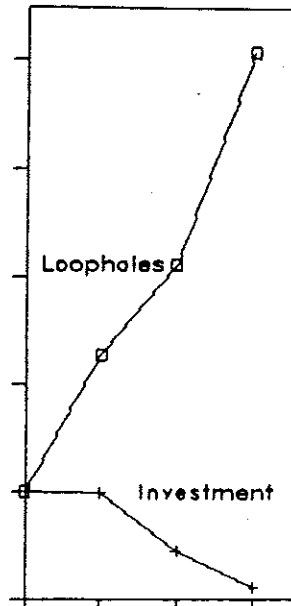




# Citizens for Tax Justice

1313 L Street, N.W. — 5th Floor — Washington, D.C. 20005 — (202) 293-5340 — 898-3369



## THE FAILURE OF CORPORATE TAX INCENTIVES

A STUDY  
OF THREE YEARS  
OF GROWING  
LOOPHOLES AND  
LAGGING INVESTMENT

by  
Robert S. McIntyre  
*Director of Federal Tax Policy*

Dean C. Tipps  
*Executive Director*

January 1985

## INTRODUCTION

It's no secret. The federal corporate income tax is but a loophole-riddled shadow of its former self. Back in the 1950s and 1960s, it contributed a quarter of all federal revenues. By 1983, its share had dropped to 6.2%, with loopholes reducing corporate tax revenues by \$1.67 for every dollar actually collected.

The largest loophole of all is the Accelerated Cost Recovery System (ACRS), a system of super-accelerated write-offs for business investments in plant and equipment adopted as part of the 1981 Reagan tax bill. Together, ACRS, the investment tax credit, and other corporate loopholes now cost the federal government more than any other program in the budget except defense and Social Security, and far more than all federal programs for the poor combined.

In October 1984, Citizens for Tax Justice released a study of the impact of ACRS and other corporate loopholes on the actual taxes paid by 250 major U.S. corporations from 1981 through 1983. In Corporate Income Taxes in the Reagan Years, CTJ found that:

- o the 250 companies paid an overall federal income tax rate of 14.1% on domestic profits totalling \$291.4 billion, making a mockery of the statutory 46% corporate tax rate; this legalized tax avoidance added \$91 billion to the federal deficit over the three years;
- o 17 companies with \$14.9 billion in profits paid no federal income taxes in each one of the three years, and claimed tax benefits totalling \$1.2 billion through rebates of taxes paid before Reagan took office or from the sale of excess tax breaks to other companies;

- o 65 companies with \$49.5 billion in pretax profits paid zero or less when their federal income taxes were totalled for the three years 1981-1983, receiving outright tax subsidies that brought their after-tax profits to \$3.2 billion more than they made before taxes--a "negative" tax rate of -6.5%; and
- o 128 companies paid zero or less in taxes in at least one of the three years, claiming an additional \$5.7 billion in tax benefits on top of the \$57.1 billion in pretax profits they earned during the years in which they paid no taxes.

The massive corporate tax avoidance documented by Corporate Income Taxes In the Reagan Years is an affront to every taxpayer. It shifts more of the tax burden into middle and low income wage earners and enlarges the federal deficit.

But the corporate lobbyists whose job it is to add loophole after loophole to our tax code always have an answer. What most people call loopholes, they call "incentives." Without these incentives, they argue, businesses won't be able to expand their investment, undermining economic growth and our competitiveness in the world economy.

This argument has served the loophole lobbyists well, as officially designated corporate "tax expenditures" have grown from a mere \$7 billion in 1970 to over \$100 billion in the upcoming fiscal year. What politician, after all, wants to go on record against investment, growth, and competitiveness in the world economy?

Suprisingly, however, after the "incentives" enter the tax code, no one has seemed very interested in finding out if they actually result in the increased capital spending promised so persuasively by the corporate

lobbyists. Each year the federal government forgoes tens of billions of dollars in corporate tax revenues in the name of encouraging greater business investment without holding either the lobbyists or their corporate employers accountable if the additional investment fails to materialize.

This study examines how the corporate rhetoric advocating tax incentives stands up against actual corporate behavior. It scrutinizes the relationship between corporate tax payments and corporate investment from 1981 through 1983 for the 238 major U.S. non-financial corporations included in CTJ's October 1984 report. The study also looks at the relationship between tax rates and dividend payments.

For a complete discussion of the methods used to select the 238 companies included in the study and to calculate their domestic profits, actual tax payments, investments, and dividends, see the methodological appendix at the end of this report.

"Congress passed the ACRS in 1981 for one reason: They thought productivity was lagging and that our tax system impeded capital formation. Since that time, we have had the highest rate of business investment since World War II. It is working. If it ain't broke, don't fix it."

Corporate Lobbyist Charles E. Walker  
November 28, 1984

### I. CORPORATE TAX BREAKS SPUR DIVIDENDS, NOT INVESTMENT

The major finding of our study of the investment patterns of 238 profitable non-financial corporations between 1981 and 1983 is that the corporate claims about tax "incentives" are dead wrong. The truth is that companies with the lowest taxes reduced investment at above-average rates, while the highest-taxed companies actually increased their investments.

As Table I indicates, the 50 lowest-taxed non-financial corporations in our study had an average tax rate over the three years of minus 8.4%. Yet, despite all the "incentives" they took advantage of, they reduced their investment by 21.6%. By contrast, the 50 corporations with the highest tax rates increased their investment over the same period by 4.3%, while paying 33.1% of their profits in federal income taxes. Interestingly, while cutting back on new investment, the low-tax companies also increased their dividends at a pace more than 30% greater than the high-tax companies.

Evidence that the billions of dollars the federal government spends each year on tax incentives to encourage investment have failed to achieve their purpose is overwhelming. Consider the following findings:

- o the 15 non-financial companies in our study that paid zero or less in taxes (i.e., they did better than zero by claiming rebates of taxes paid in earlier years or selling excess tax breaks to other

companies) each year for three consecutive years reduced investment by 29.6% from 1981 to 1983, while increasing dividends by 9.5%.

These companies paid no taxes on \$14.1 billion in profits and claimed tax benefits of \$1.2 billion, for a negative tax rate of -8.5%.

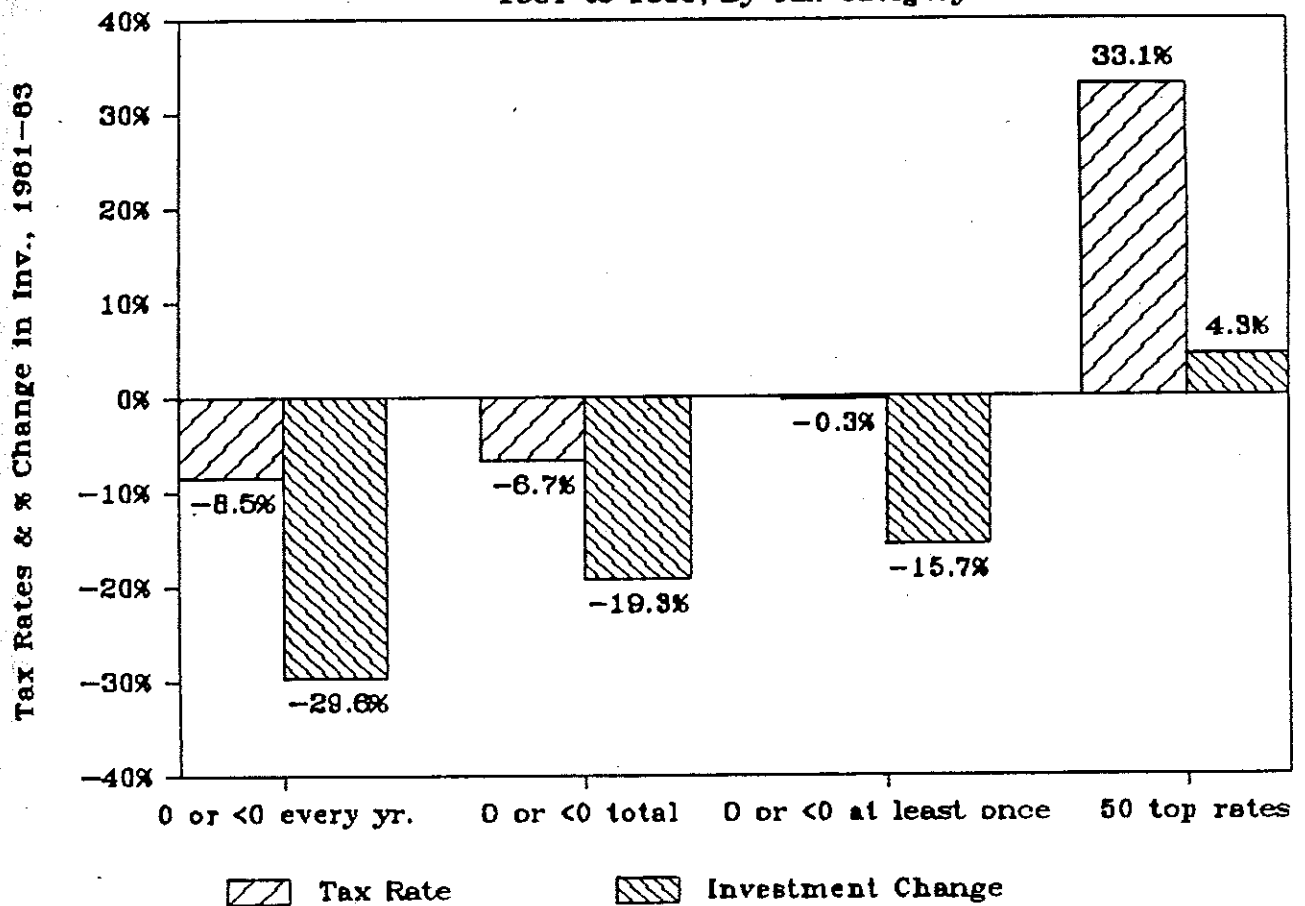
- o the 58 non-financial companies in our study that paid a total of zero or less in total taxes over the three years reduced investment by 19.3% from 1981 to 1983 and increased dividends by 17.6%. These companies earned \$47.4 billion in profits and claimed \$3.2 billion in tax benefits, yielding a negative tax rate of -6.7%.
- o the 118 companies in our study that paid zero or less in at least one of the three years reduced investment by 15.7% from 1981 to 1983 while increasing dividends by 21.2%. These companies enjoyed a negative tax rate for the period of -0.3%.

Table 1

CORPORATE TAX RATES, INVESTMENT AND DIVIDENDS, 1981-1983

	<u>Average Tax Rate</u>	<u>% Change</u>	
		<u>Investment</u>	<u>Dividends</u>
50 Corporations with the <u>Lowest</u> Tax Rates	- 8.4%	-21.6%	+14.1%
50 Corporations with the <u>Highest</u> Tax Rates	+33.1%	+ 4.3%	+10.7%

## Tax Rates & Changes in Investment 1981 to 1983, By Tax Category



Each of the five companies claiming the largest tax rebates over the last three years increased its dividends while reducing investment. General Electric earned \$6.5 billion in profits over the three years, paid nothing in taxes, and claimed rebates of taxes paid before Reagan took office totalling \$283 million. Despite taking full advantage of all the investment incentives in the federal tax code, however, GE actually reduced its level of new investment by 15% from 1981 to 1983 while increasing its dividends by 19%.

The four other high-rebate companies followed the same pattern: Boeing (\$267 million rebate) reduced investment by 59%, Dow Chemical (\$233 million rebate) by 46%, Tenneco (\$189 million rebate) by 31.8%, and Santa Fe Southern Pacific (\$141.7 million rebate) by 21%.

Table 2

CHANGES IN INVESTMENT AND DIVIDENDS BY THE  
FIVE CORPORATIONS CLAIMING THE LARGEST TAX  
BENEFITS BETWEEN 1981 AND 1983

	Profits (\$Billions)	Tax Rebates (\$Millions)	Tax Rate	% Change	
				Investment	Dividends
General Electric	\$ 6,527.0	-\$283.0	- 4.3%	-15.0%	+19.2%
Boeing	1,530.0	-267.0	-17.5	-59.1	+ 0.7
Dow Chemical	776.0	-223.0	-28.7	-46.4	+ 2.9
Tenneco	2,687.0	-189.0	- 7.0	-31.8	+12.9
Santa Fe Southern Pacific	1,579.0	-141.7	- 9.0	-21.4	+ 4.2

As Table 2 shows, these five companies slashed their rate of new investment by 29.8% while increasing dividends to their shareholders by 11.8%. Together, these five corporations earned \$13.1 billion in profits, paid nothing in taxes and gained \$1.1 billion in tax rebates, for a negative tax rate of -8.4%.



The study revealed many other examples of corporations taking full advantage of available tax incentives while reducing investment and increasing dividends:

- o Union Carbide earned \$613 million in profits, paid no taxes and claimed net tax benefits of \$70 million (a -11.4% tax rate), yet it reduced investment by 35.8% and increased dividends by 7.1%.
- o Pacific Power and Light, with a negative -3.7% tax rate on \$598 million in profits, reduced investment by 20.7% and upped its dividends by 26%.
- o CSX Corporation enjoyed a negative -0.9% tax rate on its \$1.8 billion in profits, yet it reduced new investment by 38.4% while raising dividends 18.4%.
- o AT&T paid only 1.1% of its \$31.4 billion profit in federal income taxes, yet it reduced its new investment by 21.9% while raising dividends 28.6%.
- o Sperry Corporation paid taxes of only 0.5% on its \$607.9 million profit, reduced new investment by 26.8% and increased its dividend payments by 20.1%.
- o Panhandle Eastern Corp. slashed its investment by 64.9%, while adding 19.7% to its dividends, despite a negative tax rate of -3.1% on its \$938 million in profits.

In sharp contrast, Whirlpool Corporation--the highest taxed company in the study, paying 45.6% on profits of \$650.2 million--increased its new investment by 7%. The study revealed many other examples of relatively high tax companies which have increased their investment:

- o IBM paid a 28.2% tax rate on its \$14.1 billion profit while increasing investment by 15.3%.
- o Exxon paid 27.5% on profits of \$9.4 billion while increasing investment by 26.4% and cutting dividends by 3%.
- o ABC paid 38.7% on profits of \$818.7 million while increasing investment by 133.1% and dividends by 3.1%.
- o R.J. Reynolds Industries paid 40.3% on its \$3.4 billion in profits, yet managed to raise investment by 34.1%.

Overall, the 238 non-financial companies included in our study had an effective tax rate from 1981 through 1983 of only 14.3%, far below the 46% corporate tax rate on income over \$100,000. In exchange for the reduced effective tax rates made possible by ACRS, the investment tax credit and other tax "incentives," these companies reduced new investment by 15.5% and raised dividends by 17.0%.

Adjusted for inflation in plant and equipment prices, investment by the 238 firms in our study fell by 17.6% between 1981 and 1983. Thus, these major corporations had an even worse investment performance than did the overall economy, in which plant and equipment spending fell by 8.8% in constant dollars over the same period. But the overall national experience is bad enough. Contrary to the claims and promises of the loophole lobbyists, as the cost of loopholes skyrocketed, real business outlays for plant and equipment fell. In fact, they fell in each of the first three years the investment "incentives" in the 1981 Reagan tax bill were in effect--the first such three-year decline in the postwar era. Even with the

rebound in 1984, the four years under the much-touted "Accelerated Cost Recovery System" have been pathetic ones for capital spending, and the record stands in sharp contrast to investment performance in the four years before ACRS was enacted.

---

Table 3

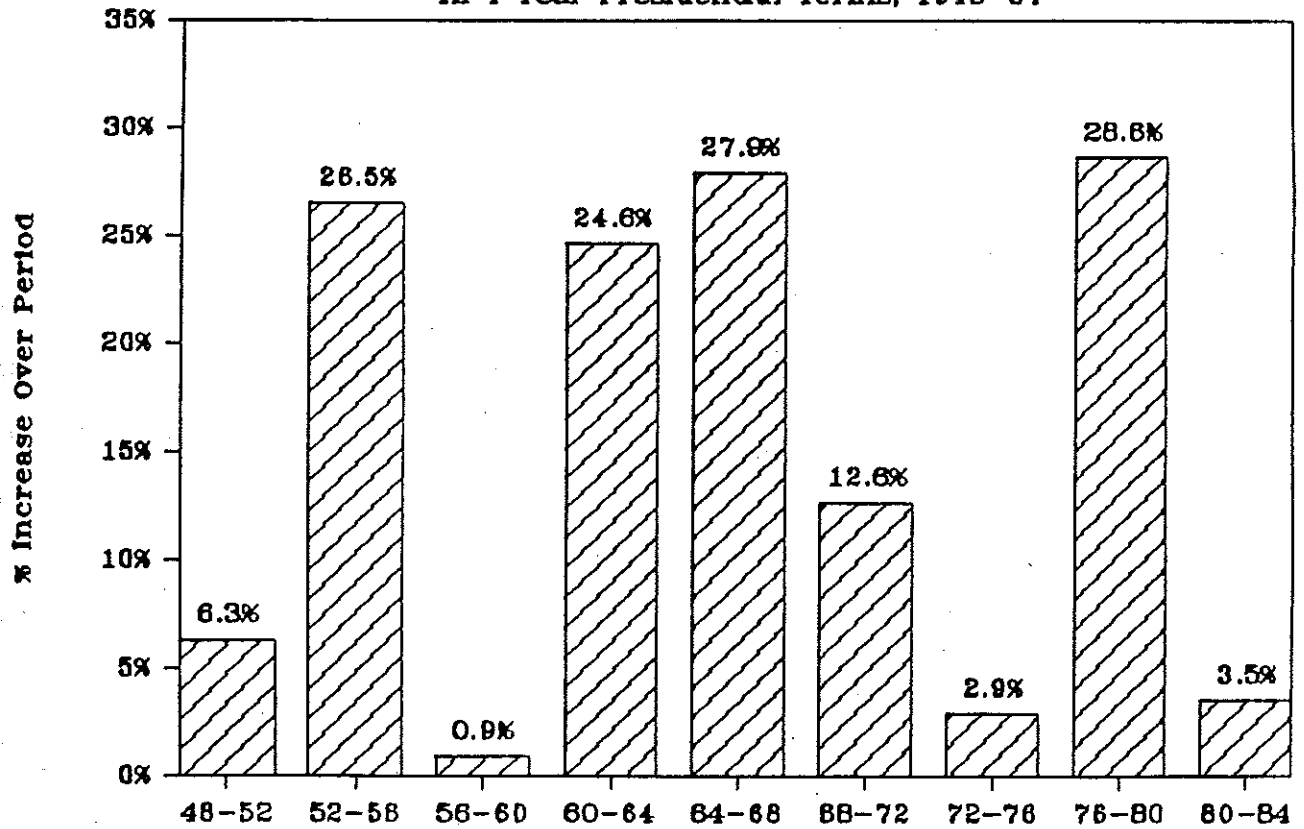
BUSINESS INVESTMENT IN PLANT & EQUIPMENT  
1980-84  
(billions of constant 1972 dollars)

	<u>Amount</u>	<u>% Change From Previous Year</u>
1980	\$159.1	+ 0.6%
1981	158.9	- 0.1%
1982	150.3	- 5.4%
1983	144.9	- 3.6%
1984	164.7	+ 13.7%
Annual Rate of Change, 1980 - 1984:		+ 0.9%/year
<u>Compare:</u> Annual Rate of Change, 1976-1980:		+ 6.5%/year

---

## Changes in Real Plant & Equipment Inv.

In 4 Year Presidential Terms, 1948-84



"This administration...has provided just what American industry said it needed to transform our economy. We have sounded the clarion call to economic arms. Yet I must stand here and ask: Where is the business response? It's like dropping a coin down a well--all I'm hearing is a hollow clink."

Treasury Secretary Donald Regan  
September 1981

## II. WHY TAX INCENTIVES DON'T WORK

The evidence is overwhelming. The billions of dollars we spend each year on corporate tax "incentives" are wasted. While the generosity of our tax code certainly has enlarged the after-tax profits of many of our corporations, it has not produced the investment gains promised by corporate lobbyists.

There are, of course, low tax firms that have added to their investment. And there are high tax companies that have cut investment. But, overall, it was the 50 highest taxed firms covered by our study of 238 major U.S. corporations that in the aggregate increased their investment, while the lowest taxed firms made substantial reductions in capital spending.

Why is it that the billions of dollars we spend each year on ACRS, the investment tax credit, and other "incentives" have not produced the investment gains promised by the lobbyists? One answer, of course, is that in the real world companies invest only when they need new plant and equipment to produce products they can sell to consumers. When consumers don't spend money, plants are idled and new investment drops.

As the ink was drying on the Reagan tax bill in August 1981, the business managers responsible for investment decisions (as opposed to the

corporate lobbyists, whose mission is to lower corporate taxes) began explaining why the massive new tax incentives really wouldn't increase their investment plans after all. The chairman of one major U.S. corporation told the New York Times that "with or without the tax bill we would have done what we did in 1981 and what we plan to do in 1982. One can spend money on men and materials only at a given rate. Beyond that it becomes foolish."

The annual reports of the companies included in our study provide many confirmations that corporate investment decisions are driven by "demand-side" market forces rather than by "supply-side" theories. W.R. Grace & Co., for example, despite \$684.1 million in profits between 1981 and 1983, actually made \$12.5 million off the tax system by selling its excess tax breaks. At the same time it reduced new investment by 15.8% in 1982 and by another 37% in 1983. In its 1983 annual report, the company offered a simple and cogent explanation for its actions: the cut in investment was made in "response to the reduced demand" for its products.

Such "demand-side" economics also was endorsed by many other firms. Tenneco, for example, cited "the weakness in natural gas demand" to explain its 31.8% investment cut between 1981 and 1983, despite its use of tax "incentives" to pay no taxes on \$2.7 billion in profits and claim an extra \$189 million in tax rebates. Colt Industries, which was extremely active in lobbying for the "investment incentives" in the 1981 Reagan tax bill, saw its capital spending peak in 1980. By 1983, Colt had reduced its investment spending by 39% from 1980, explaining to shareholders that "the slow recovery in capital spending by American industry continued to affect our capital goods businesses."

Of course, companies like Colt Industries, Tenneco and other capital intensive firms benefit from tax breaks like ACRS whether or not they

actually increase the level of their new investment. In effect, ACRS, the investment tax credit, and other corporate loopholes reward companies for doing what they would do anyway.

While these tax breaks may not increase corporate investment, they do increase after-tax profits. The added corporate cash flow they generate may be used for additional investment, but it also may be used to increase dividends, expand cash reserves, fund mergers or acquisitions, raise executive pay, or increase advertising budgets.

Our study has documented the increase in dividends while investment was declining between 1981 and 1983. Our 238 companies raised dividends by 17% over the three years while slashing investment 15.5% and paying only 14.3% of their profits in taxes. Of the 238 firms studied, 126 (52.9%) cut investment--and of these, 109 increased dividends.

Many companies noted in their annual reports that they had added substantially to their cash reserves. General Electric, for example, the champion refund recipient, which cut its investment by 15% from 1981 to 1983, reports that by the end of 1983 it had amassed "almost \$3 billion in liquid funds" (cash and marketable securities). Phillips Petroleum, whose investment fell 57.2% between 1981 and 1983, says that at the end of 1983 it had \$906 million in cash on hand. Colt Industries brags about its "determined effort to improve liquidity.... Through these efforts,...capital expenditures were held to \$36.3 million," while "cash and marketable securities were \$164.9 million at December 31, 1983, an increase of \$19.6 million (13.5%) over 1982." Fluor Corp., after relating (in a section of its annual report humorously captioned "CAPITAL INVESTMENT CONTINUES STRONG") how its 1983 investment fell by 42.6% from 1982 and by 32.6% since

1981, reports that it increased cash and short-term investments by \$64.8 million in 1983, an 80.1% jump from 1982. And Union Pacific Corp., which cut its investment by 20.1% from 1981 to 1983 and increased dividends by 48.4%, while paying an effective tax rate of only 3.5%, reports that "cash and temporary cash investments" rose to \$751 million in 1983, an increase of \$296 million (65%) over 1982 and an increase of \$676 million (901%) over 1981.

Many companies also report substantial use of funds to acquire other firms--not surprising, given the record-breaking \$209 billion wave of mergers over the 1981-83 period (with 1984 another \$100-billion-plus record). Phillips Petroleum, for example, notes that it spent \$1.2 billion in 1983 to acquire General American Oil Company of Texas. Fluor spent \$1.6 billion in 1981 to acquire St. Joe Minerals Corp. CSX Corp., which cut investment by 38.4% between 1981 and 1983 despite its "negative" tax rate, spent \$1.1 billion in 1983 to acquire Texas Gas Resources Corporation. Union Pacific acquired Missouri Pacific Corporation in December of 1982 for \$998 million. And Air Products and Chemicals, which cut its 1983 investment by almost one-third from its 1980 level, despite a negative tax rate of -4.6%, used \$210 million in cash in 1982 to purchase the Stearn-Roger groups of companies.



"The taxation of capital and business income in the United States is deeply flawed. It is best characterized as irrational.... The tax law provides subsidies to particular forms of investment that are unfair and that seriously distort choices in the use of the Nation's scarce capital."

U.S. Treasury Department  
November 1984

### III. IT'S TIME TO STOP THE WASTE

In order to protect taxpayers against "waste, fraud and abuse" when government provides aid to our poorest citizens, Congress has created an extensive set of rules and regulations requiring the poor to disclose even the most intimate details of their personal lives in exchange for government assistance.

But when government assists our richest corporations with billions of dollars in "investment tax incentives," the commitment of Congress to protect the rest of us taxpayers from "waste, fraud and abuse"--so piously expressed when directed at the poor--suddenly vanishes.

If the President and Congress held our largest corporations to the same standard of accountability they apply to the poorest welfare recipient, no corporate lobbyist--no matter how persuasive, no matter how many campaign contributions he or she may control--could prevent the repeal of ACRS, the investment tax credit, and the host of other "incentives" which, on the evidence, have failed to achieve their stated objective.

This double standard is especially intolerable when the federal government is facing annual budget deficits in excess of \$200 billion for as

far as the eye can see. Between 1981 and 1983, the 238 companies in our study used the many "incentives" in our tax code to avoid almost \$90 billion in federal taxes, yet they reduced their investment. Looking at the economy as a whole, business investment declined by 9% between 1980 and 1983 while the cost of federal corporate tax loopholes rose 41%. In view of this dismal record, how can members of Congress consider new limitations on Social Security payments or cuts in health benefits for veterans, while billions of dollars are literally being wasted on corporate tax subsidies intended to encourage investment that has never materialized?

In its tax reform plan released in November 1984, the U.S. Treasury proposed repeal of the Accelerated Cost Recovery System, the investment tax credit, and most other corporate tax loopholes and a reduction in corporate rates. As noted in Table 4, repeal of ACRS and the investment credit alone will raise over \$100 billion a year by 1990. Another way to state the issue

---

Table 4

REVENUES SAVED BY REPEALING ACRS AND THE INVESTMENT  
TAX CREDIT AS PROPOSED BY THE 1984 TREASURY TAX PLAN  
(\$Millions)

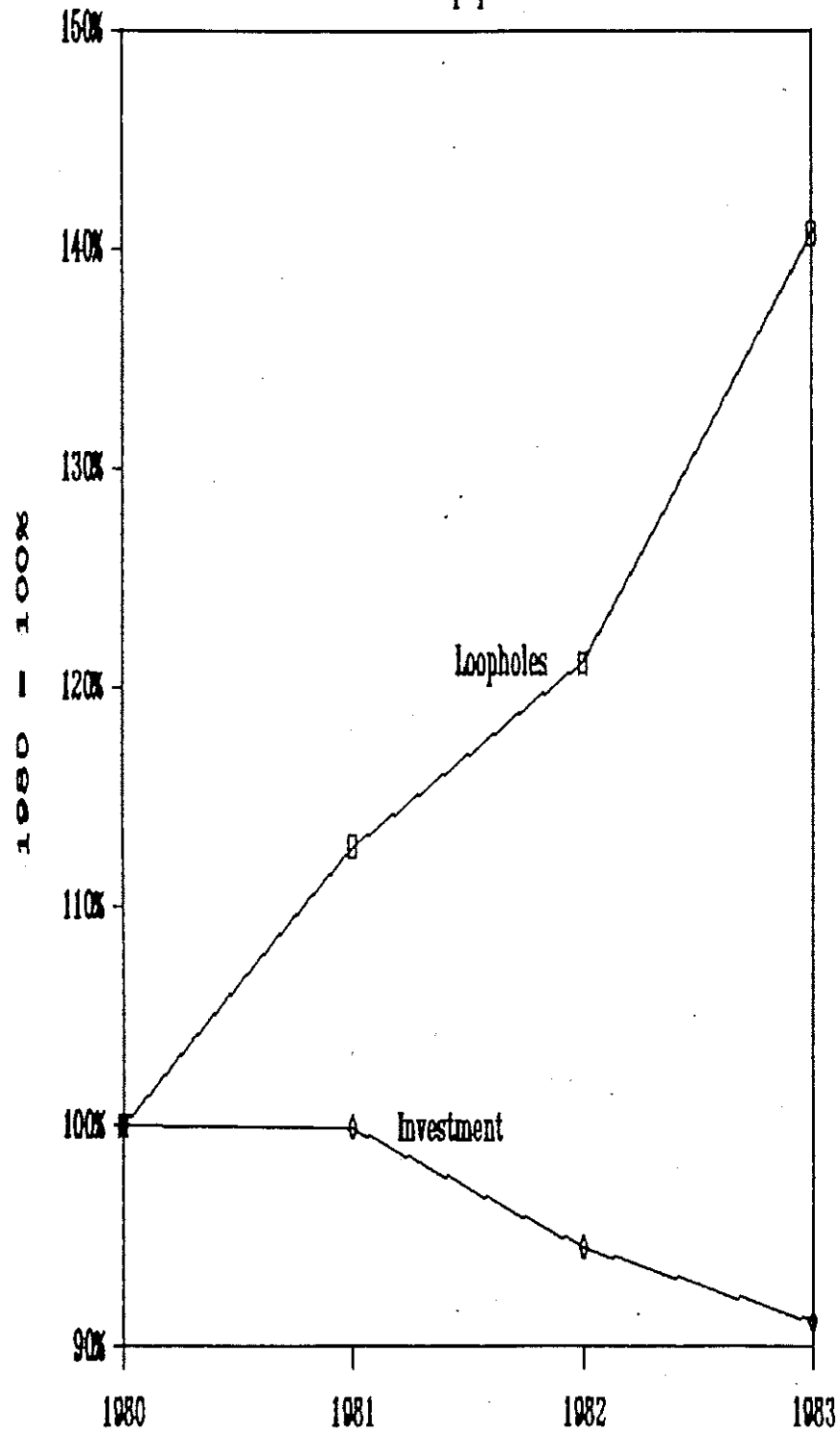
	<u>1986</u>	<u>1987</u>	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>5-Year Total</u>
ACRS	\$ 6,702	\$21,887	\$41,759	\$61,587	\$ 80,927	\$212,862
Investment Credit	14,512	27,829	31,625	34,865	37,896	146,727
Total	\$21,214	\$49,716	\$73,384	\$96,452	\$118,823	\$359,589

---

Source: U.S. Treasury Department, Tax Reform for Fairness, Simplicity and Economic Growth, November, 1984.

# Changes in Corporate "Tax Expenditures"

And Real Plant & Equipment Inv. 1981-83



is that failure to repeal ACRS and the investment credit will mean that by the end of the decade the federal government will be wasting over \$100 billion a year on tax incentives that, on the evidence, don't work.

Corporate tax reform can work. Restoring corporate America to the tax rolls can obviate the need to cut Social Security or veterans' benefits. It can help reduce the deficit. And it can help strengthen our economy by forcing our corporations to stop relying on lobbyists and loopholes to bolster profits and, instead, to go back to making money the old fashioned way--by earning it.

PROFITS, FEDERAL INCOME TAXES, AND CHANGES  
IN INVESTMENT & DIVIDENDS, 1981-83  
FOR 15 NON-FINANCIAL CORPORATIONS PAYING ZERO OR LESS IN TAXES  
IN EVERY YEAR, 1981-83  
Listed by Size of Total Tax Benefits for the Three Years  
(9-millions)

Company:	1981-83			Change in Investment			Change in Dividends		
	Profit	Tax	Rate	81-82	82-83	81-83	81-82	82-83	81-83
General Electric	\$6,527.0	(\$283.0)	-4.3%	-20.6%	7.0%	-15.0%	6.3%	12.1%	19.2%
Boeing Co.	1,530.0	(267.0)	-17.5%	-39.3%	-32.6%	-59.1%	0.0%	0.7%	0.7%
Dow Chemical Co.	776.0	(223.0)	-28.7%	-29.5%	-24.0%	-46.4%	1.8%	1.1%	2.9%
Columbia Gas System	886.7	(94.6)	-10.7%	-4.9%	-61.1%	-63.0%	7.6%	14.5%	23.2%
Transamerica Corp.	584.9	(86.4)	-14.8%	-35.6%	10.1%	-29.1%	5.8%	6.3%	12.5%
General Dynamics	930.8	(70.6)	-7.6%	-3.7%	61.2%	55.2%	-0.5%	27.0%	26.4%
U. S. Home	54.3	(53.6)	-98.7%	-54.3%	218.8%	45.7%	-71.9%	284.0%	7.9%
Greyhound Corp.	290.8	(42.1)	-14.5%	9.3%	-33.0%	-26.7%	-2.4%	9.1%	6.5%
Mitchell Energy & Dev. Corp.	402.8	(41.1)	-10.2%	-44.8%	-29.6%	-61.1%	0.0%	0.0%	0.0%
Singer Co.	104.6	(12.5)	-12.0%	-20.0%	34.3%	7.4%	1.4%	0.0%	1.4%
Centex Corp.	194.2	(11.7)	-6.0%	432.9%	-61.4%	105.9%	0.0%	51.5%	51.5%
Champion International Corp.	167.0	(7.8)	-4.7%	-12.6%	-5.7%	-17.6%	-46.1%	-28.5%	-61.4%
Rio Grande Industries	132.5	(4.7)	-3.5%	55.5%	-42.2%	-10.2%	35.5%	26.2%	71.0%
Grumman Corp.	474.5	0.0	0.0%	6.0%	67.4%	77.5%	7.1%	34.0%	43.4%
Lockheed Corp.	1,085.0	0.0	0.0%	5.2%	22.4%	28.7%	0.0%	0.0%	0.0%
TOTALS:	\$14,141.1	(\$1,198.1)	-8.5%	-21.6%	-10.2%	-29.6%	1.0%	8.4%	9.5%

PROFITS, FEDERAL INCOME TAXES, AND CHANGES IN INVESTMENT & DIVIDENDS, 1981-83  
FOR 58 NON-FINANCIAL CORPORATIONS PAYING ZERO OR LESS IN TOTAL TAXES

OVER THE 1981-83 PERIOD  
Listed by Size of Total Tax Benefits over the Three Years  
(\$-millions)

Company:	1981-83			Change in Investment			Change in Dividends		
	Profit	Tax	Rate	81-82	82-83	81-83	81-82	82-83	81-83
General Electric	\$6,527.0	(9283.0)	-4.3%	-20.6%	7.0%	-15.0%	6.3%	12.1%	19.2%
Boeing Co.	1,530.0	(267.0)	-17.5%	-39.3%	-32.6%	-59.1%	0.0%	0.7%	0.7%
Dow Chemical Co.	776.0	(223.0)	-28.7%	-29.5%	-24.0%	-46.4%	1.8%	1.1%	2.9%
Tenneco	2,687.0	(189.0)	-7.0%	-10.9%	-23.5%	-31.8%	5.2%	7.4%	12.9%
Santa Fe South'n Pacific Corp.	1,579.0	(141.7)	-9.0%	-21.7%	0.4%	-21.4%	0.1%	4.1%	4.2%
Meyerhaeuser Co.	640.7	(138.6)	-21.6%	-26.6%	-49.2%	-62.7%	3.5%	2.9%	6.5%
DuPont	2,591.0	(132.0)	-5.1%	37.9%	-20.2%	10.0%	13.2%	5.0%	18.9%
St. Regis Corp.	123.9	(121.3)	-97.9%	-34.0%	-59.2%	-73.1%	-20.7%	-26.3%	-41.6%
Georgia-Pacific Corp.	400.0	(99.0)	-24.8%	-67.4%	1.2%	-67.0%	-9.8%	-36.1%	-42.4%
Columbia Gas System	886.7	(94.6)	-10.7%	-4.9%	-61.1%	-63.0%	7.6%	14.5%	23.2%
Martin Marietta Corp.	490.2	(94.3)	-19.2%	-20.1%	-45.8%	-56.7%	-11.4%	-12.8%	-22.7%
Transamerica Corp.	584.9	(86.4)	-14.8%	-35.6%	10.1%	-29.1%	5.8%	6.3%	12.5%
General Dynamics	930.8	(70.6)	-7.6%	-3.7%	61.2%	55.2%	-0.5%	27.0%	26.4%
Union Carbide	613.0	(70.0)	-11.4%	-0.6%	-35.5%	-35.8%	4.9%	2.1%	7.1%
Continental Group	462.0	(69.0)	-14.9%	7.6%	-32.0%	-26.8%	0.9%	-2.8%	-1.9%
Dun & Bradstreet Corp.	595.7	(64.0)	-10.7%	53.9%	17.6%	81.0%	16.7%	16.8%	36.3%
RCA	514.2	(60.9)	-11.8%	-4.1%	15.1%	10.3%	-25.2%	-8.6%	-31.6%
Texasco	1,699.0	(58.0)	-3.4%	18.1%	-1.0%	16.9%	5.4%	-1.2%	4.2%
IC Industries	322.9	(56.0)	-17.3%	12.2%	-55.1%	-49.6%	-13.8%	9.3%	-5.8%
U.S. Home	54.3	(53.6)	-98.7%	-54.3%	218.8%	45.7%	-71.9%	284.0%	7.9%
Internat'l Minerals & Chemical	260.5	(50.6)	-19.4%	-52.0%	-26.2%	-64.6%	3.0%	0.4%	3.4%
Jim Walter Corp.	211.3	(48.2)	-22.8%	-39.3%	-20.9%	-52.0%	-45.4%	4.5%	-43.0%
Celanese Corp.	296.0	(45.0)	-15.2%	-33.6%	-61.8%	-74.6%	4.7%	0.0%	4.7%
Northrup Corp.	177.4	(42.5)	-24.0%	98.6%	-22.2%	54.5%	3.8%	1.1%	5.0%
Greyhound Corp.	290.8	(42.1)	-14.5%	9.3%	-33.0%	-26.7%	-2.4%	9.1%	6.5%
Amerada Hess	336.7	(41.7)	-12.4%	-30.6%	-17.0%	-42.4%	0.3%	0.3%	0.7%
Mitchell Energy & Dev. Corp.	402.8	(41.1)	-10.2%	-44.8%	-29.6%	-61.1%	0.0%	0.0%	0.0%
International Paper Co.	1,028.4	(39.4)	-3.8%	-34.1%	56.9%	3.5%	-0.1%	0.1%	0.0%
Burlington Northern	1,724.3	(37.6)	-2.2%	4.7%	-0.7%	4.0%	52.8%	22.4%	77.4%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 58 Cos. Paying Zero or Less  
In Total Income Taxes (2):  
(\$-millions)

Company:	1981-83			Change in Investment			Change in Dividends		
	Profit	Tax	Rate	81-82	82-83	81-83	81-82	82-83	81-83
Ohio Edison Co.	1,027.7	(37.6)	-3.7%	35.9%	-9.6%	22.9%	16.6%	24.3%	45.0%
Ashland Oil	346.9	(33.4)	-9.6%	50.5%	-23.8%	14.7%	5.5%	-4.9%	0.3%
Philadelphia Electric Co.	1,270.9	(33.4)	-2.6%	13.0%	14.6%	29.5%	22.7%	18.1%	45.0%
Piedmont Aviation	78.9	(29.6)	-37.5%	82.9%	-28.6%	30.6%	22.7%	7.4%	31.8%
Panhandle Eastern Corp.	938.0	(28.8)	-3.1%	-27.4%	-51.7%	-64.9%	17.2%	2.1%	19.7%
Arizona Public Service Co.	862.0	(28.7)	-3.3%	-9.8%	0.7%	-9.2%	25.4%	16.7%	46.4%
Ogden Corp.	192.5	(27.4)	-14.2%	-22.9%	-43.2%	-56.2%	8.4%	731.4%	801.5%
Pacific Power & Light Co.	598.1	(22.2)	-3.7%	27.2%	-37.6%	-20.7%	15.8%	8.8%	26.0%
Northern Indiana PSC	549.1	(22.0)	-4.0%	40.8%	-50.8%	-30.7%	15.9%	18.9%	37.8%
Tesoro Petroleum	100.9	(16.5)	-16.4%	-11.2%	-51.7%	-57.1%	6.2%	0.0%	6.2%
CSX Corp.	1,755.3	(15.2)	-0.9%	-34.2%	-6.3%	-38.4%	6.7%	11.0%	18.4%
Air Products and Chemicals	294.0	(13.6)	-4.6%	7.2%	-28.9%	-23.8%	1.3%	19.9%	21.5%
Superior Oil Co.	1,083.8	(13.2)	-1.2%	1.3%	-22.1%	-21.1%	31.4%	-0.8%	30.4%
Grace (N.R.) & Co.	684.1	(12.5)	-1.8%	-15.8%	-37.0%	-46.9%	11.8%	4.0%	16.3%
Singer Co.	104.6	(12.5)	-12.0%	-20.0%	34.3%	7.4%	1.4%	0.0%	1.4%
Florida Power & Light Co.	1,337.7	(12.2)	-0.9%	13.8%	-7.0%	5.9%	17.3%	20.0%	40.8%
Centex Corp.	194.2	(11.7)	-6.0%	432.9%	-61.4%	105.9%	0.0%	51.5%	51.5%
Pennsylvania Power & Light Co.	920.8	(10.4)	-1.1%	18.1%	-21.7%	-7.6%	17.8%	16.0%	36.6%
Champion International Corp.	167.0	(7.8)	-4.7%	-12.6%	-5.7%	-17.6%	-46.1%	-28.5%	-61.4%
Southwest Airlines Co.	145.2	(7.2)	-5.0%	76.4%	-40.5%	4.9%	25.0%	8.6%	35.7%
Allied Corp.	404.0	(7.0)	-1.7%	-14.0%	15.8%	-0.3%	27.6%	46.6%	87.1%
American Cyanamid Co.	298.7	(6.2)	-2.1%	-5.4%	-3.5%	-8.6%	5.0%	1.3%	6.4%
Rio Grande Industries	132.5	(4.7)	-3.5%	55.5%	-42.2%	-10.2%	35.5%	26.2%	71.0%
Tyson Foods	36.4	(3.6)	-9.9%	0.0%	-21.3%	-21.3%	0.0%	0.0%	0.0%
Commonwealth Edison Co.	2,425.6	(3.5)	-0.1%	9.3%	1.0%	10.5%	20.9%	18.3%	43.0%
Xerox	1,051.2	(2.7)	-0.3%	2.5%	-1.0%	1.5%	0.2%	30.7%	30.9%
American Standard	78.5	(1.6)	-2.0%	-12.3%	-40.2%	-47.6%	-6.5%	-21.3%	-26.4%
Grueman Corp.	474.5	0.0	0.0%	6.0%	67.4%	77.5%	7.1%	34.0%	43.4%
Lockheed Corp.	1,085.0	0.0	0.0%	5.2%	22.4%	28.7%	0.0%	0.0%	0.0%
TOTALS (58 Cos.):	947,374.6	(93,185.4)	-6.7%	-4.7%	-15.3%	-19.3%	6.3%	10.6%	17.6%

CHANGES IN INVESTMENT & DIVIDENDS, 1981-83  
FOR 118 MAJOR, NON-FINANCIAL CORPORATIONS  
PAYING ZERO OR LESS IN TAXES IN AT LEAST ONE OF THE THREE YEARS  
Alphabetical Order

Company:	Change in Investment			Change in Dividends		
	81-82	82-83	81-83	81-82	82-83	81-83
AT&T	-7.2%	-15.9%	-21.9%	7.7%	19.4%	28.6%
Air Products and Chemicals	7.2%	-28.9%	-23.8%	1.3%	19.9%	21.5%
Allied Corp.	-14.0%	15.8%	-0.3%	27.6%	46.6%	87.1%
Amerada Hess	-30.6%	-17.0%	-42.4%	0.3%	0.3%	0.7%
American Cyanamid Co.	-5.4%	-3.5%	-8.6%	5.0%	1.3%	6.4%
American Standard	-12.3%	-40.2%	-47.6%	-6.5%	-21.3%	-26.4%
Anderson Clayton	-6.0%	-10.0%	-15.5%	20.8%	-1.4%	19.1%
Anheuser-Busch	-15.5%	20.3%	1.6%	28.5%	64.1%	110.9%
Archer Daniels Midland Co.	-55.9%	-11.0%	-60.8%	19.0%	8.0%	28.6%
Arizona Public Service Co.	-9.8%	0.7%	-9.2%	25.4%	16.7%	46.4%
Armstrong World Industries	4.8%	-4.3%	0.3%	-1.1%	0.7%	-0.4%
Ashland Oil	50.5%	-23.8%	14.7%	5.5%	-4.9%	0.3%
Boeing Co.	-39.3%	-32.6%	-59.1%	0.0%	0.7%	0.7%
Borden	-3.0%	-23.0%	-25.3%	5.1%	10.6%	16.2%
Burlington Industries	2.0%	-33.7%	-32.4%	-38.4%	34.0%	-17.5%
Burlington Northern	4.7%	-0.7%	4.0%	52.8%	22.9%	87.9%
CSI Corp.	-34.2%	-6.3%	-38.4%	6.7%	11.0%	18.4%
Carolina Power & Light Co.	16.4%	3.4%	20.3%	10.4%	6.3%	17.3%
Centex Corp.	432.9%	-61.4%	105.9%	0.0%	51.5%	51.5%
Central and South West Corp.	34.9%	11.7%	50.6%	8.2%	12.1%	21.3%
Champion International Corp.	-12.6%	-5.7%	-17.6%	-46.1%	-28.5%	-61.4%
Columbia Gas System	-4.9%	-61.1%	-63.0%	7.6%	14.5%	23.2%
Commonwealth Edison Co.	9.3%	1.0%	10.5%	20.9%	18.3%	43.0%
Consumers Power Co.	15.3%	4.4%	20.3%	15.0%	23.4%	41.9%
Continental Group	7.6%	-32.0%	-26.8%	0.9%	-2.8%	-1.9%
Continental Telecom	10.3%	4.7%	15.5%	10.4%	11.4%	23.1%
Control Data Corp.	-9.2%	-1.3%	-10.4%	18.4%	10.2%	30.5%
Corning Glass Works	5.1%	-22.2%	-18.3%	13.1%	-1.0%	11.9%
Cubic Corp.	51.5%	-23.0%	16.7%	36.8%	11.5%	52.6%
Dominion Resources (VEPCO)	7.4%	-6.0%	0.9%	19.3%	14.5%	36.5%
Donnelly (R.R.) & Sons Co.	-18.5%	98.6%	61.9%	12.0%	15.9%	29.9%
Dorchester Gas Corp.	-18.3%	-42.1%	-52.8%	7.7%	0.0%	7.7%
Dow Chemical Co.	-29.5%	-24.0%	-46.4%	1.8%	1.1%	2.9%
DuPont	37.9%	-20.2%	10.0%	13.2%	5.0%	18.9%
Dun & Bradstreet Corp.	53.9%	17.6%	81.0%	16.7%	16.8%	36.3%
ENSERCH Corp.	16.3%	-42.9%	-33.6%	15.7%	6.7%	23.4%
Englehard Corp.	-2.5%	-22.0%	-24.0%	-14.7%	7.3%	-8.5%
Firestone Tire & Rubber Co.	2.6%	15.9%	18.9%	-8.6%	-9.4%	-17.1%
Florida Power & Light Co.	13.8%	-7.0%	5.9%	17.3%	20.0%	40.8%
Fluor Corp.	17.4%	-42.6%	-32.6%	41.3%	0.5%	42.0%
General Dynamics	-3.7%	61.2%	55.2%	-0.5%	27.0%	26.4%
General Electric	-20.6%	7.0%	-15.0%	6.3%	12.1%	19.2%
General Mills	16.5%	7.2%	24.9%	13.8%	12.6%	28.2%



Changes in Investment & Dividends, 1981-93  
For 118 Cos. Paying Zero or Less  
In At Least One Year (2):

Company:	Change in Investment			Change in Dividends		
	81-82	82-83	81-83	81-82	82-83	81-83
General Public Utilities	0.8%	13.3%	14.3%	0.0%	0.0%	0.0%
Georgia-Pacific Corp.	-67.4%	1.2%	-67.0%	-9.8%	-36.1%	-42.4%
Gould	-6.9%	15.2%	7.3%	17.5%	14.7%	34.8%
Grace (H.R.) & Co.	-15.8%	-37.0%	-46.9%	11.8%	4.0%	16.3%
Great Northern Nekoosa	180.5%	41.6%	297.1%	8.3%	11.7%	21.0%
Greyhound Corp.	9.3%	-33.0%	-26.7%	-2.4%	9.1%	6.5%
Grumman Corp.	6.0%	67.4%	77.5%	7.1%	34.0%	43.4%
Gulf Corp.	-15.9%	-27.8%	-39.3%	-1.2%	-5.5%	-6.6%
Harsco Corp.	-41.4%	-22.3%	-54.5%	6.9%	-1.7%	5.0%
Hormel (Geo. A.) & Co.	-19.6%	-76.3%	-81.0%	4.5%	4.3%	9.1%
Houston Industries	5.7%	21.5%	28.4%	22.6%	17.6%	44.2%
IC Industries	12.2%	-55.1%	-49.6%	-13.8%	9.3%	-5.8%
IU International	-33.8%	-5.9%	-37.7%	3.4%	15.6%	19.5%
InterNorth	-20.1%	-34.0%	-47.2%	7.8%	4.9%	13.1%
Internat'l Minerals & Chemical	-52.0%	-26.2%	-64.6%	3.0%	0.4%	3.4%
International Multifoods	-1.7%	19.8%	17.8%	11.2%	10.9%	23.4%
International Paper Co.	-34.1%	56.9%	3.5%	-0.1%	0.1%	0.0%
Jim Walter Corp.	-39.3%	-20.9%	-52.0%	-45.4%	4.5%	-43.0%
Leaseway Transportation Corp.	0.8%	3.9%	4.7%	5.9%	0.0%	5.9%
Lockheed Corp.	5.2%	22.4%	23.7%	0.0%	0.0%	0.0%
MAPCO	-7.3%	-58.4%	-61.4%	0.2%	-20.3%	-20.1%
Martin Marietta Corp.	-20.1%	-45.8%	-56.7%	-11.4%	-12.8%	-22.7%
Mitchell Energy & Dev. Corp.	-44.8%	-29.6%	-61.1%	0.0%	0.0%	0.0%
Niagara Mohawk Power Corp.	27.3%	19.5%	52.2%	18.0%	19.1%	40.5%
Northern Indiana PSC	40.8%	-50.8%	-30.7%	15.9%	18.9%	37.8%
Northern States Power Co.	4.3%	20.6%	25.7%	8.3%	7.6%	16.6%
Northrup Corp.	98.6%	-22.2%	54.5%	3.8%	1.1%	5.0%
Ogden Corp.	-22.9%	-43.2%	-56.2%	8.4%	731.4%	801.5%
Ohio Edison Co.	35.9%	-9.6%	22.9%	16.6%	24.3%	45.0%
Olin Corp.	-25.4%	-11.8%	-34.2%	2.5%	3.5%	6.2%
Overseas Shipholding Group	0.5%	-81.5%	-81.4%	-17.8%	66.0%	36.4%
Owens-Corning Fiberglas Corp.	-27.8%	10.4%	-20.3%	0.0%	-5.4%	-5.4%
Owens-Illinois	27.5%	-13.0%	11.0%	1.0%	-2.9%	-1.9%
Ozark Air Lines	105.8%	18.2%	143.3%	46.2%	21.1%	76.9%
Pacific Lighting Corp.	15.4%	165.9%	206.8%	11.6%	17.6%	31.3%
Pacific Power & Light Co.	27.2%	-37.6%	-20.7%	15.8%	8.8%	26.0%
Panhandle Eastern Corp.	-27.4%	-51.7%	-64.9%	17.2%	2.1%	19.7%
Pennsylvania Power & Light Co.	18.1%	-21.7%	-7.6%	17.8%	16.0%	36.6%
Pennzoil Co.	0.3%	-41.5%	-41.3%	-0.7%	3.9%	3.2%
Philadelphia Electric Co.	13.0%	14.6%	29.5%	22.7%	18.1%	45.0%
Piedmont Aviation	82.9%	-28.6%	30.6%	22.7%	7.4%	31.8%
Public Service Indiana	10.9%	0.3%	11.2%	26.1%	13.7%	43.3%
RCA	-4.1%	15.1%	10.3%	-25.2%	-8.6%	-31.6%
Rio Grande Industries	55.5%	-42.2%	-10.2%	35.5%	26.2%	71.0%
Rockwell International	70.3%	-11.1%	51.4%	8.9%	7.0%	16.6%
Rohm and Haas Co.	-30.7%	-43.2%	-60.6%	9.4%	7.2%	17.2%

Changes in Investment & Dividends, 1981-93  
For 118 Cos. Paying Zero or Less  
In At Least One Year (3):

Company:	Change in Investment			Change in Dividends		
	81-82	82-83	81-83	81-82	82-83	81-83
SCM Corp.	-20.6%	-38.7%	-51.3%	6.2%	0.5%	6.7%
Santa Fe South'n Pacific Corp.	-21.7%	0.4%	-21.4%	0.1%	4.1%	4.2%
Searle (G. D.) & Co.	82.1%	7.4%	95.6%	-2.6%	-1.5%	-4.1%
Sears, Roebuck & Co.	21.0%	25.6%	52.0%	9.6%	11.5%	22.3%
Signal Companies	-11.9%	16.1%	2.2%	8.9%	60.7%	75.0%
Singer Co.	-20.0%	34.3%	7.4%	1.4%	0.0%	1.4%
Southwest Airlines Co.	76.4%	-40.5%	4.9%	25.0%	8.6%	35.7%
Sperry Corp.	-16.1%	-12.8%	-26.8%	13.5%	5.8%	20.1%
St. Regis Corp.	-34.0%	-59.2%	-73.1%	-20.7%	-26.3%	-41.6%
Sundstrand Corp.	4.3%	14.8%	19.7%	5.8%	-0.6%	5.1%
Superior Oil Co.	1.3%	-22.1%	-21.1%	31.4%	-0.8%	30.4%
TRR	13.8%	3.6%	17.8%	9.0%	5.5%	15.0%
Tektronix	-10.3%	-8.9%	-18.2%	10.2%	3.3%	13.9%
Tenneco	-10.9%	-23.5%	-31.8%	5.2%	7.4%	12.9%
Tesoro Petroleum	-11.2%	-51.7%	-57.1%	6.2%	0.0%	6.2%
Texaco	18.1%	-1.0%	16.9%	5.4%	-1.2%	4.2%
Texas Eastern Corp.	-10.2%	-34.2%	-40.9%	14.3%	5.0%	20.1%
Transamerica Corp.	-35.6%	10.1%	-29.1%	5.8%	6.3%	12.5%
Tyson Foods	0.0%	-21.3%	-21.3%	0.0%	0.0%	0.0%
U. S. Gypsum Co.	-40.8%	-24.9%	-55.5%	1.3%	2.7%	4.0%
U. S. Home	-54.3%	218.8%	45.7%	-71.9%	284.0%	7.9%
Union Camp Corp.	29.3%	44.0%	86.3%	7.2%	0.1%	7.3%
Union Carbide	-0.6%	-35.5%	-35.8%	4.9%	2.1%	7.1%
Union Electric Co.	14.1%	9.4%	24.9%	23.2%	19.2%	46.8%
Wang Laboratories	18.0%	-9.2%	7.1%	25.9%	39.7%	75.9%
Westinghouse Electric Corp.	20.7%	-1.1%	19.3%	1.6%	1.2%	2.9%
Weyerhaeuser Co.	-26.6%	-49.2%	-62.7%	3.5%	2.9%	6.5%
White Consolidated Industries	-1.4%	-38.2%	-39.0%	-0.8%	5.1%	4.2%
Xerox	2.5%	-1.0%	1.5%	0.2%	30.7%	30.9%
TOTALS:	-3.5%	-12.6%	-15.7%	7.5%	12.7%	21.2%

PROFITS, FEDERAL INCOME TAXES, & CHANGES  
IN INVESTMENT AND DIVIDENDS, 1981-83  
FOR 238 MAJOR, NON-FINANCIAL AMERICAN CORPORATIONS  
Listed by 1981-83 Effective Tax Rate  
(9-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
U.S. Home	54.3	(53.6)	-98.7%	45.7%	7.9%
St. Regis Corp.	123.9	(121.3)	-97.9%	-73.1%	-41.6%
Piedmont Aviation	78.9	(29.6)	-37.5%	30.6%	31.8%
Dow Chemical Co.	776.0	(223.0)	-28.7%	-46.4%	2.9%
Georgia-Pacific Corp.	400.0	(99.0)	-24.8%	-67.0%	-42.4%
Northrup Corp.	177.4	(42.5)	-24.0%	54.5%	5.0%
Jim Walter Corp.	211.3	(48.2)	-22.8%	-52.0%	-43.0%
Meyerhaeuser Co.	640.7	(138.6)	-21.6%	-62.7%	6.5%
Internat'l Minerals & Chemical	260.5	(50.6)	-19.4%	-64.6%	3.4%
Martin Marietta Corp.	490.2	(94.3)	-19.2%	-56.7%	-22.7%
Boeing Co.	1,530.0	(267.0)	-17.5%	-59.1%	0.7%
IC Industries	322.9	(56.0)	-17.3%	-49.6%	-5.8%
Tesoro Petroleum	100.9	(16.5)	-16.4%	-57.1%	6.2%
Celanese Corp.	296.0	(45.0)	-15.2%	-74.6%	4.7%
Continental Group	462.0	(69.0)	-14.9%	-26.8%	-1.9%
Transamerica Corp.	584.9	(86.4)	-14.8%	-29.1%	12.5%
Greyhound Corp.	290.8	(42.1)	-14.5%	-26.7%	6.5%
Ogden Corp.	192.5	(27.4)	-14.2%	-56.2%	801.5%
Amerada Hess	336.7	(41.7)	-12.4%	-42.4%	0.7%
Singer Co.	104.6	(12.5)	-12.0%	7.4%	1.4%
RCA	514.2	(60.9)	-11.8%	10.3%	-31.6%
Union Carbide	613.0	(70.0)	-11.4%	-35.8%	7.1%
Dun & Bradstreet Corp.	595.7	(64.0)	-10.7%	81.0%	36.3%
Columbia Gas System	886.7	(94.6)	-10.7%	-63.0%	23.2%
Mitchell Energy & Dev. Corp.	402.8	(41.1)	-10.2%	-61.1%	0.0%
Tyson Foods	36.4	(3.6)	-9.9%	-21.3%	0.0%
Ashland Oil	346.9	(33.4)	-9.6%	14.7%	0.3%
Santa Fe South'n Pacific Corp.	1,579.0	(141.7)	-9.0%	-21.4%	4.2%
General Dynamics	930.8	(70.6)	-7.6%	55.2%	26.4%
Tenneco	2,687.0	(189.0)	-7.0%	-31.8%	12.9%
Centex Corp.	194.2	(11.7)	-6.0%	105.9%	51.5%
DuPont	2,591.0	(132.0)	-5.1%	10.0%	18.9%
Southwest Airlines Co.	145.2	(7.2)	-5.0%	4.9%	35.7%
Champion International Corp.	167.0	(7.8)	-4.7%	-17.6%	-61.4%
Air Products and Chemicals	294.0	(13.6)	-4.6%	-23.8%	21.5%
General Electric	6,527.0	(283.0)	-4.3%	-15.0%	19.2%
Northern Indiana PSC	549.1	(22.0)	-4.0%	-30.7%	37.8%
International Paper Co.	1,028.4	(39.4)	-3.8%	3.5%	0.0%
Pacific Power & Light Co.	598.1	(22.2)	-3.7%	-20.7%	26.0%
Ohio Edison Co.	1,027.7	(37.6)	-3.7%	22.9%	45.0%
Rio Grande Industries	132.5	(4.7)	-3.5%	-10.2%	71.0%
Texaco	1,699.0	(58.0)	-3.4%	16.9%	4.2%
Arizona Public Service Co.	862.0	(28.7)	-3.3%	-9.2%	46.4%
Panhandle Eastern Corp.	938.0	(28.8)	-3.1%	-64.9%	19.7%
Philadelphia Electric Co.	1,270.9	(33.4)	-2.6%	29.5%	45.0%
Burlington Northern	1,724.3	(37.6)	-2.2%	4.0%	87.9%
American Cyanamid Co.	298.7	(6.2)	-2.1%	-8.6%	6.4%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Rate Order (2):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
American Standard	78.5	(1.6)	-2.0%	-47.6%	-26.4%
Grace (W.R.) & Co.	684.1	(12.5)	-1.8%	-46.9%	16.3%
Allied Corp.	404.0	(7.0)	-1.7%	-0.3%	87.1%
Superior Oil	1,083.8	(13.2)	-1.2%	-21.1%	30.4%
Pennsylvania Power & Light Co.	920.8	(10.4)	-1.1%	-7.6%	36.6%
Florida Power & Light Co.	1,337.7	(12.2)	-0.9%	5.9%	40.8%
CSI Corp.	1,755.3	(15.2)	-0.9%	-38.4%	18.4%
Xerox	1,051.2	(2.7)	-0.3%	1.5%	30.9%
Commonwealth Edison Co.	2,425.6	(3.5)	-0.1%	10.5%	43.0%
Grumman Corp.	474.5	0.0	0.0%	77.5%	43.4%
Lockheed Corp.	1,085.0	0.0	0.0%	28.7%	0.0%
Public Service Indiana	920.6	3.2	0.3%	11.2%	43.3%
Sperry Corp.	607.9	2.9	0.5%	-26.8%	20.1%
Searle (G.D.) & Co.	434.7	2.3	0.5%	95.6%	-4.1%
Consumers Power Co.	984.4	7.0	0.7%	20.3%	41.9%
Niagra Mohawk Power Corp.	950.3	7.3	0.8%	52.2%	40.5%
Union Electric	947.7	9.1	1.0%	24.9%	46.8%
AT&T	31,363.1	346.8	1.1%	-21.9%	28.6%
Dominion Resources (VEPCO)	1,382.4	19.0	1.4%	0.9%	36.5%
McDonnell Douglas Corp.	965.4	14.0	1.5%	50.4%	35.2%
International Multifoods	42.9	0.7	1.6%	17.8%	23.4%
Control Data Corp.	351.2	5.8	1.7%	-10.4%	30.5%
Detroit Edison Co.	1,100.6	19.6	1.8%	-0.3%	50.0%
Westinghouse Electric Corp.	1,369.4	26.3	1.9%	19.3%	2.9%
Carolina Power & Light Co.	964.7	20.2	2.1%	20.3%	17.3%
ENSERCH Corp.	638.3	13.4	2.1%	-33.6%	23.4%
SCM Corp.	128.6	2.7	2.1%	-51.3%	6.7%
IU International	140.6	3.1	2.2%	-37.7%	19.5%
Central and South West Corp.	1,264.6	31.8	2.5%	50.6%	21.3%
Baxter Travenol Laboratories	514.5	13.0	2.5%	121.0%	48.7%
Hang Laboratories	311.7	8.0	2.6%	7.1%	75.9%
Union Camp Corp.	552.8	14.8	2.7%	86.3%	7.3%
Ozark Air Lines	43.7	1.3	3.0%	143.3%	76.9%
Gulf States Utilities Co.	710.8	22.4	3.2%	40.2%	60.3%
Arkansas Power & Light Co.	538.8	17.1	3.2%	-33.6%	30.8%
Corning Glass Works	117.9	3.9	3.3%	-18.3%	11.9%
Overseas Shipholding Group	226.7	7.7	3.4%	-81.4%	36.4%
Houston Industries	1,186.4	40.5	3.4%	28.4%	44.2%
Union Pacific Corp.	1,811.0	64.0	3.5%	-20.1%	48.4%
PSE&G	1,467.9	55.0	3.7%	29.6%	26.1%
Armstrong World Industries	182.6	7.4	4.1%	0.3%	-0.4%
General Mills	1,015.6	41.3	4.1%	24.9%	28.2%
Cleveland Electric Illum. Co.	850.5	35.0	4.1%	19.9%	37.4%
Sears, Roebuck & Co.	3,445.8	144.1	4.2%	52.0%	22.3%
Owens-Illinois	235.5	9.9	4.2%	11.0%	-1.9%
Firestone Tire & Rubber Co.	163.0	7.0	4.3%	18.9%	-17.1%
Great Northern Nekoosa	343.8	15.5	4.5%	297.1%	21.0%
MAPCO	307.8	14.1	4.6%	-61.4%	-20.1%
General Public Utilities	381.0	18.0	4.7%	14.3%	0.0%
Olin Corp.	255.8	12.2	4.8%	-34.2%	6.2%
Northern States Power Co.	862.1	43.9	5.1%	25.7%	16.6%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Rate Order (3):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Consolidated Foods Corp.	667.0	34.1	5.1%	-7.7%	22.4%
Englehard Corp.	195.3	10.1	5.2%	-24.0%	-8.5%
Norfolk Southern Corp.	2,234.1	117.4	5.3%	-48.8%	17.3%
Pennzoil Co.	779.2	42.6	5.5%	-41.3%	3.2%
MCA	351.3	21.0	6.0%	120.9%	18.8%
Continental Telecom	762.2	46.8	6.1%	15.5%	23.1%
Signal Companies	697.0	45.0	6.5%	2.2%	75.0%
TRW	784.2	52.2	6.7%	17.8%	15.0%
FMC	510.4	35.8	7.0%	-36.2%	11.1%
Burlington Industries	347.0	25.3	7.3%	-32.4%	-17.5%
Uniroyal	34.3	2.7	7.9%	-7.9%	UP
Borden	674.8	54.5	8.1%	-25.3%	16.2%
Donnelley (R.R.) & Sons Co.	493.4	41.2	8.4%	61.9%	29.9%
Dorchester Gas Corp.	99.7	8.5	8.5%	-52.8%	7.7%
Archer Daniels Midland Co.	587.9	50.8	8.6%	-60.8%	28.6%
Sundstrand Corp.	204.1	17.7	8.7%	19.7%	5.1%
Gould	242.1	21.0	8.7%	7.3%	34.8%
Merck & Co.	1,165.3	101.8	8.7%	-15.5%	7.1%
GTE Corp.	3,620.9	325.4	9.0%	8.1%	17.1%
Cubic Corp.	76.8	7.3	9.5%	16.7%	52.6%
Fluor Corp.	349.9	34.9	10.0%	-32.6%	42.0%
Texas Eastern Corp.	662.9	69.0	10.4%	-40.9%	20.1%
Anheuser-Busch	1,379.9	148.1	10.7%	1.6%	110.9%
Gulf Corp.	2,487.0	267.0	10.7%	-39.3%	-6.6%
Pfizer	749.3	89.8	12.0%	-26.1%	55.0%
Kerr-McGee Corp.	503.3	60.4	12.0%	-30.3%	9.2%
Pacific Lighting Co.	604.8	76.2	12.6%	206.8%	31.3%
Phillips Petroleum Co.	2,533.0	326.0	12.9%	-57.2%	0.6%
Becton, Dickinson and Co.	221.7	28.7	12.9%	-39.5%	17.8%
Mobil Corp.	3,123.0	409.0	13.1%	-13.9%	-4.5%
Rockwell International	1,567.3	205.9	13.1%	51.4%	16.6%
Schering-Plough Corp.	474.1	63.5	13.4%	4.3%	-2.3%
PPG Industries	697.1	93.5	13.4%	19.8%	10.2%
Baltimore Gas and Electric Co.	843.4	114.2	13.5%	3.4%	25.9%
Illinois Power Co.	733.7	99.8	13.6%	2.9%	32.8%
Kroger Co.	728.2	100.9	13.9%	13.8%	34.7%
Leaseway Transportation Corp.	158.6	22.0	13.9%	4.7%	5.9%
American Natural Resources Co.	726.2	106.3	14.6%	-62.2%	0.3%
Squibb Corp.	280.8	41.4	14.7%	57.1%	17.1%
Textron	457.9	68.0	14.9%	-46.5%	-1.2%
Kimberly-Clark Corp.	600.7	89.9	15.0%	52.1%	17.6%
Upjohn Co.	679.3	103.9	15.3%	11.4%	15.0%
Hormel (Geo. A.) & Co.	134.6	20.7	15.4%	-81.0%	9.1%
City Investing Co.	367.0	57.0	15.5%	13.8%	-40.6%
Hospital Corp. of America	830.8	133.4	16.1%	-33.5%	104.2%
Borg-Warner Corp.	360.4	59.1	16.4%	-31.9%	22.3%
Southern California Edison Co.	2,196.8	363.4	16.5%	-15.8%	30.2%
Standard Oil of Indiana	5,497.0	921.0	16.8%	-27.1%	7.5%
Sun Co.	2,959.0	497.0	16.8%	-14.8%	9.6%
United Telecommunications	1,101.6	186.6	16.9%	-18.2%	23.7%
Johnson & Johnson	1,006.8	173.8	17.3%	3.3%	29.0%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Rate Order (4):  
(\$-millions)

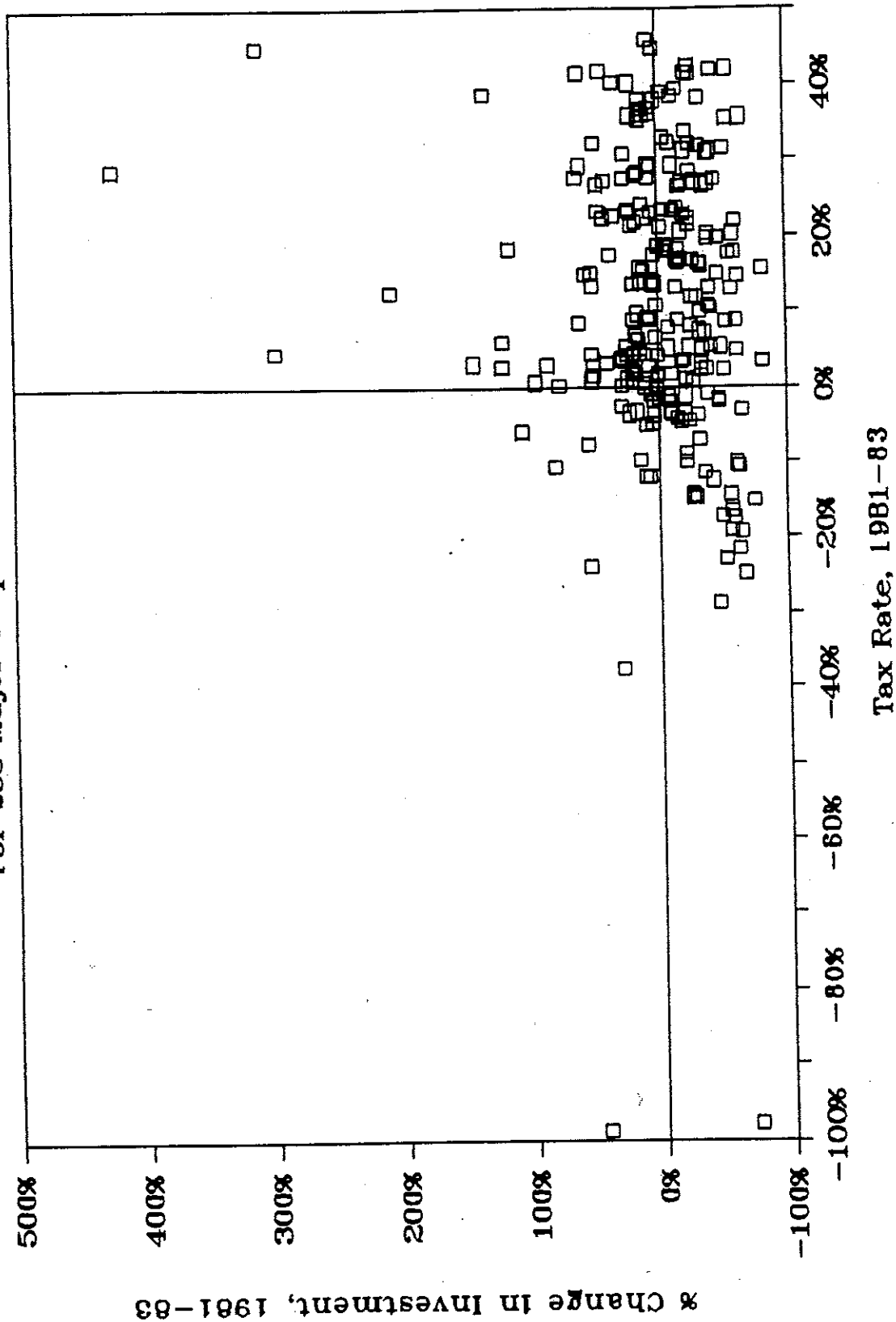
Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Pacific Gas and Electric Co.	2,929.4	508.9	17.4%	37.6%	30.4%
U. S. Gypsum Co.	269.0	47.2	17.5%	-55.5%	4.0%
Cabot Corp.	398.3	70.3	17.7%	-60.0%	9.2%
Dillard Department Stores	130.3	23.1	17.7%	-4.6%	58.3%
Monsanto Co.	1,371.0	247.0	18.0%	-16.2%	17.2%
NCR Corp.	616.0	112.8	18.3%	-8.0%	18.7%
American Petrofina	290.2	53.3	18.4%	114.9%	0.6%
SmithKline Beckman	1,144.8	213.6	18.7%	-0.2%	48.0%
Atlantic Richfield Co.	7,255.0	1,359.5	18.7%	-5.7%	12.2%
Standard Oil of California	5,356.0	1,048.0	19.6%	-38.6%	9.2%
InterNorth	867.6	170.2	19.6%	-47.2%	13.1%
White Consolidated Industries	206.3	41.4	20.1%	-39.0%	4.2%
General Motors Corp.	7,903.2	1,600.3	20.2%	-58.9%	22.1%
Tektronix	189.2	38.7	20.5%	-18.2%	13.9%
Hercules	318.7	67.2	21.1%	-2.3%	20.1%
Goodyear Tire & Rubber Co.	1,329.9	283.1	21.3%	20.5%	8.5%
Norton Co.	215.3	46.2	21.5%	-24.2%	20.7%
Motorola	613.0	133.0	21.7%	17.7%	24.0%
Rohm and Haas	295.2	64.2	21.7%	-60.6%	17.2%
Honeywell	618.5	136.4	22.1%	-24.0%	13.2%
General Foods Corp.	1,099.8	242.6	22.1%	42.4%	5.5%
Johnson Controls	251.1	56.1	22.3%	10.5%	14.0%
Federal Express	370.4	84.2	22.7%	34.5%	0.0%
Owens-Corning Fiberglas Corp.	176.6	40.4	22.9%	-20.3%	-5.4%
American Hospital Supply Corp.	753.5	174.1	23.1%	4.9%	60.7%
Foremost-McKesson	291.7	67.6	23.2%	22.8%	24.4%
Hewlett-Packard Co.	1,138.0	264.0	23.2%	46.5%	48.1%
UNOCAL CORP.	3,151.4	734.8	23.3%	-12.0%	11.1%
Nabisco Brands	949.7	222.0	23.4%	-4.4%	53.7%
Alco Standard Corp.	268.2	62.8	23.4%	23.3%	11.9%
Anderson Clayton	131.6	31.1	23.6%	-15.5%	19.1%
United Technologies	1,480.9	356.0	24.0%	12.1%	6.7%
CBS	617.2	162.8	26.4%	-17.1%	6.1%
Abbot Laboratories	1,274.0	338.8	26.6%	47.0%	37.1%
Shell Oil Co.	8,135.0	2,173.0	26.7%	-35.4%	2.9%
Ethyl Corp.	371.0	99.8	26.9%	-39.7%	15.1%
Combustion Engineering	471.8	127.7	27.1%	-28.1%	17.8%
Mitco	177.9	48.3	27.2%	-19.1%	18.3%
West Point-Pepperell	208.7	56.9	27.3%	41.3%	24.2%
Philip-Morris	3,349.8	921.8	27.5%	-44.4%	46.2%
Exxon	9,381.0	2,584.0	27.5%	26.4%	-3.0%
Pillsbury Co.	572.8	158.2	27.6%	7.7%	35.7%
Holiday Inns	480.4	132.8	27.6%	63.4%	34.9%
Coca Cola Co.	1,005.6	280.4	27.9%	17.6%	27.2%
IBM	14,116.0	3,976.0	28.2%	15.3%	11.3%
Eastman Kodak Co.	4,248.0	1,206.0	28.4%	-25.3%	3.7%
ConAgra	154.3	44.3	28.7%	422.6%	115.2%
Nat'l Distillers & Chem. Corp.	274.5	80.0	29.1%	60.6%	0.9%
Perkin-Elmer Corp.	209.6	61.3	29.2%	-11.2%	21.5%
Allegheny Power System	768.4	224.8	29.3%	7.3%	32.5%
Digital Equipment Corp.	1,152.1	337.8	29.3%	5.2%	0.0%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Rate Order (5):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Time	554.3	170.0	30.7%	25.9%	-5.3%
Dart & Kraft, Inc.	1,431.2	443.9	31.0%	-38.7%	13.5%
Stanley Works	172.4	53.7	31.1%	-40.9%	14.2%
Lilly (Eli) and Co.	1,560.2	486.4	31.2%	-21.2%	12.6%
McGraw Edison Co.	263.6	83.5	31.7%	-52.1%	11.5%
Colt Industries	493.6	157.8	32.0%	-32.9%	15.8%
Dana Corp.	387.4	124.2	32.1%	-25.4%	5.1%
American Greetings	155.9	50.2	32.2%	49.1%	29.6%
Consolidated Edison Co.	2,422.7	781.5	32.3%	-9.3%	23.6%
Heinz (H.J.) Co.	608.0	199.4	32.8%	-5.1%	35.4%
Gillette Co.	295.4	99.8	33.8%	-22.4%	17.9%
Harsco Corp.	134.3	47.4	35.3%	-54.5%	5.0%
Purolator	92.5	32.7	35.4%	14.3%	22.7%
Halliburton Co.	1,615.6	575.0	35.6%	-65.2%	27.3%
Cooper Tire & Rubber Co.	100.3	35.8	35.7%	21.7%	61.9%
General Signal Corp.	479.7	172.0	35.9%	10.5%	13.4%
Square D Co.	367.1	132.2	36.0%	5.9%	11.7%
Avon Products	692.8	253.5	36.6%	12.3%	-17.4%
Procter & Gamble Co.	3,554.0	1,308.0	36.8%	6.9%	18.8%
Knight-Ridder Newspapers	544.3	205.5	37.8%	1.7%	32.0%
Campbell Soup Co.	712.8	271.1	38.0%	13.8%	5.7%
Lear Siegler	341.1	130.7	38.3%	-32.7%	19.9%
Standard Oil of Ohio	9,365.0	3,596.0	38.4%	-11.3%	15.9%
ABC	818.7	316.8	38.7%	133.1%	3.1%
Bristol-Myers Co.	1,232.7	479.2	38.9%	-3.2%	32.1%
American Brands	1,447.3	568.4	39.3%	-15.3%	8.4%
McGraw-Hill	554.6	221.8	40.0%	21.9%	29.7%
Reynolds (R.J.) Industries	3,390.0	1,365.0	40.3%	34.1%	40.3%
Carnation Co.	809.8	334.2	41.3%	61.3%	16.5%
Sherwin-Williams Co.	200.8	82.9	41.3%	-26.0%	58.4%
K mart	1,341.7	554.9	41.4%	-23.0%	12.5%
SuperValu Stores	323.4	134.2	41.5%	43.9%	42.4%
INTERCO	572.5	238.6	41.7%	-42.6%	8.7%
Foster Wheeler Corp.	150.5	63.2	42.0%	-54.8%	6.4%
Ralston Purina Co.	935.6	396.4	42.4%	-25.2%	5.9%
Raytheon Co.	1,392.7	624.1	44.8%	2.7%	12.5%
VF Corporation	490.0	220.5	45.0%	309.6%	64.1%
Whirlpool Corp.	650.2	296.8	45.6%	7.0%	16.4%
TOTALS:	\$287,003.4	\$40,959.6	14.3%	-15.5%	17.0%

# Tax Rates & Changes in Investment

For 238 Major Corporations, 1981-83





PROFITS, FEDERAL INCOME TAXES, & CHANGES  
IN INVESTMENT AND DIVIDENDS, 1981-83  
FOR 238 MAJOR, NON-FINANCIAL AMERICAN CORPORATIONS  
Alphabetical Order  
(9-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
ABC	\$818.7	\$316.8	38.7%	133.1%	3.1%
AT&T	31,363.1	346.8	1.1%	-21.9%	28.6%
Abbot Laboratories	1,274.0	338.8	26.6%	47.0%	37.1%
Air Products and Chemicals	294.0	(13.6)	-4.6%	-23.8%	21.5%
Alco Standard Corp.	268.2	62.8	23.4%	23.3%	11.9%
Allegheny Power System	768.4	224.8	29.3%	7.3%	32.5%
Allied Corp.	404.0	(7.0)	-1.7%	-0.3%	87.1%
Amerada Hess	336.7	(41.7)	-12.4%	-42.4%	0.7%
American Brands	1,447.3	568.4	39.3%	-15.3%	8.4%
American Cyanamid Co.	298.7	(6.2)	-2.1%	-8.6%	6.4%
American Greetings	155.9	50.2	32.2%	49.1%	29.6%
American Hospital Supply Corp.	753.5	174.1	23.1%	4.9%	60.7%
American Natural Resources Co.	726.2	106.3	14.6%	-62.2%	0.3%
American Petrofina	290.2	53.3	18.4%	114.9%	0.6%
American Standard	78.5	(1.6)	-2.0%	-47.6%	-26.4%
Anderson Clayton	131.6	31.1	23.6%	-15.5%	19.1%
Anheuser-Busch	1,379.9	148.1	10.7%	1.6%	110.9%
Archer Daniels Midland Co.	587.9	50.8	8.6%	-60.8%	28.6%
Arizona Public Service Co.	862.0	(28.7)	-3.3%	-9.2%	46.4%
Arkansas Power & Light Co.	538.8	17.1	3.2%	-33.6%	30.8%
Armstrong World Industries	182.6	7.4	4.1%	0.3%	-0.4%
Ashland Oil	346.9	(33.4)	-9.6%	14.7%	0.3%
Atlantic Richfield Co.	7,255.0	1,359.5	18.7%	-5.7%	12.2%
Avon Products	692.8	253.5	36.6%	12.3%	-17.4%
Baltimore Gas and Electric Co.	843.4	114.2	13.5%	3.4%	25.9%
Baxter Travenol Laboratories	514.5	13.0	2.5%	121.0%	48.7%
Becton, Dickinson and Co.	221.7	28.7	12.9%	-39.5%	17.8%
Boeing Co.	1,530.0	(267.0)	-17.5%	-59.1%	0.7%
Borden	674.8	54.5	8.1%	-25.3%	16.2%
Borg-Warner Corp.	360.4	59.1	16.4%	-31.9%	22.3%
Bristol-Myers Co.	1,232.7	479.2	38.9%	-3.2%	32.1%
Burlington Industries	347.0	25.3	7.3%	-32.4%	-17.5%
Burlington Northern	1,724.3	(37.6)	-2.2%	4.0%	87.9%
CBS	617.2	162.8	26.4%	-17.1%	6.1%
CSI Corp.	1,755.3	(15.2)	-0.9%	-38.4%	18.4%
Cabot Corp.	398.3	70.3	17.7%	-60.0%	9.2%
Campbell Soup Co.	712.8	271.1	38.0%	13.8%	5.7%
Carnation Co.	809.8	334.2	41.3%	61.3%	16.5%
Carolina Power & Light Co.	964.7	20.2	2.1%	20.3%	17.3%
Celanese Corp.	296.0	(45.0)	-15.2%	-74.6%	4.7%
Centex Corp.	194.2	(11.7)	-6.0%	105.9%	51.5%
Central and South West Corp.	1,264.6	31.8	2.5%	50.6%	21.3%
Champion International Corp.	167.0	(7.8)	-4.7%	-17.6%	-61.4%
City Investing Co.	367.0	57.0	15.5%	13.8%	-40.6%
Cleveland Electric Illum. Co.	850.5	35.0	4.1%	19.9%	37.4%
Coca Cola Co.	1,005.6	280.4	27.9%	17.6%	27.2%
Colt Industries	493.6	157.8	32.0%	-32.9%	15.8%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Alpha. Order (2):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Columbia Gas System	886.7	(94.6)	-10.7%	-63.0%	23.2%
Combustion Engineering	471.8	127.7	27.1%	-28.1%	17.8%
Commonwealth Edison Co.	2,425.6	(3.5)	-0.1%	10.5%	43.0%
ConAgra	154.3	44.3	28.7%	422.6%	115.2%
Consolidated Edison Co.	2,422.7	781.5	32.3%	-9.3%	23.6%
Consolidated Foods Corp.	667.0	34.1	5.1%	-7.7%	22.4%
Consumers Power Co.	984.4	7.0	0.7%	20.3%	41.9%
Continental Group	462.0	(69.0)	-14.9%	-26.8%	-1.9%
Continental Telecom	762.2	46.8	6.1%	15.5%	23.1%
Control Data Corp.	351.2	5.8	1.7%	-10.4%	30.5%
Cooper Tire & Rubber Co.	100.3	35.8	35.7%	21.7%	61.9%
Corning Glass Works	117.9	3.9	3.3%	-18.3%	11.9%
Cubic Corp.	76.8	7.3	9.5%	16.7%	52.6%
Dana Corp.	387.4	124.2	32.1%	-25.4%	5.1%
Dart & Kraft, Inc.	1,431.2	443.9	31.0%	-38.7%	13.5%
Detroit Edison Co.	1,100.6	19.6	1.8%	-0.3%	50.0%
Digital Equipment Corp.	1,152.1	337.8	29.3%	5.2%	0.0%
Dillard Department Stores	-130.3	23.1	17.7%	-4.6%	58.3%
Dominion Resources (VEPCO)	1,382.4	19.0	1.4%	0.9%	36.5%
Donnelley (R.R.) & Sons Co.	493.4	41.2	8.4%	61.9%	29.9%
Dorchester Gas Corp.	99.7	8.5	8.5%	-52.8%	7.7%
Dow Chemical Co.	776.0	(223.0)	-28.7%	-46.4%	2.9%
DuPont	2,591.0	(132.0)	-5.1%	10.0%	18.9%
Dun & Bradstreet Corp.	595.7	(64.0)	-10.7%	81.0%	36.3%
ENSERCH Corp.	638.3	13.4	2.1%	-33.6%	23.4%
Eastman Kodak Co.	4,248.0	1,206.0	28.4%	-25.3%	3.7%
Englehard Corp.	195.3	10.1	5.2%	-24.0%	-8.5%
Ethyl Corp.	371.0	99.8	26.9%	-39.7%	15.1%
Exxon	9,381.0	2,584.0	27.5%	26.4%	-3.0%
FMC	510.4	35.8	7.0%	-36.2%	11.1%
Federal Express	370.4	84.2	22.7%	34.5%	0.0%
Firestone Tire & Rubber Co.	163.0	7.0	4.3%	18.9%	-17.1%
Florida Power & Light Co.	1,337.7	(12.2)	-0.9%	5.9%	40.8%
Fluor Corp.	349.9	34.9	10.0%	-32.6%	42.0%
Foremost-McKesson	291.7	67.6	23.2%	22.8%	24.4%
Foster Wheeler Corp.	150.5	63.2	42.0%	-54.8%	6.4%
GTE Corp.	3,620.9	325.4	9.0%	8.1%	17.1%
General Dynamics	930.8	(70.6)	-7.6%	55.2%	26.4%
General Electric	6,527.0	(283.0)	-4.3%	-15.0%	19.2%
General Foods Corp.	1,099.8	242.6	22.1%	42.4%	5.5%
General Mills	1,015.6	41.3	4.1%	24.9%	28.2%
General Motors Corp.	7,903.2	1,600.3	20.2%	-58.9%	22.1%
General Public Utilities	381.0	18.0	4.7%	14.3%	0.0%
General Signal Corp.	479.7	172.0	35.9%	10.5%	13.4%
Georgia-Pacific Corp.	400.0	(99.0)	-24.8%	-67.0%	-42.4%
Gillette Co.	295.4	99.8	33.8%	-22.4%	17.9%
Goodyear Tire & Rubber Co.	1,329.9	283.1	21.3%	20.5%	8.5%
Gould	242.1	21.0	8.7%	7.3%	34.8%
Grace (R.R.) & Co.	684.1	(12.5)	-1.8%	-46.9%	16.3%
Great Northern Nekoosa	343.8	15.5	4.5%	297.1%	21.0%
Greyhound Corp.	290.8	(42.1)	-14.5%	-26.7%	6.5%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Alpha. Order (3):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Grumman Corp.	474.5	0.0	0.0%	77.5%	43.4%
Gulf Corp.	2,487.0	267.0	10.7%	-39.3%	-6.6%
Gulf States Utilities Co.	710.8	22.4	3.2%	40.2%	60.3%
Halliburton Co.	1,615.6	575.0	35.6%	-65.2%	27.3%
Harsco Corp.	134.3	47.4	35.3%	-54.5%	5.0%
Heinz (H. J.) Co.	608.0	199.4	32.8%	-5.1%	35.4%
Hercules	318.7	67.2	21.1%	-2.3%	20.1%
Hewlett-Packard Co.	1,138.0	264.0	23.2%	46.5%	48.1%
Holiday Inns	480.4	132.8	27.6%	63.4%	34.9%
Honeywell	618.5	136.4	22.1%	-24.0%	13.2%
Hormel (Geo. A.) & Co.	134.6	20.7	15.4%	-81.0%	9.1%
Hospital Corp. of America	830.8	133.4	16.1%	-33.5%	104.2%
Houston Industries	1,186.4	40.5	3.4%	28.4%	44.2%
IBM	14,116.0	3,976.0	28.2%	15.3%	11.3%
IC Industries	322.9	(56.0)	-17.3%	-49.6%	-5.8%
INTERCO	572.5	238.6	41.7%	-42.6%	8.7%
IU International	140.6	3.1	2.2%	-37.7%	19.5%
Illinois Power Co.	733.7	99.8	13.6%	2.9%	32.8%
InterNorth	867.6	170.2	19.6%	-47.2%	13.1%
Internat'l Minerals & Chemical	260.5	(50.6)	-19.4%	-64.6%	3.4%
International Multifoods	42.9	0.7	1.6%	17.8%	23.4%
International Paper Co.	1,028.4	(39.4)	-3.8%	3.5%	0.0%
Jim Walter Corp.	211.3	(48.2)	-22.8%	-52.0%	-43.0%
Johnson & Johnson	1,006.8	173.8	17.3%	3.3%	29.0%
Johnson Controls	251.1	56.1	22.3%	10.5%	14.0%
K mart	1,341.7	554.9	41.4%	-23.0%	12.5%
Kerr-McGee Corp.	503.3	60.4	12.0%	-30.3%	9.2%
Kimberly-Clark Corp.	600.7	89.9	15.0%	52.1%	17.6%
Knight-Ridder Newspapers	544.3	205.5	37.8%	1.7%	32.0%
Kroger Co.	728.2	100.9	13.9%	13.8%	34.7%
Lear Siegler	341.1	130.7	38.3%	-32.7%	19.9%
Leaseway Transportation Corp.	158.6	22.0	13.9%	4.7%	5.9%
Lilly (Eli) and Co.	1,560.2	486.4	31.2%	-21.2%	12.6%
Lockheed Corp.	1,085.0	0.0	0.0%	28.7%	0.0%
MAPCO	307.8	14.1	4.6%	-61.4%	-20.1%
MCA	351.3	21.0	6.0%	120.9%	18.8%
Martin Marietta Corp.	490.2	(94.3)	-19.2%	-56.7%	-22.7%
McDonnell Douglas Corp.	965.4	14.0	1.5%	50.4%	35.2%
McGraw Edison Co.	263.6	83.5	31.7%	-52.1%	11.5%
McGraw-Hill	554.6	221.8	40.0%	21.9%	29.7%
Merck & Co.	1,165.3	101.8	8.7%	-15.5%	7.1%
Mitchell Energy & Dev. Corp.	402.8	(41.1)	-10.2%	-61.1%	0.0%
Mobil Corp.	3,123.0	409.0	13.1%	-13.9%	-4.5%
Monsanto Co.	1,371.0	247.0	18.0%	-16.2%	17.2%
Motorola	613.0	133.0	21.7%	17.7%	24.0%
NCR Corp.	616.0	112.8	18.3%	-8.0%	18.7%
Nabisco Brands	949.7	222.0	23.4%	-4.4%	53.7%
Nat'l Distillers & Chem. Corp.	274.5	80.0	29.1%	60.6%	0.9%
Niagra Mohawk Power Corp.	950.3	7.3	0.8%	52.2%	40.5%
Norfolk Southern Corp.	2,234.1	117.4	5.3%	-48.8%	17.3%
Northern Indiana PSC	549.1	(22.0)	-4.0%	-30.7%	37.8%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Alpha. Order (4):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Northern States Power Co.	862.1	43.9	5.1%	25.7%	16.6%
Northrup Corp.	177.4	(42.5)	-24.0%	54.5%	5.0%
Norton Co.	215.3	46.2	21.5%	-24.2%	20.7%
Ogden Corp.	192.5	(27.4)	-14.2%	-56.2%	801.5%
Ohio Edison Co.	1,027.7	(37.6)	-3.7%	22.9%	45.0%
Olin Corp.	255.8	12.2	4.8%	-34.2%	6.2%
Overseas Shipholding Group	226.7	7.7	3.4%	-81.4%	36.4%
Owens-Corning Fiberglas Corp.	176.6	40.4	22.9%	-20.3%	-5.4%
Owens-Illinois	235.5	9.9	4.2%	11.0%	-1.9%
Ozark Air Lines	43.7	1.3	3.0%	143.3%	76.9%
PPG Industries	697.1	93.5	13.4%	19.8%	10.2%
PSE&G	1,467.9	55.0	3.7%	29.6%	26.1%
Pacific Gas and Electric Co.	2,929.4	508.9	17.4%	37.6%	30.4%
Pacific Lighting Co.	604.8	76.2	12.6%	206.8%	31.3%
Pacific Power & Light Co.	598.1	(22.2)	-3.7%	-20.7%	26.0%
Panhandle Eastern Corp.	938.0	(28.8)	-3.1%	-64.9%	19.7%
Pennsylvania Power & Light Co.	920.8	(10.4)	-1.1%	-7.6%	36.6%
Pennzoil Co.	779.2	42.6	5.5%	-41.3%	3.2%
Perkin-Elmer Corp.	209.6	61.3	29.2%	-11.2%	21.5%
Pfizer	749.3	89.8	12.0%	-26.1%	55.0%
Philadelphia Electric Co.	1,270.9	(33.4)	-2.6%	29.5%	45.0%
Philip-Morris	3,349.8	921.8	27.5%	-44.4%	46.2%
Phillips Petroleum Co.	2,533.0	326.0	12.9%	-57.2%	0.6%
Piedmont Aviation	78.9	(29.6)	-37.5%	30.6%	31.8%
Pillsbury Co.	572.8	158.2	27.6%	7.7%	35.7%
Procter & Gamble Co.	3,554.0	1,308.0	36.8%	6.9%	18.8%
Public Service Indiana	920.6	3.2	0.3%	11.2%	43.3%
Purolator	92.5	32.7	35.4%	14.3%	22.7%
RCA	514.2	(60.9)	-11.8%	10.3%	-31.6%
Ralston Purina Co.	935.6	396.4	42.4%	-25.2%	5.9%
Raytheon Co.	1,392.7	624.1	44.8%	2.7%	12.5%
Reynolds (R.J.) Industries	3,390.0	1,365.0	40.3%	34.1%	40.3%
Rio Grande Industries	132.5	(4.7)	-3.5%	-10.2%	71.0%
Rockwell International	1,567.3	205.9	13.1%	51.4%	16.6%
Rohm and Haas	295.2	64.2	21.7%	-60.6%	17.2%
SCM Corp.	128.6	2.7	2.1%	-51.3%	6.7%
Santa Fe South'n Pacific Corp.	1,579.0	(141.7)	-9.0%	-21.4%	4.2%
Schering-Plough Corp.	474.1	63.5	13.4%	4.3%	-2.3%
Searle (G.D.) & Co.	434.7	2.3	0.5%	95.6%	-4.1%
Sears, Roebuck & Co.	3,445.8	144.1	4.2%	52.0%	22.3%
Shell Oil Co.	8,135.0	2,173.0	26.7%	-35.4%	2.9%
Sherwin-Williams Co.	200.8	82.9	41.3%	-26.0%	58.4%
Signal Companies	697.0	45.0	6.5%	2.2%	75.0%
Singer Co.	104.6	(12.5)	-12.0%	7.4%	1.4%
SmithKline Beckman	1,144.8	213.6	18.7%	-0.2%	48.0%
Southern California Edison Co.	2,196.8	363.4	16.5%	-15.8%	30.2%
Southwest Airlines Co.	145.2	(7.2)	-5.0%	4.9%	35.7%
Sperry Corp.	607.9	2.9	0.5%	-26.8%	20.1%
Square D Co.	367.1	132.2	36.0%	5.9%	11.7%
Squibb Corp.	280.8	41.4	14.7%	57.1%	17.1%
St. Regis Corp.	123.9	(121.3)	-97.9%	-73.1%	-41.6%

Profits, taxes, and changes in  
Investment & Dividends, 1981-83  
For 238 Cos., Alpha. Order (5):  
(\$-millions)

Company:	1981-83			% Change, 1981-83, In:	
	Profit	Tax	Rate	Investment	Dividends
Standard Oil of California	5,356.0	1,048.0	19.6%	-38.6%	9.2%
Standard Oil of Indiana	5,497.0	921.0	16.8%	-27.1%	7.5%
Standard Oil of Ohio	9,365.0	3,596.0	38.4%	-11.3%	15.9%
Stanley Works	172.4	53.7	31.1%	-40.9%	14.2%
Sun Co.	2,959.0	497.0	16.8%	-14.8%	9.6%
Sundstrand Corp.	204.1	17.7	8.7%	19.7%	5.1%
SuperValu Stores	323.4	134.2	41.5%	43.9%	42.4%
Superior Oil	1,083.8	(13.2)	-1.2%	-21.1%	30.4%
TRR	784.2	52.2	6.7%	17.8%	15.0%
Tektronix	189.2	38.7	20.5%	-18.2%	13.9%
Tenneco	2,687.0	(189.0)	-7.0%	-31.8%	12.9%
Tesoro Petroleum	100.9	(16.5)	-16.4%	-57.1%	6.2%
Texaco	1,699.0	(58.0)	-3.4%	16.9%	4.2%
Texas Eastern Corp.	662.9	69.0	10.4%	-40.9%	20.1%
Textron	457.9	68.0	14.9%	-46.5%	-1.2%
Time	554.3	170.0	30.7%	25.9%	-5.3%
Transamerica Corp.	584.9	(86.4)	-14.8%	-29.1%	12.5%
Tyson Foods	36.4	(3.6)	-9.9%	-21.3%	0.0%
U. S. Gypsum Co.	269.0	47.2	17.5%	-55.5%	4.0%
U. S. Home	54.3	(53.6)	-98.7%	45.7%	7.9%
UNOCAL CORP.	3,151.4	734.8	23.3%	-12.0%	11.1%
Union Camp Corp.	552.8	14.8	2.7%	86.3%	7.3%
Union Carbide	613.0	(70.0)	-11.4%	-35.8%	7.1%
Union Electric	947.7	9.1	1.0%	24.9%	46.8%
Union Pacific Corp.	1,811.0	64.0	3.5%	-20.1%	48.4%
Uniroyal	34.3	2.7	7.9%	-7.9%	UP
United Technologies	1,480.9	356.0	24.0%	12.1%	6.7%
United Telecommunications	1,101.6	186.6	16.9%	-18.2%	23.7%
Upjohn Co.	679.3	103.9	15.3%	11.4%	15.0%
VF Corporation	490.0	220.5	45.0%	309.6%	64.1%
Wang Laboratories	311.7	8.0	2.6%	7.1%	75.9%
West Point-Pepperell	208.7	56.9	27.3%	41.3%	24.2%
Westinghouse Electric Corp.	1,369.4	26.3	1.9%	19.3%	2.9%
Meyerhaeuser Co.	640.7	(138.6)	-21.6%	-62.7%	6.5%
Whirlpool Corp.	650.2	296.8	45.6%	7.0%	16.4%
White Consolidated Industries	206.3	41.4	20.1%	-39.0%	4.2%
Witco	177.9	48.3	27.2%	-19.1%	18.3%
Xerox	1,051.2	(2.7)	-0.3%	1.5%	30.9%
TOTALS:	\$287,003.4	\$40,959.6	14.3%	-15.5%	17.0%

## METHODOLOGY

### A. Choosing the Companies and Computing Effective Tax Rates (reprinted from "Corporate Income Taxes in the Reagan Years"):

1. Choosing the Companies: In the spring and early summer of 1984 we wrote to 600 major American companies asking for copies of their 1983 annual reports and forms 10-K filed with the Securities and Exchange Commission. The companies chosen were the top 300 from the Fortune 500, along with the companies listed in Fortune's compilations of the top 50 companies among utilities, service industries, commercial banks, life insurance companies, and transportation companies. We also supplemented our list by writing to several companies not included in the Fortune compilations but covered in the studies of corporate taxes performed by the staff of the congressional Joint Committee on Taxation in 1983 and 1984.

Most companies responded to our request, although some did not. In fact, in the case of several companies, we were unable to obtain information despite repeated requests.

We eliminated companies that did respond to our request from our study based on two criteria: either (1) a company actually lost money over the three years--or lost so much in one year that the results would be distorted; or (2) a company's report did not provide sufficient information to calculate domestic profits, current federal income taxes, or both.

2. Method of Calculation: For most companies, the method of calculation was very straightforward. First, a company's domestic profit, either as the company listed it (when it did) or based on a geographic breakdown of operating profits minus a pro-rated share of overhead and interest expenses was determined. Then current state and local income taxes were subtracted from this amount (unless the company had already done so). This produced net domestic pretax profits before federal income taxes.

Second, federal income taxes currently payable were obtained from the company's tax note to its financial statement. (Current taxes are those the company is obligated to pay during the year; they do not include taxes "deferred" due to various federal "tax incentives" such as accelerated depreciation).

Third, taxes were divided by profits to produce the "effective tax rates" shown in the study.

3. Treatment of "leasing," that is, sales and purchases of tax benefits: A number of the companies we examined had either sold or purchased tax benefits during the three years, pursuant to the Reagan administration's "safe-harbor leasing program." Many companies treated the benefits they obtained from these transactions, both sales and purchases, as reductions in their federal taxes payable. For those which did not, we adjusted the results to follow that approach. In measuring the benefits that companies may have obtained from the tax system, such an adjustment seems both natural and necessary. The notes to the

Methodology, page 2:

alphabetical listing of the companies [see Corporate Income Taxes in the Reagan Years] detail the companies for which we made such adjustments for and the amounts involved.

B. Changes in Investment and Dividends:

1. Investment and Dividends Data: The figures we used on investment and dividends are taken from the companies' 1983 annual reports to shareholders. "Investment" refers to amounts expended for "additions to property, plant and equipment," "capital expenditures," "plant additions," or similar designations, usually found in the companies' "Statements of Changes in Financial Position." "Dividends" refers to dividends paid to shareholders, usually on common stock except where preferred and common dividends are combined in the reports. No attempts were made to adjust or otherwise question any of the investment or dividend figures listed by the companies.

2. Financial companies: For purposes of this report on investment and dividends, our sample of 250 corporations was reduced by eliminating 12 financial companies for which investment in property, plant, and equipment was not meaningful. The excluded companies had 1981-83 profits of \$4.4 billion and an overall tax rate of 3.3%. They increased their dividends by 35.2% from 1981 to 1983. Excluding these firms did not materially affect the totals for taxes and dividends, and had no effect on the total investment figures. They were excluded to avoid distortions in the comparisons of tax rates and changes in investment.