0 percent. However, total payments made to related foreign persons decreased by 3.5 percent. The decrease in total payments was due, in part, to a large decrease of \$13.6 billion or 58.6 percent in "other amounts paid" (Figure B). Most of the decrease was found in the finance, insurance, and real estate industrial division, which declined from \$20.4 billion in 1994 to \$6.4

billion in 1996 [3]. The decrease in total payments in 1996 was also due, in part, to fairly flat stock-in-trade purchases, an increase of less than 0.1 percent from the 1994 amount (Figure B).

Total amounts borrowed by, and loaned from, foreign-owned domestic corporations from related foreign persons increased by 6.9 percent and 2.1 percent, respectively, from 1991 to 1992, and by 30.5 percent and 25.0 percent, respectively, from 1992 to 1993. However, from 1993 to 1994, while amounts loaned by foreign-owned domestic corporations to related foreign persons increased 18.3 percent, the yearend balance for total amounts borrowed by these corporations declined by 0.8 percent. From 1994 to 1996, total amounts borrowed by, and loaned from, foreign-owned domestic corporations from related foreign persons increased by 52.7 percent and 7.0 percent, respectively. From 1991 to 1992, the interest paid by foreign-owned domestic corporations to related foreign persons decreased by 16.9 percent, despite an increase in borrowing activity for the period. From 1992 to 1993, interest paid increased by 5.6 percent. However, from 1993 to 1994, despite a slight decrease in borrowing activity from the previous period, interest paid amounts increased by 8.8 percent. From 1994 to 1996, interest paid by foreign-owned domestic corporations to related foreign persons increased by 41.9 percent, which was consistent with the increased level of borrowing. It is important to point out, however, that comparisons of beginning and ending loan balances with interest received and interest paid are merely illustrative. Beginning and ending loan balances are balance sheet "snapshots" at the beginning and ending of a particular period of time, while interest received and interest paid are income statement concepts that also include transactions which took place entirely within the year period.

There are caveats to these year-to-year data. Foreign-owned domestic corporations, with Forms 5472 attached, that reached the \$500-million receipts threshold for the first time were included in the statistics, and some previously included foreign-owned domestic corporations that were subject to merger and acquisition activity were removed from the current statistics. Moreover, patterns of transactions between a foreign-owned domestic corporation and related persons may or may not recur on an annual (or even less frequent) basis. Consequently, a

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FigureB

Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Selected Items for Selected Tax Years 1991 through 1996 ¹

[Money amounts are in billions of dollars]

Item	1991	1992	1993	1994	1996
	(1)	(2)	(3)	(4)	(5)
Foreign-owned domestic corporations with total receipts of \$500 million or more and with Form 5472 attached ¹					
Number of returns.....	344	366	437	444	545
Total assets.....	1,181.3	1,317.3	1,540.5	1,681.6	2,125.8
Total receipts.....	761.0	808.0	871.4	944.6	1,175.4
Income subject to U.S. tax.....	13.7	14.5	15.7	18.5	36.2
Total U.S. income tax after credits.....	3.7	4.1	4.9	5.8	10.2
Transactions between foreign-owned domestic corporations and related foreign persons ¹					
Number of related foreign persons.....	5,807	6,708	7,662	8,540	10,316
Amounts received from related foreign persons:					
Total (excluding loan balances) ²	60.5	63.1	77.1	112.3	132.5
Sales of stock in trade.....	46.9	49.0	53.1	69.4	65.8
Sales of other tangible property.....	0.8	0.7	0.5	1.1	2.8
Consideration received for services.....	3.1	3.0	3.1	3.6	4.4
Interest received.....	1.6	1.1	1.1	1.1	1.8
Premiums received for insurance or reinsurance.....	1.3	2.8	1.4	0.7	0.9
Other amounts received.....	5.2	4.7	15.7	33.6	53.3
Amounts borrowed, ending balance.....	63.5	67.9	88.6	87.9	134.2
Amounts paid to related foreign persons:					
Total (excluding loan balances) ²	134.0	139.2	185.3	220.0	212.3
Purchases of stock in trade.....	114.4	120.8	153.4	177.9	178.0
Purchases of other tangible property.....	4.8	2.6	3.9	2.7	3.9
Consideration paid for services.....	2.1	2.1	2.5	3.4	4.4
Interest paid.....	6.5	5.4	5.7	6.2	8.8
Premiums paid for insurance or reinsurance.....	2.7	3.1	1.7	1.8	1.8
Other amounts paid.....	1.5	3.4	15.5	23.2	9.6
Amounts loaned, ending balance.....	18.8	19.2	24.0	28.4	30.4

¹ Includes data for a few foreign life insurance companies filing Form 1120L. See footnote 7 at the end of this data release.

² Includes items not shown separately.

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

5-year comparison of these data may not show changes that might be evident if a longer time series were available. Additional information about the year-to-year comparability of the data is presented below under Data Sources and Limitations.

Legislative History

Even before the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), U.S. parent corporations were required to report transactions with and between their foreign affiliates [4].

However, no similar reporting requirements existed for transactions between domestic subsidiaries (i.e., those incorporated in the United States) of foreign corporations, or between foreign corporations (i.e., those incorporated abroad) engaged in a U.S. trade or business, and their related foreign affiliates. Concerned that these related party transactions could be manipulated to avoid U.S. taxation, Congress added new reporting requirements as part of TEFRA to provide the Internal Revenue Service with more information about the nature and amount of these

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transactions. Under Internal Revenue Code section 6038A, domestic corporations that are 25-percent-or-more owned by a foreign person, as well as foreign corporations engaged in a U.S. trade or business, have to report transactions with related foreign persons. The transactions are reported on Form 5472, *Information Return of a 25 Percent Foreign-Owned U.S. Corporation or a Foreign Corporation Engaged in a U.S. Trade or Business*. Form 5472 had to be filed with corporation income tax returns for tax years beginning after December 31, 1983.

Sample Selection, Data Sources and Limitations

The foreign-owned domestic corporation statistics were collected annually from 1988 to 1993 and have been collected biennially since in 1994 [5]. The 1996 statistics include data from Forms 5472, in general, for all U.S. corporations with total receipts of \$500 million or more, which were owned (25 percent or more) by a foreign person and reported transactions with related foreign persons.

The corporation Statistics of Income study is based on a sample of over 94,000 income tax returns chosen from over 4.9 million returns filed for Tax Year 1996, i.e., accounting periods ending July 1996 through June 1997. These returns were selected after administrative processing was complete, but before any audit examinations [6]. From the corporate sample, those domestic corporations with total receipts of \$500 million or more and that had Forms 5472 attached, were used for the statistics presented in this article. Foreign corporations (filing Form 1120F) engaged in a U.S. trade or business were not included in these statistics, even though they may have filed Forms 5472 for transactions with related foreign persons [7]. Corporation income tax returns with total receipts of \$500 million or more for which statistics are presented were included among the returns prescribed for sampling at the 100-percent rate. Thus, the data are not subject to sampling variability, although they may be subject to nonsampling error.

For Tax Year 1996, 133 of the 545 corporations were newly included in the study (i.e., they were not included in the 1994 study). Once a corporation is selected for inclusion in a Form 5472 study, its income tax return is generally included in all future studies, even if its total receipts drop in subsequent

years below \$500 million [8]. For the 1996 statistics, 47 corporate returns included in the statistics had total receipts of less than \$500 million. However, 32 of the 444 corporations included in the 1994 statistics were not included for the 1996 statistics. Some of these corporations were excluded because they did not have Forms 5472 attached to their returns for 1996, even though they remained 25-percent-or-more-foreign-owned. Other corporations were subject to merger and acquisition activity in which the corporation lost either the minimum 25-percent-foreign-ownership requirement for inclusion in the 1996 study or became included in the tax return of another corporation.

For 1996, the 545 large foreign-owned domestic corporations filing Forms 5472 accounted for less than 1 percent of the returns but they comprised 66.2 percent of the \$3.2 trillion in total assets, and 67.5 percent of the \$1.7 trillion in total receipts reported by these corporations (Figure C).

The statistics in this article relate somewhat to the companies included in Statistics of Income data for foreign-controlled domestic corporations (FCDC's) [9]. However, while these statistics are based on an ownership level of 25 percent or more, FCDC statistics are based on an ownership level of 50 percent or more. The great majority of financial data for domestic corporations with 25 percent or more foreign owners is actually from those companies with foreign owners controlling 50 percent or more of the stock holdings. For Tax Year 1996, FCDC's accounted for over 94.5 percent and 95.0 percent, respectively, of all Form 5472 returns filed and the total receipts reported on those returns (Figure C).

The industry code used to classify returns for Figure A and Tables 1 and 3 represents the principal business activity (i.e., the activity that accounted for the largest portion of total receipts as reported in the income statement) of the corporation filing the tax return. However, a given return may have been for a company engaged in several business activities or may have been a consolidated return filed for an affiliated group of corporations that conducted different business activities. To the extent that some consolidated and (non-consolidated) returns were engaged in more than one type of business activity, transaction data in this article are not entirely related to the industrial activity under which they are shown.

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FigureC

Foreign-Owned and Other Domestic Corporations, Tax Year 1996 ¹

[Money amounts are in billions of dollars]

Item	25 percent or more foreign-owned domestic corporations		All other domestic corporations
	Total	With total receipts of \$500 million or more and with Form 5472 attached	
	(1)	(2)	(3)
Number of returns.....	65,706	545	4,565,664
Total assets.....	3,210.8	2,125.8	25,431.4
Total receipts.....	1,742.1	1,175.4	13,783.6
Income subject to U.S. tax.....	56.0	36.2	583.8
Total U.S. income tax after credits.....	16.4	10.2	154.2

¹ Includes data for a few foreign life insurance corporations filing Form 1120L. See footnote 7 at the end of this data release.

For example, foreign-owned domestic corporations classified in the manufacturing industrial division often engaged in loan or other financial transactions with related foreign persons.

Explanation of Selected Terms

Amounts Borrowed and Loaned—Because the beginning and ending balances, in general, reflect only the amounts outstanding at the beginning and end of the year, respectively, these amounts do not reflect amounts borrowed and loaned in transactions that took place entirely within the Tax Year 1996 period.

Country of Residence of a Related Person—The Treasury regulations related to Internal Revenue Code section 6038A require that each country in which each 25-percent-or-more shareholder files an income tax return as a resident under the tax laws of that country be reported on Form 5472 for each related foreign person. The statistics in Tables 2 and 3 are based on this reported residence and, within this meaning, the related foreign person is a “resident” of a particular foreign country.

Foreign-Owned Domestic Corporations—For purposes of these statistics, a domestic corporation was considered foreign-owned if at least 25 percent

of the total voting power of all classes of stock permitted to vote, or 25 percent of the total value of all classes of stock of the corporation, was owned, directly or indirectly, at any time in the tax year, by a single foreign shareholder (generally a foreign parent corporation). This is in contrast to the other Statistics of Income data on “foreign-controlled” domestic corporations, which are based on 50-percent or more ownership by a foreign person [10].

Foreign Person—The term “foreign person” generally includes: (1) any partnership, association, company, or corporation that was not created or organized under the laws of the United States or laws of any State; (2) any individual who is not a citizen or resident of the United States; (3) any individual who is a citizen of a U.S. possession, but is not otherwise a U.S. citizen or resident; and (4) any foreign trust, estate, or government. For the most part, the foreign persons referred to in this article are corporations. See also “Related Foreign Persons,” below.

Number of Related Foreign Persons—The data shown in the tables, in general, represent the number of foreign persons reported on the Forms 5472 appended to the 545 income tax returns filed by domestic corporations with \$500 million or more in total receipts (defined below) that were 25-percent-or-more owned by a foreign person. Domestic member corporations of an affiliated group that filed a consolidated income tax return could also join in filing a consolidated Form 5472 for transactions with a given related foreign person. However, some affiliated domestic corporations that could have filed consolidated Forms 5472 filed separate forms instead. When these forms were identified during statistical processing, the information on them was combined, and the result treated as a single Form 5472 for consistency. To this extent, the “number of related foreign persons” understates the actual number of Forms 5472 attached to the 545 income tax returns included in the statistics. Additionally, the “number of related foreign persons” is not the same as the “number of transactions.” A related foreign person could have multiple transactions with a foreign-owned domestic corporation during the accounting period.

OPEC Countries—Summary statistics are provided in Table 2 for the following Middle Eastern

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countries that were members of the Organization of Petroleum Exporting Countries (OPEC) for 1996: Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates. Data for OPEC members Algeria, Libya, and Nigeria are included in the summary statistics for Africa. Data for OPEC members Indonesia and Venezuela are shown separately by country.

Related Foreign Persons—Persons related to the domestic corporation that filed a Form 5472 include the 25-percent-or-more foreign shareholder, any person who was related to the reporting corporation or the 25-percent-or-more shareholder (as described in Internal Revenue Code sections 267(b) or 707(b)), or any other person who was related to the reporting corporation within the meaning of Internal Revenue Code section 482 (covering the allocation of income and deductions among related taxpayers) and the associated income tax regulations. Many related foreign persons are, in effect, brother-sister controlled corporations, namely two or more corporations owned by the same shareholders. See also “Foreign Person,” above, for the definition of “person.”

Total Receipts—Total receipts are the total income of the domestic corporation as reported in the U.S. corporation income tax return. They are derived from the tax return as follows: (1) gross taxable receipts (before deduction of cost of goods sold, and other ordinary and necessary business expenses), plus (2) tax-exempt interest received from State and local Government obligations, less: (1) net losses from sales of property other than capital assets and (2) certain taxable income from related foreign corporations only constructively received.

Notes and References

- [1] In prior years, data for returns classified in the agriculture, forestry, and fishing industrial division were shown separately in the statistics. These returns were generally few in number and were sometimes included in a residual “all other” category to avoid disclosure of information about specific taxpayers. For Tax Year 1996, however, there were no returns with Forms 5472 attached classified in this industrial division.
- [2] The Form 5472 study, beginning with Tax Year 1994, is conducted biennially. Statistics on foreign-owned domestic corporations for Tax Years 1988 through 1990 covered all foreign-owned corporations with total receipts of \$1 billion or more. Statistics for Tax Years 1991-1994, and 1996 covered all foreign-owned U.S. corporations with total receipts of \$500 million or more. Consequently, data for all years are not comparable.
- [3] Tax Year statistics on these and other industry-specific data can be found in Table 3 of Seiders, Michael G., “Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons 1994,” *Statistics of Income Bulletin*, Winter 1997-1998, Volume 17, Number 3.
- [4] See also Schwartz, Ruth, “Controlled Foreign Corporations, 1994,” *Statistics of Income Bulletin*, Summer 1998, Volume 18, Number 1, and Green, Kathryn A., “Controlled Foreign Corporations, 1993,” *Statistics of Income Bulletin*, Winter 1995-1996, Volume 15, Number 3.
- [5] Additional information about SOI Form 5472 studies for Tax Years 1988 through 1994 may be found in the following *Statistics of Income Bulletin* issues: Tax Year 1988, Summer 1992, Volume 12, Number 1; Tax Year 1989, Spring 1993, Volume 12, Number 4; Tax Year 1990, Summer 1994, Volume 14, Number 1; Tax Year 1991, Summer 1995, Volume 15, Number 1; Tax Year 1992, Fall 1996, Volume 16, Number 2; Tax Year 1993, Fall 1997, Volume 17, Number 2; and Tax Year 1994, Winter 1997-1998, Volume 17, Number 3.
- [6] For more information on the corporate sample and statistics on corporation income tax returns for 1996, see *Statistics of Income—1996, Corporation Income Tax Returns*.
- [7] Foreign corporations (except life insurance companies) engaged in a U.S. trade or business file Form 1120-F (*U.S. Income Tax Return of a Foreign Corporation*). Data reported by a few

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foreign life insurance companies filing Form 1120-L (*U.S. Life Insurance Company Income Tax Return*) are also included in the statistics to ensure completeness of the industrial division statistics for domestic corporations.

- [8] The use of total receipts as a size criterion for including U.S. corporation income tax returns in the statistics may lead to the selection of a somewhat different set of large corporations than the use of total assets. For example, corporation returns classified in the finance, insurance, and real estate industrial division may not have shown large amounts of total receipts in their income statements, but may

have shown large amounts of total assets, when compared with corporation returns classified in the wholesale and retail trade industrial division, which shows just the opposite.

- [9] Statistics on domestic corporations controlled by foreign persons for 1995 are reported in Hobbs, James R., "Foreign-Controlled Domestic Corporations, 1995," *Statistics of Income Bulletin*, Summer 1998, Volume 18, Number 2. Statistics on domestic corporations controlled by foreign persons for 1996 are not yet published.

- [10] Hobbs, James R., *op. cit.*

SOURCE: IRS, *Statistics of Income Bulletin*, Fall 1999, Publication 1136 (Rev. 12-99)

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Table 1.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation

[Money amounts are in thousands of dollars]

Industrial division	Number of returns	Total assets	Total receipts	Income subject to U.S. tax	Total U.S. income tax after credits
	(1)	(2)	(3)	(4)	(5)
All industries.....	545	2,125,791,925	1,175,370,817	36,205,026	10,194,128
Mining.....	12	60,022,443	29,115,596	908,403	112,710
Construction.....	9	6,037,133	7,443,084	38,455	15,233
Manufacturing.....	237	646,437,428	539,624,952	18,027,002	5,230,206
Transportation and public utilities.....	13	22,300,666	25,762,593	1,256,838	266,019
Wholesale and retail trade.....	166	226,604,857	378,572,044	4,053,966	1,314,061
Finance, insurance, and real estate.....	78	1,068,377,180	151,100,644	10,804,164	2,977,764
Services.....	30	96,012,216	43,751,905	1,116,198	278,135

Industrial division	Number of related foreign persons	Transactions between foreign-owned domestic corporations and related foreign persons			
		Amounts received from related foreign persons			
		Total (excluding loan balances)	Sales of stock in trade	Sales of tangible property other than stock in trade	Rents and royalties
	(6)	(7)	(8)	(9)	(10)
All industries.....	10,316	132,520,775	65,842,271	2,829,212	553,536
Mining.....	265	3,714,976	3,040,185	32,609	4,165
Construction.....	76	79,209	18,880	653	--
Manufacturing.....	6,758	32,470,451	21,353,112	1,985,020	174,246
Transportation and public utilities.....	206	734,417	29,081	2,022	167,010
Wholesale and retail trade.....	1,942	33,691,411	28,795,443	784,068	88,300
Finance, insurance, and real estate.....	643	59,676,406	12,504,649	3,051	33,670
Services.....	426	2,153,904	100,920	21,789	86,146

Industrial division	Transactions between foreign-owned domestic corporations and related foreign persons--continued				
	Amounts received from related foreign persons--continued				
	Sales, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services	Commissions	Interest	Premiums for insurance or reinsurance
	(11)	(12)	(13)	(14)	(15)
All industries.....	1,434,055	4,357,359	1,487,315	1,756,196	926,895
Mining.....	31,157	216,842	4,843	148,533	--
Construction.....	--	54,735	--	4,430	--
Manufacturing.....	855,223	2,307,349	165,858	390,724	4,054
Transportation and public utilities.....	1,951	81,275	450,800	319	--
Wholesale and retail trade.....	42,286	1,329,284	302,575	261,676	6,072
Finance, insurance, and real estate.....	--	269,417	550,768	862,588	916,767
Services.....	503,438	98,458	12,471	87,925	3

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 1.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation--Continued

[Money amounts are in thousands of dollars]

Industrial division	Transactions between foreign-owned domestic corporations and related foreign persons--continued				
	Amounts received from related foreign persons --continued	Amounts borrowed		Amounts paid to related foreign persons	
	Other	Beginning balance	Ending balance	Total (excluding loan balances)	Purchases of stock in trade
	(16)	(17)	(18)	(19)	(20)
All industries.....	53,333,934	101,248,198	134,204,246	212,300,412	178,015,479
Mining.....	236,642	3,816,414	4,508,968	2,068,705	1,196,673
Construction.....	511	380,968	408,206	89,078	41,920
Manufacturing.....	5,234,865	49,175,534	62,006,393	75,776,425	62,595,365
Transportation and public utilities.....	1,958	3,051,516	3,604,357	1,720,876	928,637
Wholesale and retail trade.....	2,081,709	7,502,823	12,480,376	107,120,671	100,225,270
Finance, insurance, and real estate.....	44,535,495	29,753,647	41,974,693	24,051,024	12,997,092
Services.....	1,242,754	7,567,295	9,221,254	1,473,633	30,521

Industrial division	Transactions between foreign-owned domestic corporations and related foreign persons--continued				
	Amounts paid to related foreign persons--continued				
	Purchases of tangible property other than stock in trade	Rents and royalties	Purchases, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services	Commissions
	(21)	(22)	(23)	(24)	(25)
All industries.....	3,945,805	2,956,942	1,234,953	4,351,324	1,439,412
Mining.....	50,635	5,317	18,922	151,489	6,362
Construction.....	--	--	5,780	16,827	50
Manufacturing.....	915,494	2,228,290	710,845	2,959,276	164,095
Transportation and public utilities.....	144,408	46,911	--	82,266	3,113
Wholesale and retail trade.....	2,832,997	477,288	174,360	482,559	930,324
Finance, insurance, and real estate.....	--	32,577	9,662	478,071	130,418
Services.....	2,271	166,558	315,384	180,836	205,050

Industrial division	Transactions between foreign-owned domestic corporations and related foreign persons--continued				
	Amounts paid to related foreign persons--continued			Amounts loaned	
	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(26)	(27)	(28)	(29)	(30)
All industries.....	8,793,279	1,938,403	9,624,816	29,873,669	30,362,516
Mining.....	258,018	4,105	377,186	2,029,605	1,167,186
Construction.....	24,325	64	112	112,312	113,859
Manufacturing.....	4,816,071	165,194	1,221,794	13,501,495	10,653,133
Transportation and public utilities.....	324,343	25,562	165,636	358,788	266,894
Wholesale and retail trade.....	727,700	61,628	1,208,543	2,613,417	3,292,473
Finance, insurance, and real estate.....	2,359,138	1,674,047	6,370,019	10,012,196	13,337,621
Services.....	283,685	7,805	281,525	1,245,856	1,531,350

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

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 2.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person

[Money amounts are in thousands of dollars]

Residence of related foreign person ¹	Number of related foreign persons	Transactions between foreign-owned domestic corporations and related foreign persons							
		Amounts received from related foreign persons							
		Total (excluding loan balances)	Sales of stock in trade	Sales of tangible property other than stock in trade	Rents and royalties	Sales, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services	Commissions	Interest
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
All geographic areas.....	10,316	132,520,775	65,842,271	2,829,212	553,536	1,434,055	4,357,359	1,487,315	1,756,196
Canada.....	602	9,255,888	7,908,337	77,704	23,809	17,000	288,694	63,212	137,541
Latin America, total.....	1,158	4,005,196	3,335,006	45,114	7,705	27,862	259,405	15,157	154,878
Argentina.....	108	122,325	109,717	498	1,505	2,279	1,994	33	1,318
Brazil.....	227	1,360,227	1,312,366	18,622	1,435	5,507	15,675	1,612	4,506
Mexico.....	298	1,271,775	925,174	4,837	3,854	5,924	181,133	1,411	17,515
Panama.....	68	465,497	405,960	3,770	11	386	34,201	2,207	13,918
Venezuela.....	91	229,177	123,557	5,412	506	319	12,050	183	77,763
Other Western Hemisphere, total.....	171	1,791,052	182,334	7,475	1,384	25,402	138,536	43,620	24,614
Bermuda.....	74	1,259,221	76,537	--	--	--	8,163	43,284	23,077
Netherlands Antilles.....	35	305,693	60,894	214	129	--	5,838	258	1,448
Europe, total.....	5,406	31,795,335	15,713,833	1,939,961	286,131	1,165,694	2,299,919	942,438	1,026,595
Austria.....	102	55,634	47,984	256	--	606	3,624	68	624
Belgium.....	241	2,089,188	371,951	1,668,807	1,773	3,077	19,795	438	9,482
Denmark.....	95	481,279	49,956	928	57,749	668	14,750	355,832	--
France.....	636	1,923,120	1,308,132	11,288	12,131	312,070	53,918	46,537	50,151
Germany.....	757	5,003,668	3,261,357	9,188	12,593	183,899	486,208	64,710	67,936
Ireland.....	107	200,693	159,051	--	6,939	93	7,941	48	8,886
Italy.....	311	282,158	245,768	3,833	2,679	3,442	8,807	2,025	--
Netherlands.....	516	2,505,189	1,320,078	1,129	92,543	326,234	338,770	52,943	129,151
Norway.....	99	120,725	65,685	24,608	717	4,235	9,274	7,727	1,287
Spain.....	197	185,203	137,541	16,675	4,752	2,783	9,259	646	--
Sweden.....	321	1,341,090	391,865	138,963	332	50,035	228,665	32,011	38,744
Switzerland.....	310	4,174,038	3,385,118	2,199	23,713	66,694	383,937	142,624	17,977
United Kingdom.....	1,282	10,333,480	4,582,831	60,289	68,831	208,906	683,143	143,702	698,927
Africa, total.....	181	209,886	144,789	6,650	812	768	4,746	39,908	11,045
South Africa.....	108	100,068	95,673	1,993	256	768	778	1	18
Asia, total.....	2,117	84,019,616	37,606,209	748,517	200,710	151,244	1,307,987	381,993	359,312
Hong Kong.....	277	1,321,418	1,219,818	1,684	708	30,200	30,945	3,930	12,638
Indonesia.....	69	58,308	51,761	1,399	254	893	1,664	105	--
Japan.....	616	73,442,632	31,403,025	197,198	166,863	69,805	1,062,248	340,643	287,577
Malaysia.....	143	168,148	160,781	251	463	2,679	2,380	240	68
Middle East countries (except OPEC).....	41	3,227,209	53,822	38	--	--	1,891	1,511	35,931
OPEC countries (Persian Gulf states).....	53	313,590	143,809	331	23,593	--	135,138	5,436	5,203
Philippines.....	79	119,154	47,753	126	45	--	534	12	--
Singapore.....	279	1,426,375	1,337,205	1,579	6,987	2,324	34,458	24,519	1,276
South Korea.....	119	2,508,917	1,791,856	543,079	1,093	40,499	34,398	2,699	7,614
Taiwan.....	139	377,187	363,858	--	70	3,672	1,195	1,261	--
Thailand.....	117	167,712	160,302	1,027	156	357	750	1,286	2,756
Oceania, total.....	490	995,014	592,090	2,744	1,850	43,920	34,269	985	41,563
Australia.....	385	935,667	552,425	2,130	1,725	41,400	18,709	981	41,563
Puerto Rico and U.S. possessions.....	191	448,787	359,673	1,047	31,134	2,165	23,802	2	648

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 2.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued							
	Amounts received from related foreign persons--continued		Amounts borrowed		Amounts paid to related foreign persons			
	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance	Total (excluding loan balances)	Purchases of stock in trade	Purchases of tangible property other than stock in trade	Rents and royalties
	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
All geographic areas.....	926,895	53,333,934	101,248,198	134,204,246	212,300,412	178,015,479	3,945,805	2,956,942
Canada.....	571,108	168,482	6,576,290	7,747,290	18,651,270	15,738,264	608,684	17,181
Latin America, total.....	19,169	140,901	473,887	1,322,446	8,246,236	7,808,524	28,023	6,090
Argentina.....	3,041	1,939	23,046	106,061	23,178	11,780	96	956
Brazil.....	--	505	10,449	6,454	1,064,434	1,040,808	28	427
Mexico.....	10,031	121,897	5,315	27,171	3,346,910	3,159,359	25,796	4,070
Panama.....	--	5,043	43,340	21,039	349,004	345,856	801	--
Venezuela.....	4,195	5,192	29,484	48,363	2,908,985	2,840,192	1,287	4
Other Western Hemisphere, total.....	81,404	1,286,282	7,510,777	4,798,027	1,613,014	762,802	5,912	43,608
Bermuda.....	81,404	1,026,756	1,078	994,545	825,804	548,672	--	--
Netherlands Antilles.....	--	236,911	5,593,184	2,261,912	608,714	134,199	98	2,410
Europe, total.....	218,616	8,202,148	79,394,602	108,535,400	64,631,520	44,297,398	1,786,169	1,797,652
Austria.....	1,555	918	9,984	135,142	244,123	114,994	109,336	--
Belgium.....	4,475	9,390	404,996	1,188,359	985,501	843,824	31,100	789
Denmark.....	950	447	937,279	780,222	107,433	54,821	5	126
France.....	16,652	112,242	8,750,163	9,078,575	5,155,525	2,785,461	1,232,269	25,699
Germany.....	20,548	897,228	12,458,481	19,554,752	17,458,259	15,592,318	78,886	268,919
Ireland.....	--	17,736	6,057,881	6,936,144	1,111,801	298,600	120,250	2,929
Italy.....	9,305	6,299	320	21,297	516,991	438,676	15,865	30,274
Netherlands.....	16,694	227,646	7,067,497	17,451,395	4,674,001	2,408,100	31,021	256,065
Norway.....	149	7,044	255,567	342,541	1,659,028	1,594,489	5,054	524
Spain.....	6,479	7,067	2,988	12,697	351,256	335,099	699	20
Sweden.....	2,127	458,348	1,321,855	866,599	5,219,121	4,607,455	34,781	37,856
Switzerland.....	20,782	130,992	3,257,339	3,247,577	7,527,757	5,821,377	89,213	91,848
United Kingdom.....	114,260	3,772,590	32,478,542	40,009,989	14,815,637	7,688,844	37,531	1,049,746
Africa, total.....	152	1,016	5,554	10,545	93,484	90,498	344	878
South Africa.....	149	433	4,034	10,545	74,719	73,237	--	--
Asia, total.....	12,527	43,251,117	6,532,639	9,687,340	116,526,884	107,010,818	1,516,506	1,091,271
Hong Kong.....	1,910	19,585	526,881	596,433	2,119,959	2,003,955	13,178	7
Indonesia.....	397	1,834	--	684	171,261	166,045	242	--
Japan.....	5,666	39,909,606	5,542,441	8,191,810	94,531,351	87,709,650	1,395,827	1,091,211
Malaysia.....	--	1,286	4,216	2,550	745,311	741,846	85	--
Middle East countries (except OPEC)...	--	3,134,016	--	(³)	1,053,373	13,919	--	--
OPEC countries (Persian Gulf states) ² .	50	30	422	20,974	4,256,971	3,867,964	213	--
Philippines.....	1,413	69,272	42	28	223,187	212,903	2,672	--
Singapore.....	843	17,185	220,198	758,901	2,916,202	2,795,312	12,669	1
South Korea.....	--	87,678	230,738	66,275	8,263,940	7,333,389	53,040	34
Taiwan.....	2,249	4,882	6,332	7,796	1,339,571	1,281,178	37,410	1
Thailand.....	--	1,080	311	40,093	497,823	493,466	106	--
Oceania, total.....	10,523	267,070	604,355	1,663,973	798,712	656,810	166	261
Australia.....	10,523	266,212	604,249	1,663,967	731,091	589,624	166	154
Puerto Rico and U.S. possessions.....	13,397	16,918	150,094	439,225	1,739,292	1,650,364	--	--

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 2.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued							
	Amounts paid to related foreign persons--continued						Amounts loaned	
	Purchases, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services	Commissions	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)
All geographic areas.....	1,234,953	4,351,324	1,439,412	8,793,279	1,938,403	9,624,816	29,873,669	30,362,516
Canada.....	1,958	1,149,215	40,984	433,283	89,793	571,908	3,157,201	2,173,803
Latin America, total.....	36	94,089	46,495	34,210	96,570	132,199	2,167,444	2,244,720
Argentina.....	--	4,263	5,672	207	3	202	1,715	52,212
Brazil.....	13	14,462	5,075	946	6	2,669	299,512	35,529
Mexico.....	21	73,605	18,805	2,539	80	62,635	324,488	53,054
Panama.....	--	560	131	84	--	1,572	59,219	168,292
Venezuela.....	--	656	2,742	7	--	64,096	1,001,022	1,000,510
Other Western Hemisphere, total.....	--	60,154	6,557	487,809	205,932	40,240	736,834	520,778
Bermuda.....	--	1,438	4,867	67,232	171,467	32,128	729,768	421,155
Netherlands Antilles.....	--	17,327	--	417,917	34,465	2,299	--	74,249
Europe, total.....	1,062,150	2,107,862	388,314	7,232,789	1,518,997	4,440,189	21,092,780	21,498,780
Austria.....	--	6,144	241	10,689	278	2,442	42	1,685
Belgium.....	19,199	64,144	880	15,796	800	8,970	40,409	111,645
Denmark.....	7	3,704	213	41,246	394	6,917	14	458
France.....	76,574	177,269	6,590	741,829	8,887	100,946	1,335,172	3,341,754
Germany.....	45,845	145,007	276,497	699,585	245,412	105,790	4,532,734	2,223,956
Ireland.....	72	9,230	2,343	567,709	--	110,669	716,544	611,806
Italy.....	55	14,559	2,604	910	1,636	12,413	298,371	9,042
Netherlands.....	304,639	378,965	4,851	1,092,427	21,446	176,487	2,590,861	3,057,623
Norway.....	--	23,593	135	10,072	2,136	23,026	109,347	43,531
Spain.....	989	8,384	1,019	2,168	52	2,826	94	1,818
Sweden.....	20,586	216,053	14,734	87,275	134,604	65,776	691,678	994,772
Switzerland.....	380,781	130,272	12,035	186,704	732,560	82,967	391,656	473,479
United Kingdom.....	208,392	914,265	56,962	3,009,810	354,506	1,495,581	10,013,965	10,557,542
Africa, total.....	--	358	1,053	3	1	349	146,368	172,948
South Africa.....	--	113	1,018	2	1	349	538	2,492
Asia, total.....	170,770	918,491	952,841	554,296	21,841	4,290,051	2,214,522	3,506,038
Hong Kong.....	--	11,149	17,245	39,426	42	34,958	290,619	725,489
Indonesia.....	--	12	4,862	11	12	77	1,007	1,023
Japan.....	170,770	506,181	881,800	421,913	10,991	2,343,008	1,323,492	1,819,883
Malaysia.....	--	616	229	1,011	(³)	1,525	29	3,819
Middle East countries (except OPEC).....	--	1,302	664	10,383	1	1,027,104	599	140
OPEC countries (Persian Gulf states) ²	--	387,713	255	571	1	255	--	16
Philippines.....	--	323	7,231	--	42	15	--	61
Singapore.....	--	8,643	8,040	78,142	3,356	10,038	58,264	67,572
South Korea.....	--	584	14,692	2,667	--	859,534	486,977	821,348
Taiwan.....	--	202	7,584	31	26	13,141	8,346	15,242
Thailand.....	--	35	3,998	134	2	81	156	301
Oceania, total.....	40	20,962	2,510	34,313	5,270	78,380	330,462	227,774
Australia.....	33	20,936	2,266	34,312	5,270	78,331	328,585	227,646
Puerto Rico and U.S. possessions.....	--	192	659	16,577	--	71,500	28,058	17,675

¹ Selected country data have been deleted to prevent disclosure of information for individual taxpayers. However, data are included in the appropriate totals.

² The Persian Gulf states are classified as Iran, Iraq, Kuwait, Qatar, Saudi Arabia, and the United Arab Emirates. Organization of Petroleum Exporting Countries (OPEC) member countries Algeria, Libya, and Nigeria are classified under "Africa". OPEC members Indonesia and Venezuela are classified separately.

³ Less than \$500.

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

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Number of returns	Number of related foreign persons	Transactions between foreign-owned domestic corporations and related foreign persons				
			Amounts received from related foreign persons				
			Total (excluding loan balances)	Sales of stock in trade	Sales of tangible property other than stock in trade	Rents and royalties	Sales, leases, and licenses of intangible property rights
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
All industries							
All geographic areas.....	545	10,316	132,520,775	65,842,271	2,829,212	553,536	1,434,055
Australia.....	185	385	935,667	552,425	2,130	1,725	41,400
Argentina.....	80	108	122,325	109,717	498	1,505	2,279
Belgium.....	125	241	2,089,188	371,951	1,668,807	1,773	3,077
Bermuda.....	47	74	1,259,221	76,537	--	--	--
Brazil.....	131	227	1,360,227	1,312,366	18,622	1,435	5,507
Canada.....	281	602	9,255,888	7,908,337	77,704	23,809	17,000
France.....	194	636	1,923,120	1,308,132	11,288	12,131	312,070
Germany.....	219	757	5,003,668	3,261,357	9,188	12,593	183,899
Hong Kong.....	171	277	1,321,418	1,219,818	1,684	708	30,200
Italy.....	145	311	282,158	245,768	3,833	2,679	3,442
Japan.....	247	616	73,442,632	31,403,025	197,198	166,863	69,805
Malaysia.....	95	143	168,148	160,781	251	463	2,679
Mexico.....	155	298	1,271,775	925,174	4,837	3,854	5,924
Netherlands.....	194	516	2,505,189	1,320,078	1,129	92,543	326,234
New Zealand.....	74	103	59,279	39,665	614	125	2,520
Singapore.....	167	279	1,426,375	1,337,205	1,579	6,987	2,324
South Africa.....	76	108	100,068	95,673	1,993	256	768
South Korea.....	88	119	2,508,917	1,791,856	543,079	1,093	40,499
Spain.....	124	197	185,203	137,541	16,675	4,752	2,783
Sweden.....	92	321	1,341,090	391,865	138,963	332	50,035
Switzerland.....	123	310	4,174,038	3,385,118	2,199	23,713	66,694
Taiwan.....	96	139	377,187	363,858	--	70	3,672
Thailand.....	76	117	167,712	160,302	1,027	156	357
United Kingdom.....	311	1,282	10,333,480	4,582,831	60,289	68,831	208,906
Venezuela.....	61	91	229,177	123,557	5,412	506	319
Mining							
All geographic areas.....	12	265	3,714,976	3,040,185	32,609	4,165	31,157
Canada.....	7	14	77,584	48,960	5,084	233	1,974
France.....	4	21	190,076	155,540	580	43	58
Germany.....	4	10	369,918	367,487	--	--	--
Italy.....	4	6	4,499	4,052	--	--	--
Netherlands.....	4	14	117,070	115,998	--	--	--
United Kingdom.....	8	33	481,087	386,129	581	543	--
Construction							
All geographic areas.....	9	76	79,209	18,880	653	--	--
Manufacturing							
All geographic areas.....	237	6,758	32,470,451	21,353,112	1,985,020	174,246	855,223
Australia.....	106	250	561,016	450,644	1,923	1,026	11,413
Argentina.....	59	85	93,025	87,521	371	--	2,279
Belgium.....	86	188	1,991,743	291,015	1,660,879	875	3,077
Brazil.....	84	159	290,120	259,348	17,201	1,435	5,507
Canada.....	135	330	5,665,209	5,313,738	29,557	7,955	5,633
France.....	114	458	1,589,110	1,082,561	7,673	12,087	312,012
Germany.....	122	527	3,020,321	2,383,728	7,412	5,784	123,313
Hong Kong.....	88	150	621,644	592,966	544	430	16,809
Italy.....	100	235	251,249	299,403	3,784	1,303	3,442
Japan.....	120	255	2,862,340	2,041,531	7,991	19,152	52,900
Malaysia.....	57	96	85,006	79,238	251	463	2,679
Mexico.....	95	208	755,386	606,508	3,078	3,729	5,916
Netherlands.....	102	365	1,473,145	1,062,587	918	11,380	74,950
New Zealand.....	56	81	49,497	38,710	614	125	2,520

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued
[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Number of returns	Number of related foreign persons	Transactions between foreign-owned domestic corporations and related foreign persons				
			Amounts received from related foreign persons				
			Total (excluding loan balances)	Sales of stock in trade	Sales of tangible property other than stock in trade	Rents and royalties	Sales, leases, and licenses and intangible property rights
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Manufacturing--Continued							
Singapore.....	95	171	639,558	604,936	1,579	3,373	2,324
South Africa.....	58	87	60,017	55,815	1,993	256	768
South Korea.....	56	76	168,919	137,061	--	1,093	30,168
Spain.....	82	145	144,931	116,227	16,633	4,736	2,783
Sweden.....	65	277	1,236,135	384,236	138,963	332	50,031
Switzerland.....	75	224	1,397,127	1,004,647	2,199	16,694	66,694
Taiwan.....	65	100	319,800	313,299	--	70	3,672
Thailand.....	47	74	147,775	144,749	857	156	331
United Kingdom.....	152	774	6,547,329	2,557,383	58,202	51,463	61,573
Venezuela.....	48	74	130,968	42,065	744	506	319
Transportation and public utilities							
All geographic areas.....	13	206	734,417	29,081	2,022	167,010	1,951
Canada.....	6	27	47,472	29,081	975	1,388	--
Wholesale and retail trade							
All geographic areas.....	166	1,942	33,691,411	28,795,443	784,068	88,300	42,286
Australia.....	47	69	94,334	93,734	88	14	--
Belgium.....	23	31	68,092	56,867	7,928	898	--
Brazil.....	34	48	52,231	39,353	--	--	--
Canada.....	75	134	1,981,908	1,828,978	41,095	1,465	195
France.....	46	106	83,331	69,215	--	--	--
Germany.....	64	167	966,114	490,426	550	6,809	10,832
Hong Kong.....	51	72	626,578	606,458	1,140	278	--
Italy.....	25	52	15,691	11,962	31	1,080	--
Japan.....	83	291	22,755,340	20,322,635	188,491	69,490	14,266
Malaysia.....	26	31	78,865	78,636	--	--	--
Mexico.....	42	66	472,639	302,238	68	124	8
Netherlands.....	48	72	189,396	132,168	185	110	--
Singapore.....	47	78	458,890	411,013	--	3,614	2
South Korea.....	27	38	2,339,037	1,653,854	543,079	--	10,331
Spain.....	27	34	13,508	9,028	31	16	--
Switzerland.....	16	22	170,341	169,486	--	14	--
Taiwan.....	24	32	43,479	38,796	--	--	--
Thailand.....	23	37	19,382	15,553	170	--	26
United Kingdom.....	83	210	1,301,660	967,102	804	171	--
Finance, insurance, and real estate							
All geographic areas.....	78	643	59,676,406	12,504,649	3,051	33,670	--
Australia.....	17	24	23,769	--	--	686	--
Bermuda.....	15	29	133,371	--	--	--	--
Canada.....	41	60	1,365,250	600,663	--	8,134	--
France.....	16	22	57,325	667	3,028	--	--
Germany.....	16	24	566,928	19,270	--	--	--
Hong Kong.....	21	35	46,810	17,563	--	--	--
Japan.....	28	39	47,591,976	9,002,187	--	1,305	--
Mexico.....	10	10	12,708	1,837	--	--	--
Netherlands.....	23	28	269,879	7,279	3	58	--
Singapore.....	15	15	6,918	862	--	--	--
Switzerland.....	19	44	2,490,137	2,142,660	--	7,005	--
United Kingdom.....	45	151	1,574,302	668,199	20	16,482	--
Services							
All geographic areas.....	30	426	2,153,904	100,920	21,789	86,146	503,438
Australia.....	8	23	34,046	292	--	--	29,987
Canada.....	14	33	117,619	86,916	993	4,634	9,198
France.....	10	24	2,934	108	7	--	--
Germany.....	10	24	79,763	359	1,226	--	49,754
Japan.....	9	19	12,549	3,326	52	--	2,486
Netherlands.....	13	32	417,390	2,047	23	80,996	251,284
Switzerland.....	8	14	47,848	(²)	--	--	--
United Kingdom.....	15	99	414,531	3,988	682	172	147,333

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued						
	Amounts received from related foreign persons--continued					Amounts borrowed	
	Consideration for technical, managerial, or like services	Commissions	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
All industries							
All geographic areas.....	4,357,359	1,487,315	1,756,196	926,895	53,333,934	101,248,198	134,204,246
Australia.....	18,709	981	41,563	10,523	266,212	604,249	1,663,967
Argentina.....	1,994	33	1,318	3,041	1,939	23,046	106,061
Belgium.....	19,795	438	9,482	4,475	9,390	404,996	1,188,359
Bermuda.....	8,163	43,284	23,077	81,404	1,026,756	1,078	994,545
Brazil.....	15,675	1,612	4,506	--	505	10,449	6,454
Canada.....	288,694	63,212	137,541	571,108	168,482	6,576,290	7,747,290
France.....	53,918	46,537	50,151	16,652	112,242	8,750,163	9,078,575
Germany.....	486,208	64,710	67,936	20,548	897,228	12,458,481	19,554,752
Hong Kong.....	30,945	3,930	12,638	1,910	19,585	526,881	596,433
Italy.....	8,807	2,025	--	9,305	6,299	320	21,297
Japan.....	1,062,248	340,643	287,577	5,666	39,909,606	5,542,441	8,191,810
Malaysia.....	2,380	240	68	--	1,286	4,216	2,550
Mexico.....	181,133	1,411	17,515	10,031	121,897	5,315	27,171
Netherlands.....	338,770	52,943	129,151	16,694	227,646	7,067,497	17,451,395
New Zealand.....	15,511	4	2	--	839	106	6
Singapore.....	34,458	24,519	1,276	843	17,185	220,198	758,901
South Africa.....	778	1	18	149	433	4,034	10,545
South Korea.....	34,398	2,699	7,614	--	87,678	230,738	66,275
Spain.....	9,259	646	--	6,479	7,067	2,988	12,697
Sweden.....	228,665	32,011	38,744	2,127	458,348	1,321,855	866,599
Switzerland.....	383,937	142,624	17,977	20,782	130,992	3,257,339	3,247,577
Taiwan.....	1,195	1,261	--	2,249	4,882	6,332	7,796
Thailand.....	750	1,286	2,756	--	1,080	311	40,093
United Kingdom.....	683,143	143,702	698,927	114,260	3,772,590	32,478,542	40,009,989
Venezuela.....	12,050	183	77,763	4,195	5,192	29,484	48,363
Mining							
All geographic areas.....	216,842	4,843	148,533	--	236,642	3,816,414	4,508,968
Canada.....	16,581	296	239	--	4,217	7,308	50,382
France.....	2,543	710	25,336	--	5,265	647,900	707,780
Germany.....	1,190	--	1,099	--	141	96,150	49,404
Italy.....	277	8	--	--	161	--	--
Netherlands.....	259	707	27	--	79	300,754	428,462
United Kingdom.....	10,448	182	78,942	--	4,262	2,374,291	2,873,590
Construction							
All geographic areas.....	54,735	--	4,430	--	511	380,968	408,206
Manufacturing							
All geographic areas.....	2,307,349	165,858	390,724	4,054	5,234,865	49,175,534	62,006,393
Australia.....	6,574	73	2,592	157	86,614	342,385	171,609
Argentina.....	1,087	2	1,237	--	528	2,118	1,867
Belgium.....	17,440	210	9,391	--	8,856	229,877	964,553
Brazil.....	3,235	660	2,537	--	197	--	5,730
Canada.....	190,623	4,016	34,823	1,835	77,028	1,296,534	1,298,892
France.....	50,162	19,916	8,324	--	96,376	7,530,010	6,465,552
Germany.....	201,442	9,112	16,316	6	273,208	1,433,250	4,923,461
Hong Kong.....	7,398	2,259	85	--	1,153	56	718
Italy.....	5,980	1,648	--	--	5,688	--	1,284
Japan.....	300,106	50,088	2,454	--	388,118	1,012,265	3,270,743
Malaysia.....	1,544	183	61	--	587	--	175
Mexico.....	22,930	456	3,029	58	109,681	104	4,682
Netherlands.....	259,951	1,136	12,873	--	49,351	2,540,257	5,908,297
New Zealand.....	7,159	4	2	--	365	--	--

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued						
	Amounts received from related foreign persons--continued					Amounts borrowed	
	Consideration for technical, managerial, or like services	Commissions	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Manufacturing--Continued							
Singapore.....	3,385	17,119	134	--	6,709	200,001	738,762
South Africa.....	743	1	18	--	424	--	130
South Korea.....	30	39	141	--	387	2	3,432
Spain.....	3,170	271	--	--	1,110	1,543	4,077
Sweden.....	228,594	32,011	12,081	200	389,688	1,045,473	626,099
Switzerland.....	274,648	836	14,051	--	17,358	2,280,223	1,662,779
Taiwan.....	1,053	70	--	115	1,521	1,352	2,496
Thailand.....	247	413	--	--	1,022	--	47
United Kingdom.....	485,620	18,688	164,179	1,682	3,148,540	15,521,360	19,971,011
Venezuela.....	8,123	7	77,738	--	1,466	29,484	46,276
Transportation and public utilities							
All geographic areas.....	81,275	450,800	319	--	1,958	3,051,516	3,604,357
Canada.....	12,727	2,150	319	--	832	135,947	108,667
Wholesale and retail trade							
All geographic areas.....	1,329,284	302,575	261,676	6,072	2,081,709	7,502,823	12,480,376
Australia.....	265	46	13	--	174	30,293	254,208
Belgium.....	1,802	115	8	--	474	173,402	213,401
Brazil.....	10,911	952	1,013	--	2	253	500
Canada.....	28,242	25,373	2,267	71	54,221	516,424	605,629
France.....	274	4,464	--	--	9,377	189,146	365,120
Germany.....	264,791	15,336	5,230	--	172,140	950,386	1,305,987
Hong Kong.....	13,904	952	2,964	--	882	--	3,162
Italy.....	2,495	95	--	--	28	--	20,000
Japan.....	728,327	131,726	69,108	--	1,231,297	931,676	1,391,150
Malaysia.....	20	--	--	--	209	2,519	2,166
Mexico.....	145,275	955	13,981	--	9,989	5,211	21,884
Netherlands.....	1,388	19	11,331	--	44,195	744,659	3,703,466
Singapore.....	30,609	6,915	1,142	--	5,596	20,197	20,044
South Korea.....	34,367	2,660	7,473	--	87,272	230,737	62,843
Spain.....	213	363	--	--	3,857	--	204
Switzerland.....	828	--	--	--	12	33,427	17,966
Taiwan.....	142	1,191	--	--	3,350	4,980	5,300
Thailand.....	3	873	2,756	--	2	311	40,046
United Kingdom.....	51,045	9,707	91,009	--	181,821	1,917,586	2,327,997
Finance, insurance, and real estate							
All geographic areas.....	269,417	550,768	862,588	916,767	44,535,495	29,753,647	41,974,693
Australia.....	1,260	862	2,735	10,366	7,860	209,630	206,110
Bermuda.....	1,379	42,256	--	75,403	14,332	379	206
Canada.....	31,215	26,119	99,007	569,202	30,909	4,604,725	5,653,991
France.....	8	21,446	15,399	16,652	124	382,653	1,529,460
Germany.....	14,031	40,263	44,392	20,542	428,431	9,923,968	12,684,289
Hong Kong.....	126	719	9,590	1,910	16,903	526,758	592,416
Japan.....	17,832	61,170	215,553	5,666	38,288,262	3,512,100	3,435,474
Mexico.....	50	--	504	9,973	344	--	605
Netherlands.....	267	51,081	100,790	16,694	93,708	1,515,657	5,741,832
Singapore.....	4	475	--	843	4,734	1	9
Switzerland.....	94,268	141,530	3,927	20,782	79,965	538,726	1,097,556
United Kingdom.....	108,613	112,738	318,735	112,574	236,941	7,585,253	9,821,957
Services							
All geographic areas.....	98,458	12,471	87,925	3	1,242,754	7,567,295	9,221,254
Australia.....	1,217	--	--	--	2,551	21,941	1,031,984
Canada.....	9,243	5,258	102	--	1,276	9,551	9,762
France.....	627	--	1,092	--	1,099	454	10,229
Germany.....	4,217	--	899	--	23,308	2,270	515,036
Japan.....	556	4,711	462	--	956	20,134	38,227
Netherlands.....	41,157	--	1,780	--	40,103	1,941,467	1,317,154
Switzerland.....	14,192	--	--	--	33,656	25,320	34,836
United Kingdom.....	12,877	2,387	46,063	3	201,026	4,952,274	4,955,368

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued					
	Amounts paid to related foreign persons					
	Total (excluding loan balances)	Purchases of stock in trade	Purchases of tangible property other than stock in trade	Rents and royalties	Purchases, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services
	(15)	(16)	(17)	(18)	(19)	(20)
All industries						
All geographic areas.....	212,300,412	178,015,479	3,945,805	2,956,942	1,234,953	4,351,324
Australia.....	731,091	589,624	166	154	33	20,936
Argentina.....	23,178	11,780	96	956	--	4,263
Belgium.....	985,501	843,824	31,100	789	19,199	64,144
Bermuda.....	825,804	548,672	--	--	--	1,438
Brazil.....	1,064,434	1,040,808	28	427	13	14,462
Canada.....	18,651,270	15,738,264	608,684	17,181	1,958	1,149,215
France.....	5,155,525	2,785,461	1,232,269	25,699	76,574	177,269
Germany.....	17,458,259	15,592,318	78,886	268,919	45,845	145,007
Hong Kong.....	2,119,959	2,003,955	13,178	7	--	11,149
Italy.....	516,991	438,676	15,865	30,274	55	14,559
Japan.....	94,531,351	87,709,650	1,395,827	1,091,211	170,770	506,181
Malaysia.....	745,311	741,846	85	--	--	616
Mexico.....	3,346,910	3,159,359	25,796	4,070	21	73,605
Netherlands.....	4,674,001	2,408,100	31,021	256,065	304,639	378,965
New Zealand.....	67,620	67,186	--	107	7	26
Singapore.....	2,916,202	2,795,312	12,669	1	--	8,643
South Africa.....	74,719	73,237	--	--	--	113
South Korea.....	8,263,940	7,333,389	53,040	34	--	584
Spain.....	351,256	335,099	699	20	989	8,384
Sweden.....	5,219,121	4,607,455	34,781	37,856	20,586	216,053
Switzerland.....	7,527,757	5,821,377	89,213	91,848	380,781	130,272
Taiwan.....	1,339,571	1,281,178	37,410	1	--	202
Thailand.....	497,823	493,466	106	--	--	35
United Kingdom.....	14,815,637	7,688,844	37,531	1,049,746	208,392	914,265
Venezuela.....	2,908,985	2,840,192	1,287	4	--	656
Mining						
All geographic areas.....	2,068,705	1,196,673	50,635	5,317	18,922	151,489
Canada.....	497,357	199,944	11,097	114	858	22,192
France.....	97,397	1,944	16,225	1,173	12,081	45,655
Germany.....	65,291	8,070	--	--	--	--
Italy.....	397	83	--	--	--	--
Netherlands.....	225,329	181,087	--	--	--	60
United Kingdom.....	287,079	69,507	4,479	2,426	5,983	7,580
Construction						
All geographic areas.....	89,078	41,920	--	--	5,780	16,827
Manufacturing						
All geographic areas.....	75,776,425	62,595,365	915,494	2,228,290	710,845	2,959,276
Australia.....	486,719	410,717	163	149	33	18,718
Argentina.....	10,241	4,237	12	956	--	3,958
Belgium.....	911,190	783,693	31,100	789	19,199	54,131
Brazil.....	274,579	259,772	9	205	13	12,308
Canada.....	11,056,022	10,179,637	54,641	9,784	1,099	620,264
France.....	2,593,296	1,560,866	76,918	20,639	61,893	106,254
Germany.....	6,266,083	5,580,176	41,995	248,895	39,802	94,170
Hong Kong.....	1,157,868	1,131,446	8,709	7	--	3,230
Italy.....	413,327	374,959	15,864	524	55	8,684
Japan.....	17,693,575	16,357,738	277,465	669,629	3,823	181,508
Malaysia.....	292,560	290,860	80	--	--	31
Mexico.....	926,684	808,926	25,514	4,012	21	59,337
Netherlands.....	2,517,683	1,599,595	30,320	108,265	19,898	250,224
New Zealand.....	67,162	66,996	--	107	7	26

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued					
	Amounts paid to related foreign persons					
	Total (excluding loan balances)	Purchases of stock in trade	Purchases of tangible property other than stock in trade	Rents and royalties	Purchases, leases, and licenses of intangible property rights	Consideration for technical, managerial, or like services
	(15)	(16)	(17)	(18)	(19)	(20)
Manufacturing--Continued						
Singapore.....	1,743,731	1,647,676	179	1	--	7,053
South Africa.....	16,124	15,336	--	--	--	21
South Korea.....	1,278,677	1,217,808	53,040	34	--	584
Spain.....	319,586	307,635	689	--	989	7,556
Sweden.....	2,246,677	1,723,643	34,779	36,684	14,806	212,054
Switzerland.....	3,920,423	3,159,539	89,133	71,171	351,511	100,063
Taiwan.....	600,266	547,556	37,410	1	--	177
Thailand.....	443,845	443,535	--	--	--	35
United Kingdom.....	8,113,214	3,707,559	27,764	1,016,878	192,606	804,279
Venezuela.....	2,905,270	2,839,665	40	4	--	637
Transportation and public utilities						
All geographic areas.....	1,720,876	928,637	144,408	46,911	--	82,266
Canada.....	1,081,342	928,637	24,547	5,669	--	29,884
Wholesale and retail trade						
All geographic areas.....	107,120,671	100,225,270	2,832,997	477,288	174,360	482,559
Australia.....	182,599	178,251	--	--	--	343
Belgium.....	63,040	60,131	--	--	--	880
Brazil.....	261,559	254,432	19	--	--	1,700
Canada.....	4,715,107	4,088,663	518,389	305	--	52,312
France.....	2,395,965	1,215,049	1,138,053	3,830	600	18,073
Germany.....	10,164,670	9,989,910	36,676	19,408	6,043	28,787
Hong Kong.....	869,844	858,997	4,469	--	--	865
Italy.....	98,441	62,171	--	29,750	--	5,540
Japan.....	65,799,581	62,682,697	1,114,058	406,031	166,927	319,845
Malaysia.....	451,112	450,986	--	--	--	--
Mexico.....	2,363,065	2,348,818	2	58	--	12,201
Netherlands.....	807,156	602,768	499	3,463	--	8,269
Singapore.....	1,148,805	1,132,029	12,490	--	--	608
South Korea.....	6,985,016	6,115,580	--	--	--	--
Spain.....	12,427	12,271	3	--	--	--
Switzerland.....	890,345	864,646	--	6,554	--	--
Taiwan.....	738,800	733,621	--	--	--	25
Thailand.....	53,976	49,931	106	--	--	--
United Kingdom.....	1,882,272	1,643,065	4,495	6,423	789	27,322
Finance, insurance, and real estate						
All geographic areas.....	24,051,024	12,997,092	--	32,577	9,662	478,071
Australia.....	25,636	612	--	--	--	1,088
Bermuda.....	142,648	--	--	--	--	1,155
Canada.....	1,271,625	340,881	--	856	--	401,852
France.....	65,037	7,049	--	--	2,000	6,887
Germany.....	734,883	11,946	--	--	--	10,100
Hong Kong.....	80,558	13,510	--	--	--	--
Japan.....	11,008,003	8,664,667	--	2,897	--	3,957
Mexico.....	53,268	1,537	--	--	--	--
Netherlands.....	568,334	24,628	--	569	--	11,834
Singapore.....	12,211	5,184	--	--	--	--
Switzerland.....	2,484,456	1,653,820	--	14,122	--	18,633
United Kingdom.....	3,960,432	2,226,449	--	14,133	7,662	16,954
Services						
All geographic areas.....	1,473,633	30,521	2,271	166,558	315,384	180,836
Australia.....	31,648	--	3	--	--	233
Canada.....	29,601	502	9	454	1	22,712
France.....	3,284	8	1,072	57	--	400
Germany.....	221,197	2,210	215	615	--	9,757
Japan.....	18,546	--	1	11,795	19	160
Netherlands.....	497,713	22	203	143,767	284,741	60,977
Switzerland.....	58,347	--	80	--	29,270	10,754
United Kingdom.....	529,934	26,235	662	9,847	1,352	53,566

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued					
	Amounts paid to related foreign persons--continued				Amounts loaned	
	Commissions	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(21)	(22)	(23)	(24)	(25)	(26)
All industries						
All geographic areas.....	1,439,412	8,793,279	1,938,403	9,624,816	29,873,669	30,362,516
Australia.....	2,266	34,312	5,270	78,331	328,585	227,646
Argentina.....	5,672	207	3	202	1,715	52,212
Belgium.....	880	15,796	800	8,970	40,409	111,645
Bermuda.....	4,867	67,232	171,467	32,128	729,768	421,155
Brazil.....	5,075	946	6	2,669	299,512	35,529
Canada.....	40,984	433,283	89,793	571,908	3,157,201	2,173,803
France.....	6,590	741,829	8,887	100,946	1,335,172	3,341,754
Germany.....	276,497	699,585	245,412	105,790	4,532,734	2,223,956
Hong Kong.....	17,245	39,426	42	34,958	290,619	725,489
Italy.....	2,604	910	1,636	12,413	298,371	9,042
Japan.....	881,800	421,913	10,991	2,343,008	1,323,492	1,819,883
Malaysia.....	229	1,011	2	1,525	29	3,819
Mexico.....	18,805	2,539	80	62,635	324,488	53,054
Netherlands.....	4,851	1,092,427	21,146	176,487	2,590,861	3,057,623
New Zealand.....	244	2	--	50	1,877	128
Singapore.....	8,040	78,142	3,356	10,038	58,264	67,572
South Africa.....	1,018	2	1	349	538	2,492
South Korea.....	14,692	2,667	--	859,534	486,977	821,348
Spain.....	1,019	2,168	52	2,826	94	1,818
Sweden.....	14,734	87,275	134,604	65,776	691,678	994,772
Switzerland.....	12,035	186,704	732,560	82,967	391,656	473,479
Taiwan.....	7,584	31	26	13,141	8,346	15,242
Thailand.....	3,998	134	2	81	156	301
United Kingdom.....	56,962	3,009,810	354,506	1,495,581	10,013,965	10,557,542
Venezuela.....	2,742	7	--	64,096	1,001,022	1,000,510
Mining						
All geographic areas.....	6,362	258,018	4,105	377,186	2,029,605	1,167,186
Canada.....	--	236	74	262,842	206,873	23,201
France.....	--	20,004	--	314	601,167	376,174
Germany.....	--	1,412	--	55,809	--	399,361
Italy.....	--	--	--	314	--	--
Netherlands.....	--	18,920	--	25,262	--	97,489
United Kingdom.....	5,170	183,443	338	8,153	865,901	65,569
Construction						
All geographic areas.....	50	24,325	64	112	112,312	113,859
Manufacturing						
All geographic areas.....	164,095	4,816,071	165,194	1,221,794	13,501,495	10,653,133
Australia.....	1,325	17,898	886	36,830	3,131	4,900
Argentina.....	776	207	--	96	139	47,549
Belgium.....	127	13,399	360	8,392	40,245	111,429
Brazil.....	2,204	22	--	46	290,797	8,167
Canada.....	9,274	54,188	13,660	113,475	831,684	310,050
France.....	3,339	677,505	5,499	80,384	539,759	1,991,310
Germany.....	70,153	169,744	370	20,777	2,881,674	986,576
Hong Kong.....	5,790	9	--	8,677	5,676	2,750
Italy.....	1,209	6	--	12,025	298,351	9,015
Japan.....	5,693	132,689	4,857	60,173	103,163	83,922
Malaysia.....	190	2	--	1,397	11	430
Mexico.....	3,908	2,507	32	22,427	321,782	31,511
Netherlands.....	3,280	437,133	1,655	67,314	1,226,671	709,703
New Zealand.....	14	2	--	12	1,875	103

Footnotes at end of table.

Transactions Between Large Foreign-Owned Domestic Corporations and Related Foreign Persons, 1996

Table 3.--Foreign-Owned Domestic Corporations with Total Receipts of \$500 Million or More and with Form 5472 Attached: Transactions Between Corporations and Related Foreign Persons, by Industrial Division of Domestic Corporation and Selected Country of Residence of Related Foreign Person--Continued

[Money amounts are in thousands of dollars]

Selected industrial division of domestic corporation and residence of related foreign person ¹	Transactions between foreign-owned domestic corporations and related foreign persons--continued					
	Amounts paid to related foreign persons--continued				Amounts loaned	
	Commissions	Interest	Premiums for insurance or reinsurance	Other	Beginning balance	Ending balance
	(21)	(22)	(23)	(24)	(25)	(26)
Manufacturing--Continued						
Singapore.....	5,828	74,267	2,099	6,628	22,933	29,818
South Africa.....	498	2	--	267	308	701
South Korea.....	2,602	2,667	--	1,942	17,514	4,719
Spain.....	164	2,168	--	386	55	1,203
Sweden.....	1,423	84,535	74,049	64,702	481,727	832,158
Switzerland.....	8,761	87,832	7,342	45,071	390,781	103,615
Taiwan.....	2,114	31	--	12,977	7,133	9,103
Thailand.....	73	126	--	75	--	94
United Kingdom.....	12,402	1,870,591	19,699	461,435	3,420,131	3,391,522
Venezuela.....	1,444	7	--	63,473	1,000,972	1,000,410
Transportation and public utilities						
All geographic areas.....	3,113	324,343	25,562	165,636	358,788	266,894
Canada.....	2,313	933	2,298	87,061	119,595	39,387
Wholesale and retail trade						
All geographic areas.....	930,324	727,700	61,628	1,208,543	2,613,417	3,292,473
Australia.....	123	2,329	60	1,492	3,098	12,916
Belgium.....	14	1,825	39	152	136	154
Brazil.....	2,872	130	--	2,407	7,370	27,154
Canada.....	6,788	26,512	2,084	20,052	301,313	271,155
France.....	436	11,297	701	7,925	485	4,411
Germany.....	3,048	69,795	276	10,727	189,428	114,222
Hong Kong.....	5,006	410	--	96	63,241	56,483
Italy.....	25	904	--	51	20	26
Japan.....	859,407	46,096	5,750	198,771	34,703	90,218
Malaysia.....	--	--	--	126	18	258
Mexico.....	1,666	4	--	316	1,954	12,275
Netherlands.....	33	132,261	1,025	58,838	106,438	80,831
Singapore.....	264	109	--	3,306	685	2,602
South Korea.....	11,844	1	--	857,592	469,463	816,350
Spain.....	143	--	--	9	--	--
Switzerland.....	1,012	186	114	17,832	--	9,750
Taiwan.....	4,990	--	--	164	1,212	6,139
Thailand.....	3,925	8	--	6	156	207
United Kingdom.....	4,162	165,401	13,841	16,775	916,896	992,721
Finance, insurance, and real estate						
All geographic areas.....	130,418	2,359,138	1,674,047	6,370,019	10,012,196	13,337,621
Australia.....	788	14,080	4,238	4,829	1,204	42,563
Bermuda.....	241	--	139,462	1,790	168	231
Canada.....	20,864	349,708	69,645	87,819	1,643,065	1,514,790
France.....	2,815	33,021	2,688	10,578	170,392	945,666
Germany.....	4,655	450,944	244,766	12,471	1,455,989	713,979
Hong Kong.....	6,449	39,007	42	21,550	219,895	658,363
Japan.....	15,862	241,056	383	2,079,182	1,185,140	1,644,998
Mexico.....	13,231	28	48	38,423	753	5,568
Netherlands.....	1,537	488,169	18,736	22,860	1,223,870	2,052,578
Singapore.....	1,922	3,767	1,257	81	64	29
Switzerland.....	2,261	66,294	725,085	4,240	75	358,661
United Kingdom.....	35,188	532,531	317,092	810,424	3,891,934	5,254,770
Services						
All geographic areas.....	205,050	283,685	7,805	281,525	1,245,856	1,531,350
Australia.....	--	--	--	31,412	--	2
Canada.....	1,744	1,490	2,032	659	6,084	12,507
France.....	--	2	--	1,746	23,369	24,193
Germany.....	198,640	3,755	--	6,006	5,642	9,818
Japan.....	--	2,072	--	4,498	437	660
Netherlands.....	--	5,759	30	2,213	4,697	29,416
Switzerland.....	--	2,460	--	15,782	773	1,453
United Kingdom.....	41	236,315	3,536	198,380	689,299	630,553

¹Selected country data have been deleted to prevent disclosure of information for individual taxpayers. However, the data are included in the appropriate totals.

² Less than \$500.

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