

## Corporate Tax Expenditures, Fiscal 1996-2002, A Detailed List (\$-billions)

	Corporations							
	1996	1997	1998	1999	2000	2001	2002	
<b>TOTAL, CORPORATIONS</b>	<b>\$ 69.2</b>	<b>\$ 70.4</b>	<b>\$ 71.9</b>	<b>\$ 74.3</b>	<b>\$ 76.2</b>	<b>\$ 77.8</b>	<b>\$ 79.8</b>	<b>\$ 519.6</b>
<b>Accelerated depreciation</b>	<b>\$ 28.2</b>	<b>\$ 28.1</b>	<b>\$ 27.5</b>	<b>\$ 27.2</b>	<b>\$ 26.8</b>	<b>\$ 25.8</b>	<b>\$ 24.7</b>	<b>\$ 188.3</b>
Accelerated depreciation of machinery and equipment	22.0	22.7	23.0	23.6	23.6	22.9	22.3	160.2
Accelerated depreciation of buildings except rental housing	4.2	3.6	2.9	2.1	1.6	1.2	0.8	16.5
Accelerated depreciation on rental housing	1.0	1.0	1.0	1.0	1.2	1.4	1.5	8.1
Expensing of certain small equipment investments	0.9	0.6	0.4	0.3	0.2	0.2	0.1	2.7
Amortization of business start-up costs	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Tax incentives for preservation of historic structures	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4
Expensing of costs of removing architectural barriers	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Multinational tax breaks</b>	<b>\$ 9.8</b>	<b>\$ 10.2</b>	<b>\$ 10.6</b>	<b>\$ 11.2</b>	<b>\$ 11.6</b>	<b>\$ 12.1</b>	<b>\$ 12.7</b>	<b>\$ 78.3</b>
Inventory property sales source rules exception	3.6	3.7	3.7	3.8	3.8	3.9	4.0	26.5
Possessions tax credit	3.1	3.2	3.4	3.7	3.9	4.2	4.5	25.9
Deferral of income from controlled foreign corporations	1.5	1.6	1.7	1.8	1.9	2.1	2.2	12.7
Exclusion of income of Foreign Sales Corporations	1.5	1.6	1.6	1.7	1.8	1.8	1.9	11.8
Interest allocation rules exception for certain financial ops.	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0
Deferral of tax on shipping companies	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.4
<b>Insurance companies &amp; products</b>	<b>\$ 4.9</b>	<b>\$ 5.7</b>	<b>\$ 6.4</b>	<b>\$ 7.3</b>	<b>\$ 8.0</b>	<b>\$ 8.8</b>	<b>\$ 9.6</b>	<b>\$ 50.7</b>
Special treatment of life insurance company reserves	2.2	2.5	2.8	3.1	3.4	3.7	4.1	21.8
Deduction of unpaid loss reserves for P&C companies	1.8	1.9	2.1	2.3	2.5	2.7	3.0	16.3
Exclusion of interest on life insurance savings	0.5	0.8	1.0	1.4	1.6	1.8	2.1	9.2
Special deduction for Blue Cross/Blue Shield companies	0.2	0.3	0.3	0.2	0.2	0.2	0.2	1.7
Tax exemption for "fraternal" insurance companies	0.1	0.1	0.1	0.1	0.1	0.2	0.2	1.0
Small life insurance company deduction	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.7
Exclusion of investment inc from structured settlement accts.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special alternative tax on small property & casualty ins. cos.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>Tax free bonds, public (excludes state &amp; local savings)</b>	<b>\$ 1.7</b>	<b>\$ 1.7</b>	<b>\$ 1.8</b>	<b>\$ 1.9</b>	<b>\$ 2.1</b>	<b>\$ 2.3</b>	<b>\$ 2.5</b>	<b>\$ 13.9</b>
<b>Tax-free bonds, private (excludes non-profit savings)</b>	<b>\$ 4.0</b>	<b>\$ 3.8</b>	<b>\$ 3.7</b>	<b>\$ 3.9</b>	<b>\$ 4.1</b>	<b>\$ 4.3</b>	<b>\$ 4.6</b>	<b>\$ 28.4</b>
Airports, docks and sports & convention facilities bonds	1.1	1.1	1.2	1.3	1.5	1.7	2.0	9.8
Pollution control and sewage & waste disposal facilities	0.9	0.9	0.9	0.9	0.9	0.9	0.9	6.0
Small issue industrial development bonds	1.0	0.8	0.7	0.6	0.6	0.6	0.6	5.0
Energy facility bonds	0.2	0.2	0.3	0.3	0.3	0.3	0.3	1.9
Private nonprofit health facility bonds	0.2	0.2	0.2	0.3	0.3	0.3	0.3	1.9
Mortgage subsidy bonds	0.2	0.2	0.3	0.3	0.3	0.3	0.3	1.8
Rental housing bonds	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.9
Private nonprofit educational facility bonds	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.8
Student loan bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.2
Veterans housing bonds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1
<b>Business meals &amp; entertainment</b>	<b>\$ 3.4</b>	<b>\$ 3.6</b>	<b>\$ 3.8</b>	<b>\$ 3.9</b>	<b>\$ 4.1</b>	<b>\$ 4.3</b>	<b>\$ 4.5</b>	<b>\$ 27.6</b>
<b>R&amp;D tax breaks</b>	<b>\$ 2.8</b>	<b>\$ 2.5</b>	<b>\$ 2.5</b>	<b>\$ 2.6</b>	<b>\$ 2.7</b>	<b>\$ 2.8</b>	<b>\$ 2.9</b>	<b>\$ 18.7</b>
Expensing of research and experimentation expenditures	2.1	2.3	2.4	2.5	2.7	2.8	2.9	17.6
Credit for increasing research activities	0.7	0.3	0.1	0.0	0.0	—	—	1.1

