

Charitable Remainder Trusts, 1998

by Melissa J. Belvedere

In 1999, the Statistics of Income Division conducted the first of what will be an annual series of studies of charitable remainder trusts [1]. This study collected data from Reporting Year 1998, using Form 5227, *Split Interest Trust Information Return*. For 1998, a total of 85,060 information returns were filed by charitable remainder trusts. Of that total, 23.7 percent were filed by charitable remainder annuity trusts, which reported net ordinary income of \$0.3 billion, total net capital gains of \$0.9 billion, and distributions of \$0.7 billion. The remaining 76.3 percent of returns were filed by charitable remainder unitrusts. Unitrusts, which reported total assets at fair market value of over \$64.3 billion, earned \$1.8 billion in ordinary income, received \$8.2 billion in total net capital gains, and distributed over \$4.4 billion to beneficiaries (Figure A).

report their financial activities and to determine if the trust is to be treated as a private foundation. A split interest trust is a trust that:

“is not exempt from tax under section 501(a)...has some unexpired interests that are devoted to purposes other than religious, charitable, or similar purposes described in section 170(c)(2)(B)...and has an amount transferred in trust after May 26, 1969, for which a deduction was allowed under one of the Code sections listed in section 4947(a)(2)” [2].

These trusts are *not formally recognized as tax-exempt* by the Internal Revenue Service, but retain many of the characteristics of tax-exempt entities. In short, they are hybrids that combine many of the features of 501(c)(3) “charitable” tax-exempt organizations with the features of simple (private) trusts [3].

There are three main types of split interest trusts: pooled income funds, charitable lead trusts, and charitable remainder trusts. A pooled income fund, created and maintained by a charitable organization, pays lifetime interest income to its donors, while the remaining interest is kept by the charitable organization. A charitable lead trust pays a fixed annuity to a charitable organization over a certain period of time, after which the remaining interest is transferred to a noncharitable beneficiary. For the purposes of this study, data were collected only for charitable remainder trusts, of which there are two types—charitable remainder annuity trusts (CRAT’s) and charitable remainder unitrusts (CRUT’s).

A CRAT pays a recipient a fixed amount annually, which is specified when the trust is established. The fixed amount is determined by applying a percentage to the fair market value of the net assets initially placed in the trust. The percentage that is applied must be between 5 percent and 50 percent of the initial value of the trusts. Upon the death of the beneficiary, or at the end of the term specified in the trust instrument, the assets remaining in the trust are transferred to a specified charity. Additional regulations require that the amount transferred to the charity must be at least 10 percent of the fair market value of the net assets initially placed in trust.

A CRUT is similar to an annuity trust in that the payments to a beneficiary are determined as a

Figure A

Selected Data Items of Charitable Remainder Trusts, by Type of Trust, 1998

[Money amounts are in thousands of dollars]

| Item | Total | Annuity trusts | Unitrusts |
|---|---------------|----------------|---------------|
| | (1) | (2) | (3) |
| Number of returns | 85,060 | 20,137 | 64,923 |
| Net ordinary income ¹ | 2,125,974 | 315,951 | 1,810,023 |
| Total net capital gains (losses) ² | 9,058,904 | 876,021 | 8,182,883 |
| Distributions ³ | 5,180,277 | 748,448 | 4,431,828 |
| Total assets at end of year: | | | |
| Book value..... | 62,932,182 | 8,648,497 | 54,283,685 |
| Fair market value..... | 64,304,568 | N/A | 64,304,568 |

N/A--Not applicable.

¹ "Net ordinary income" is taken from Form 5227, line 13.

² "Total net capital gains (losses)" is calculated as "net short-term capital gains" (line 16) plus "net long-term capital gains" (line 19).

³ "Distributions" has been calculated as the difference between "total accumulations" (sum of columns (a) through (d), line 22) and "undistributed at end of tax year" (sum of columns (a) through (d), line 23).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Split Interest Trust Background Information

All split interest trusts must file Form 5227, *Split Interest Trust Information Return*, annually to

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percentage of net assets. Unlike an annuity trust, however, annual payments are based on applying a fixed percentage (specified when the trust is established) to the fair market value of the net assets of the trust, *as they are valued each*

year. As with annuity trusts, the percentage applied to the fair market value of the net assets must be between 5 percent and 50 percent. The remaining assets that are donated to charity upon the death of the beneficiary must be at least 10 percent of the net fair market value of all assets initially placed in the trust.

There are two variations on the standard unitrust, both of which affect how the annual payment amount is calculated. One type of unitrust is a net income charitable remainder unitrust (NI-CRUT). A NI-CRUT is one that pays the lesser of either a fixed percentage of the fair market value of assets or the trust's actual income for the year. Under this arrangement, distribution deficiencies (when the actual income is less than the percentage amount) are not made up in future years.

The other type of unitrust is the net income with makeup charitable remainder unitrust (NIM-CRUT). This trust is identical to the NI-CRUT, except distribution deficiencies may be made up when, in future years, the percentage amount exceeds the trust's income [4, 5, 6].

Annuity Trusts

In this article, both annuity trusts and unitrusts are classified as small, medium, or large, based on the end-of-year fair market value of the trust's total assets [7]. A small trust is one whose reported fair market value of assets is less than \$500,000. This class includes those trusts that did not report the fair market value of their assets, or those that reported holding assets with zero fair market value. Medium-sized trusts are those holding assets of at least \$500,000 and less than \$3,000,000. A large trust is any trust having assets valued at \$3.0 million or more.

For 1998, some 20,137 annuity trusts filed information returns; small trusts comprised 81.8 percent, mid-sized trusts accounted for 16.0 percent, and large

For 1998, some 20,137 annuity trusts reported total net income of almost \$1.2 billion, and distributed \$748.4 million to non-charitable recipients.

trusts made up only 2.3 percent of the total. Annuity trusts reported total net income from all sources of almost \$1.2 billion. Small trusts earned 28.3 percent of this total net income, medium trusts 31.7 percent, and large trusts 39.9 percent. In the aggregate, annuity trusts distributed about 60 percent of their net income for 1998. Distributions during Reporting Year 1998 were \$748.4 million; at the end of the year, \$4.6 billion of accumulated income were left undistributed [8].

Annuity trusts report all income accumulated (undistributed) from prior years. Current net income is added to these prior-year accumulations and reported as "total accumulations." After current-year distributions are subtracted, undistributed accumulations for the end of the year are reported.

Income and Accumulations

Of the almost \$1.2 billion in total net income reported by annuity trusts for 1998, some \$316.1 million were net ordinary income, \$12.9 million were net short-term capital gains, and \$863.0 million came from net long-term capital gains. About \$357.5 million of gross ordinary income were reported, or about 28.8 percent of total gross income. Interest income was the greatest single source of gross ordinary income for all annuity trust asset-sized groupings (as shown in Table 1 at the end of this article), except for those whose assets were between \$500,000 and \$1,500,000. Trusts in this asset category reported dividend income as their greatest source of gross ordinary income. Total accumulations of ordinary income amounted to \$592.8 million. Forty-six percent of this total was distributed in 1998 (\$270.9 million). (See Figure B for selected income and deduction items and Figure C for information on accumulations.)

By a considerable margin, the greatest source of income for annuity trusts came from net long-term capital gains. For trusts of all sizes combined, net long-term capital gains comprised 72.3 percent of total net income. After taking \$8.6 million of allowed deductions from \$871.7 million of gross long-term capital gains, net income from long-term capital gains amounted to \$863.0 million. The amounts of long-term capital gain income earned by small and medium trusts were roughly equal (\$245.2 million, or 28.4 percent of the total, and \$262.7 million, or 30.4

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Figure B

Selected Income and Deduction Information for Annuity Trusts, by Size of Fair Market Value of Total Assets, 1998

[Money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | |
|--|------------------|---|-----------------------------|---------------------|
| | | Under \$500,000 ¹ | \$500,000 under \$3,000,000 | \$3,000,000 or more |
| | | (1) | (2) | (3) |
| Number of returns | 20,137 | 16,464 | 3,219 | 454 |
| Total gross income | 1,242,546 | 350,824 | 399,512 | 492,209 |
| Gross ordinary income ² | 357,509 | 101,406 | 132,406 | 123,696 |
| Gross short-term capital gain income (loss) ³ | 13,359 | 1,214 | 884 | 11,261 |
| Gross long-term capital gain income (loss) ⁴ | 871,678 | 248,204 | 266,223 | 357,251 |
| Total deductions | 50,509 | 13,678 | 20,435 | 16,397 |
| Deductions allocable to ordinary income..... | 41,389 | 10,648 | 16,614 | 14,127 |
| Deductions allocable to short-term capital gain income (loss)..... | 473 | 29 | 262 | 182 |
| Deductions allocable to long-term capital gain income (loss)..... | 8,648 | 3,000 | 3,559 | 2,089 |

| Ratio expressed as a percentage | Total | Size of fair market value of total assets | | |
|---|-------|---|-----------------------------|---------------------|
| | | Under \$500,000 ¹ | \$500,000 under \$3,000,000 | \$3,000,000 or more |
| | | (1) | (2) | (3) |
| Net ordinary income/total net income ⁵ | 26.9 | 26.9 | 30.5 | 23.0 |
| Net short-term capital gain/total net income ⁵ | 1.1 | 0.4 | 0.2 | 2.3 |
| Net long-term capital gain/total net income ⁵ | 72.3 | 72.7 | 69.3 | 74.6 |

¹ Includes returns with zero (including unreported) fair market value assets.

² "Gross ordinary income" is taken from Form 5227, line 8.

³ "Gross short-term capital gain income (loss)" is taken from Form 5227, line 14.

⁴ "Gross long-term capital gain income (loss)" is taken from Form 5227, line 17c.

⁵ "Total net income" is calculated as the sum of "net ordinary income" (line 13), "net short-term capital gain" (line 16), and "net long-term capital gain" (line 19).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Figure C

Accumulation Information for Annuity Trusts, by Type of Income, 1998

[Money amounts are in thousands of dollars]

| Item | Total | Net ordinary income | Type of income ¹ | | Nontaxable income |
|--|------------------|---------------------|-----------------------------|------------------|-------------------|
| | | | Capital gains (losses) | | |
| | | | Net short-term | Net long-term | |
| (1) | (2) | (3) | (4) | (5) | |
| Total accumulations ² | 5,307,646 | 592,799 | 155,237 | 4,330,668 | 228,942 |
| Prior year undistributed income ³ | 4,055,407 | 276,873 | 142,345 | 3,467,539 | 168,650 |
| Current year net income ⁴ | 1,252,264 | 315,951 | 12,892 | 863,130 | 60,292 |
| Current year distributions ⁵ | 748,448 | 270,895 | 22,286 | 411,339 | 43,929 |
| Undistributed at end of tax year ⁶ | 4,559,198 | 321,904 | 132,951 | 3,919,329 | 185,013 |

¹ All income information (ordinary income, net short-term and long-term capital gain income, and nontaxable income) is taken from Form 5227, columns (a) through (d) of the Accumulation Schedule.

² "Total accumulations" is taken from Form 5227, line 22.

³ "Prior year undistributed income" is taken from Form 5227, line 20.

⁴ "Current year net income" is taken from Form 5227, line 21.

⁵ "Current year distributions" is calculated as "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

⁶ "Undistributed at end of tax year" is taken from Form 5227, line 23.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

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percent of the total, respectively). Large trusts received \$355.2 million in net long-term capital gains, or 41.1 percent of the total. Less, percentage wise, was distributed from long-term capital gain accumulations than from any other income source; only 9.5 percent, or \$411.3 million, were distributed [9]. The \$12.9 million of net short-term capital gains represented only 1.1 percent of total net income for annuity trusts; 14.4 percent of annuity trust accumulations of short-term capital gain income were distributed.

Nontaxable income is reported by split-interest trusts only in the accumulation schedule. For 1998, annuity trusts reported gaining nontaxable income of \$60.3 million. Total accumulations of nontaxable income from 1998 and prior years were \$228.9 million, or only 4.3 percent of accumulations from all sources. Approximately \$43.9 million were distributed from nontaxable income (Figure C).

Distribution Detail

Figure D presents detailed distribution information of charitable remainder annuity trusts. From the figure, it becomes clear that, on the whole, distributions came primarily from long-term capital gains, although distributions from ordinary income were also significant, particularly for medium and large trusts. An overwhelming portion of the distributions of small trusts was funded from long-term capital gain income, a feature that set it apart from trusts in other size categories. Over 68 percent of the total distributions from small trusts were made from long-term capital gain income; distributions made from ordinary income were a distant second, comprising 24.9 percent of the small trusts' distributions. This is not surprising, as small trusts distributed almost 20 percent of their total long-term capital gain accumulations.

Distributions from long-term capital gain were a much smaller percentage of total distributions for trusts of other sizes. The total distributions of medium-sized trusts were primarily from ordinary income (47.9 percent) and long-term capital gains (40.7 percent).

Annuity trusts' distributions came primarily from long-term capital gains and ordinary income.

Medium-sized trusts distributed over 60 percent of their total accumulations of ordinary income, whereas they distributed only 6.0

percent of long-term total accumulations.

The percentage of distributions of large trusts which came from ordinary income and long-term capital gain income were roughly similar (43.9 percent and 45.5 percent, respectively). It is important to note, however, that the distributions from ordinary income represented 33.8 percent of the total ordinary income accumulations, whereas the distributions from long-term capital gains represented only 5.2 percent of the large trusts' total accumulations of long-term capital gains.

Balance Sheet Information

As previously discussed, the payments of annuity trusts are a fixed amount, based on the value of the assets when initially placed in the trusts. Because of this payment structure, there is no compelling need to calculate the fair market value of assets annually. For this reason, annuity trusts are not required to report the fair market value of their assets and liabilities. Some annuity trusts choose to provide fair market value information regarding their assets, while others do not. For purposes of consistency in this study, data on the fair market values of assets and liabilities of annuity trusts are not collected at all. For this reason, all statistics in this section pertaining to assets, investments, and liabilities reported are book value amounts.

Annuity trusts held assets in the book value amount of \$8.6 billion in 1998. Of that amount, approximately \$7.3 billion were classified as investments [10]. Small trusts were responsible for 26.1 percent of all assets (\$2.3 billion), and roughly 26.3 percent of all investments (\$1.9 billion). Mid-sized trusts held approximately \$3 billion in assets, of which \$2.5 billion were investments; these trusts held 34.4 percent of all assets and 35.1 percent of the aggregate investments amount. In 1998, some 39.5 percent of all assets and 38.6 percent of all investments were owned by large trusts (\$3.4 billion and \$2.8 billion, respectively). The composition of assets for trusts in each size category, as well as for all annuity trusts, can be seen in Figure E.

Charitable remainder annuity trusts reported \$155.5 million (book value) in liabilities for 1998. Of this amount, small trusts accounted for \$107.6 million, medium-sized trusts accounted for \$26.4 million, and large trusts accounted for only \$21.5 million. When the liabilities of each size class are expressed as a

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Figure D

Distribution Information for Annuity Trusts, by Source of Distribution Funds and Size of Trust, 1998

[Money amounts are in thousands of dollars]

| Source of funds | Size of trust | | | | | | | |
|---|--------------------|------------------|--------------------|------------------|---------------------|------------------|--------------------|------------------|
| | Total | | Small ¹ | | Medium ² | | Large ³ | |
| | Amount distributed | Percent of total | Amount distributed | Percent of total | Amount distributed | Percent of total | Amount distributed | Percent of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Total ⁴ | 748,448 | 100.0 | 346,450 | 100.0 | 204,388 | 100.0 | 197,610 | 100.0 |
| Ordinary income ⁵ | 270,895 | 36.2 | 86,271 | 24.9 | 97,870 | 47.9 | 86,754 | 43.9 |
| Net short-term capital gain (loss) ⁶ | 22,286 | 3.0 | 9,199 | 2.7 | 3,399 | 1.7 | 9,687 | 4.9 |
| Net long-term capital gain (loss) ⁷ | 411,339 | 55.0 | 238,321 | 68.8 | 83,136 | 40.7 | 89,883 | 45.5 |
| Nontaxable income ⁸ | 43,929 | 5.9 | 12,659 | 3.7 | 19,984 | 9.8 | 11,286 | 5.7 |

| Source of funds | Size of trust | | | |
|--|---------------|--------------------|---------------------|--------------------|
| | Total | Small ¹ | Medium ² | Large ³ |
| | (1) | (2) | (3) | (4) |
| Total | | | | |
| Distributions..... | 748,448 | 346,450 | 204,388 | 197,610 |
| Total accumulations ⁹ | 5,307,646 | 1,510,810 | 1,661,505 | 2,135,332 |
| Distributions/accumulations ¹⁰ | 14.1 | 22.9 | 12.3 | 9.3 |
| Ordinary income ⁵ | | | | |
| Distributions..... | 270,895 | 86,271 | 97,870 | 86,754 |
| Total accumulations ⁹ | 592,799 | 174,837 | 160,972 | 256,991 |
| Distributions/accumulations ¹⁰ | 45.7 | 49.3 | 60.8 | 33.8 |
| Net short-term capital gain (loss) ⁶ | | | | |
| Distributions..... | 22,286 | 9,199 | 3,399 | 9,687 |
| Total accumulations ⁹ | 155,237 | 37,819 | 41,119 | 76,299 |
| Distributions/accumulations ¹⁰ | 14.4 | 24.3 | 8.3 | 12.7 |
| Net long-term capital gain (loss) ⁷ | | | | |
| Distributions..... | 411,339 | 238,321 | 83,136 | 89,883 |
| Total accumulations ⁹ | 4,330,668 | 1,219,531 | 1,376,716 | 1,734,421 |
| Distributions/accumulations ¹⁰ | 9.5 | 19.5 | 6.0 | 5.2 |
| Nontaxable income ⁸ | | | | |
| Distributions..... | 43,929 | 12,659 | 19,984 | 11,286 |
| Total accumulations ⁹ | 228,942 | 78,623 | 82,698 | 67,621 |
| Distributions/accumulations ¹⁰ | 19.2 | 16.1 | 24.3 | 16.7 |

¹ Small annuity trusts are those having from zero (including unreported) to less than \$500,000 in fair market value of total assets.

² Medium annuity trusts are those having from \$500,000 to less than \$3,000,000 in fair market value of total assets.

³ Large annuity trusts are those having \$3,000,000 or more in fair market value of total assets.

⁴ All distribution amounts are calculated as "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

⁵ All ordinary income information is taken from Form 5227, column (a) of the Accumulation Schedule.

⁶ All short-term capital gain information is taken from Form 5227, column (b) of the Accumulation Schedule.

⁷ All long-term capital gain information is taken from Form 5227, column (c) of the Accumulation Schedule.

⁸ All nontaxable income information is taken from Form 5227, column (d) of the Accumulation Schedule.

⁹ Total accumulations is taken from Form 5227, line 22.

¹⁰ This ratio is expressed as a percentage within the figure.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

percentage of total assets, small trusts showed the highest percentage. Small trusts reported liabilities that were 4.8 percent of their assets; large trusts reported liabilities that were only 0.6 percent of their assets [11].

Charitable Remainder Unitrusts

As stated previously, charitable remainder unitrusts are classified as small, medium, or large in this article. The same system of size classification that was used with annuity trusts is also used with unitrusts.

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Figure E

Selected Balance Sheet Information for Annuity Trusts, by Size of Trust, 1998

[Money amounts in thousands of dollars]

| Item | Size of trust | | | |
|--------------------------------------|---------------|--------------------|---------------------|--------------------|
| | Total | Small ¹ | Medium ² | Large ³ |
| | (1) | (2) | (3) | (4) |
| Total assets (book value)..... | 8,648,497 | 2,259,589 | 2,975,801 | 3,413,107 |
| Total investments ⁴ | 7,338,255 | 1,927,438 | 2,578,105 | 2,832,711 |
| Securities ⁵ | 6,122,501 | 1,644,422 | 2,099,957 | 2,368,112 |
| Total liabilities..... | 155,514 | 107,601 | 26,426 | 21,487 |

| Ratio expressed as a percentage | Size of trust | | | |
|-------------------------------------|---------------|--------------------|---------------------|--------------------|
| | Total | Small ¹ | Medium ² | Large ³ |
| | (1) | (2) | (3) | (4) |
| Total investments/total assets..... | 84.9 | 85.3 | 86.6 | 83.0 |
| Securities/total investments..... | 83.4 | 85.3 | 81.5 | 83.6 |
| Total liabilities/total assets..... | 1.8 | 4.8 | 0.9 | 0.6 |

¹ Small annuity trusts are those having from zero (including unreported) to less than \$500,000 in fair market value of total assets.

² Medium annuity trusts are those having from \$500,000 to less than \$3,000,000 in fair market value of total assets.

³ Large annuity trusts are those holding \$3,000,000 or more in fair market value of total assets.

⁴ Represents "government obligations," "corporate stock," "corporate bonds," "investments—land, buildings, and equipment," and "other investments."

⁵ Represents "government obligations," "corporate stock," and "corporate bonds."

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

For 1998, some 64,923 unitrusts filed information returns. Small unitrusts accounted for 63.8 percent of all unitrusts; medium trusts made up 31.3 percent of the total, while large trusts were 4.9 percent of the 64,923 unitrusts filing Form 5227 for 1998. Unitrusts reported \$10.0 billion of total net income in 1998. Small unitrusts earned \$1.3 billion, or 12.8 percent of this total net income; medium trusts earned \$3.2 billion (32.3 percent); large trusts earned \$5.5 billion (54.9 percent). Distributions during Reporting Year 1998 were \$4.4 billion; at the end of the year, \$34.3 billion were left undistributed.

Income and Accumulations

Unitrusts reported earning approximately \$10.0 billion in total net income in 1998. The \$10.0 billion comprise \$1.8 billion of net ordinary income, \$0.3 billion of net short-term capital gain income, and \$7.9 billion of net long-term capital gain income. For trusts of all sizes, dividends were the biggest single source of ordinary income, closely followed by interest income. Itemized data on ordinary income (losses) and net short- and long-term capital gains (losses) of unitrusts can be found in Table 4. Dividend income and interest income averaged 46.4 percent and 40.9 percent of gross ordinary income, respectively. Net

ordinary income accounted for 18.1 percent of total net income. Unitrusts accumulated \$2.7 billion, total, in 1998. Over 60 percent of ordinary income accumulations were distributed, amounting to \$1.7 billion. (See Figure F for selected income and deduction items and Figure G for information on accumulations.)

Net long-term capital gain was the largest component of total net income, ranging from 77.1 percent of total net income (for small trusts) to 80.9 percent for (medium trusts). Net long-term capital gains of \$7.9 billion were reported; gross long-term capital gain income was \$8.0 billion, and deductions allocable to those gains totaled approximately \$0.1 billion. Larger unitrusts reported much greater amounts of net long-term capital gain income than did smaller trusts. Whereas small trusts earned only \$986.5 million of net long-term capital gains (12.4 percent of the total), medium trusts earned \$2.6 billion (32.9 percent of the total), and the large trusts earned \$4.3 billion (54.6 percent of the total). Unitrusts distributed \$2.6 billion (7.5 percent) from long-term capital gain accumulations. Short-term capital gain income represented only 2.5 percent of total net income; unitrusts distributed only 6.8 percent of their accumulations of net short-term capital gains.

In 1998, unitrusts reported \$53.1 million of

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Figure F

Selected Income and Deduction Information for Unitrusts, by Size of Fair Market Value of Total Assets, 1998

[Money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | |
|--|-------------------|---|-----------------------------|---------------------|
| | | Under \$500,000 ¹ | \$500,000 under \$3,000,000 | \$3,000,000 or more |
| | | (2) | (3) | (4) |
| (1) | (2) | (3) | (4) | |
| Number of returns | 64,923 | 41,425 | 20,311 | 3,187 |
| Total gross income | 10,385,342 | 1,338,954 | 3,359,683 | 5,686,705 |
| Gross ordinary income ² | 2,100,662 | 328,933 | 740,580 | 1,031,150 |
| Gross short-term capital gain income (loss) ³ | 262,583 | 16,019 | -17,915 | 264,480 |
| Gross long-term capital gain income (loss) ⁴ | 8,022,097 | 994,002 | 2,637,019 | 4,391,076 |
| Total deductions | 393,087 | 58,774 | 129,352 | 204,961 |
| Deductions allocable to ordinary income..... | 288,130 | 50,554 | 100,298 | 137,279 |
| Deductions allocable to short-term capital gain income (loss)..... | 10,058 | 706 | 3,211 | 6,141 |
| Deductions allocable to long-term capital gain income (loss)..... | 94,899 | 7,514 | 25,843 | 61,542 |

| Ratio expressed as a percentage | Total | Size of fair market value of total assets | | |
|---|-------|---|-----------------------------|---------------------|
| | | Under \$500,000 ¹ | \$500,000 under \$3,000,000 | \$3,000,000 or more |
| | | (2) | (3) | (4) |
| (1) | (2) | (3) | (4) | |
| Net ordinary income/total net income ⁵ | 18.1 | 21.7 | 19.8 | 16.2 |
| Net short-term capital gain/total net income ⁵ | 2.5 | 1.2 | -0.7 | 4.7 |
| Net long-term capital gain/total net income ⁵ | 79.4 | 77.1 | 80.9 | 79.0 |

¹ Includes returns with zero (including unreported) fair market value assets.

² "Gross ordinary income" is taken from Form 5227, line 8.

³ "Gross short-term capital gain income (loss)" is taken from Form 5227, line 14.

⁴ "Gross long-term capital gain income (loss)" is taken from Form 5227, line 17c.

⁵ "Total net income" is calculated as the sum of "net ordinary income" (line 13), "net short-term capital gain" (line 16), and "net long-term capital gain" (line 19).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Figure G

Accumulation Information for Unitrusts, by Type of Income, 1998

[Money amounts are in thousands of dollars]

| Item | Total | Net ordinary income | Type of income ¹ | | Nontaxable income |
|--|-------------------|---------------------|-----------------------------|-------------------|-------------------|
| | | | Capital gains (losses) | | |
| | | | Net short-term | Net long-term | |
| (1) | (2) | (3) | (4) | (5) | |
| Total accumulations ² | 38,753,854 | 2,738,848 | 975,734 | 34,817,285 | 221,986 |
| Prior year undistributed income ³ | 28,708,204 | 928,826 | 723,200 | 26,887,244 | 168,934 |
| Current year net income ⁴ | 10,045,956 | 1,810,022 | 252,524 | 7,930,359 | 53,052 |
| Current year distributions ⁵ | 4,431,828 | 1,715,597 | 66,720 | 2,621,317 | 28,195 |
| Undistributed at end of tax year ⁶ | 34,322,025 | 1,023,251 | 909,014 | 32,195,969 | 193,792 |

¹ All income information (ordinary income, net short-term and long-term capital gain income, and nontaxable income) is taken from Form 5227, columns (a) through (d) of the Accumulation Schedule.

² "Total accumulations" is taken from Form 5227, line 22.

³ "Prior year undistributed income" is taken from Form 5227, line 20.

⁴ "Current year income" is taken from Form 5227, line 21.

⁵ "Current year distributions" is calculated as "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

⁶ "Undistributed at end of tax year" is taken from Form 5227, line 23.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

nontaxable income. When added to their prior-year un-distributed income (\$168.9 million), their total accumulations in 1998 were \$222.0 million. About \$28.2 million were distributed, or 12.7 percent of their accumulations.

Distribution Detail

One thing that is apparent from Figure H is the similarity in the composition of aggregate distributions made by small and medium trusts. The percentages of distributions that came from ordinary income were

Figure H

Distribution Information for Unitrusts, by Source of Distribution Funds and Size of Trust, 1998

[Money amounts are in thousands of dollars]

| Source of funds | Size of trust | | | | | | | |
|---|--------------------|------------------|--------------------|------------------|---------------------|------------------|--------------------|------------------|
| | Total | | Small ¹ | | Medium ² | | Large ³ | |
| | Amount distributed | Percent of total | Amount distributed | Percent of total | Amount distributed | Percent of total | Amount distributed | Percent of total |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) |
| Total ⁴ | 4,431,828 | 100.0 | 730,154 | 100.0 | 1,405,193 | 100.0 | 2,296,481 | 100.0 |
| Ordinary income ⁵ | 1,715,597 | 38.7 | 310,504 | 42.5 | 614,355 | 43.7 | 790,739 | 34.4 |
| Net short-term capital gain (loss) ⁶ | 66,720 | 1.5 | 18,004 | 2.5 | 14,365 | 1.0 | 34,350 | 1.5 |
| Net long-term capital gain (loss) ⁷ | 2,621,317 | 59.1 | 395,488 | 54.2 | 764,890 | 54.4 | 1,460,939 | 63.6 |
| Nontaxable income ⁸ | 28,195 | 0.6 | 6,158 | 0.8 | 11,583 | 0.8 | 10,453 | 0.5 |

| Source of funds | Size of trust | | | |
|---|---------------|--------------------|---------------------|--------------------|
| | Total | Small ¹ | Medium ² | Large ³ |
| | (1) | (2) | (3) | (4) |
| Total | | | | |
| Distributions..... | 4,431,828 | 730,154 | 1,405,193 | 2,296,481 |
| Total accumulations ⁹ | 38,753,854 | 4,191,582 | 12,540,443 | 22,021,829 |
| Distributions/accumulations ¹⁰ | 11.4 | 17.4 | 11.2 | 10.4 |
| Ordinary income⁵ | | | | |
| Distributions..... | 1,715,597 | 310,504 | 614,355 | 790,739 |
| Total accumulations ⁹ | 2,738,848 | 398,599 | 789,748 | 1,550,502 |
| Distributions/accumulations ¹⁰ | 62.6 | 77.9 | 77.8 | 51.0 |
| Net short-term capital gain (loss)⁶ | | | | |
| Distributions..... | 66,720 | 18,004 | 14,365 | 34,350 |
| Total accumulations ⁹ | 975,734 | 101,058 | 160,616 | 714,060 |
| Distributions/accumulations ¹⁰ | 6.8 | 17.8 | 8.9 | 4.8 |
| Net long-term capital gain (loss)⁷ | | | | |
| Distributions..... | 2,621,617 | 395,488 | 764,890 | 1,460,939 |
| Total accumulations ⁹ | 34,817,285 | 3,650,697 | 11,505,222 | 19,661,366 |
| Distributions/accumulations ¹⁰ | 7.5 | 10.8 | 6.6 | 7.4 |
| Nontaxable income⁸ | | | | |
| Distributions..... | 28,195 | 6,158 | 11,583 | 10,453 |
| Total accumulations ⁹ | 221,986 | 41,228 | 84,857 | 95,902 |
| Distributions/accumulations ¹⁰ | 12.7 | 15.2 | 13.7 | 10.9 |

¹ Small unitrusts are those having from zero (including unreported) to less than \$500,000 in fair market value of total assets.

² Medium unitrusts are those having from \$500,000 to less than \$3,000,000 in fair market value of total assets.

³ Large unitrusts are those having \$3,000,000 or more in fair market value of total assets.

⁴ All distribution amounts are calculated as "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

⁵ All ordinary income information is taken from Form 5227, column (a) of the Accumulation Schedule.

⁶ All short-term capital gain information is taken from Form 5227, column (b) of the Accumulation Schedule.

⁷ All long-term capital gain information is taken from Form 5227, column (c) of the Accumulation Schedule.

⁸ All nontaxable income information is taken from Form 5227 column (d) of the Accumulation Schedule.

⁹ "Total accumulations" is taken from Form 5227, line 22.

¹⁰ This ratio is expressed as a percentage within the figure.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Figure I

Selected Balance Sheet Information for Unitrusts, by Size of Trust, 1998

[Money amounts in thousands of dollars]

| Item | Size of trust | | | | | |
|--------------------------------------|--------------------|-----------|---------------------|------------|--------------------|------------|
| | Small ¹ | | Medium ² | | Large ³ | |
| | Book value | FMV | Book value | FMV | Book value | FMV |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Total assets..... | 7,266,502 | 7,809,161 | 18,502,627 | 22,539,180 | 28,514,555 | 33,956,228 |
| Total investments ⁴ | 5,572,690 | 6,088,023 | 14,719,915 | 17,968,342 | 24,445,362 | 29,882,876 |
| Securities ⁵ | 3,936,664 | 4,494,584 | 11,337,131 | 14,143,927 | 16,001,578 | 20,883,077 |
| Total liabilities..... | 53,403 | 36,630 | 229,622 | 146,267 | 369,029 | 462,737 |

| Ratio expressed as a percentage | Size of trust | | | | | |
|-------------------------------------|--------------------|------|---------------------|------|--------------------|------|
| | Small ¹ | | Medium ² | | Large ³ | |
| | Book value | FMV | Book value | FMV | Book value | FMV |
| | (1) | (2) | (3) | (4) | (5) | (6) |
| Total investments/total assets..... | 76.7 | 78.0 | 79.6 | 70.3 | 75.7 | 88.0 |
| Securities/total investments..... | 70.6 | 73.8 | 77.0 | 78.7 | 65.5 | 69.9 |
| Total liabilities/total assets..... | 0.7 | 0.5 | 1.2 | 0.6 | 1.3 | 1.4 |

¹ Small unitrusts are those having from zero (including unreported) to less than \$500,000.

² Medium unitrusts are those having from \$500,000 to less than \$3,000,000.

³ Large unitrusts are those holding \$3,000,000 or more.

⁴ Represents "government obligations," "corporate stock," "corporate bonds," "investments--land, buildings, equipment," and "other investments."

⁵ Represents "government obligations," "corporate stock," and "corporate bonds."

NOTE: "FMV" is the abbreviation for fair market value.

very similar (42.5 percent for small trusts, 43.7 percent for medium trusts). Likewise, the percentages of distributions that came from net long-term capital gain income were nearly identical (54.2 percent for small trusts, 54.4 percent for medium trusts). Large trusts' distributions came primarily from net long-term capital gain accumulations (63.6 percent), while accumulations of ordinary income were also significant (34.4 percent).

As with annuity trusts, unitrusts distributed a proportion of their aggregate ordinary income accumulations that was far greater than the proportion distributed from any other source. The small and medium trust groups each distributed approximately 78 percent of their ordinary income accumulations during 1998. Large trusts collectively distributed 51.0 percent of their ordinary income accumulations. In comparison, the second largest distributions/accumulations percentage (shown in Figure H) for sources of funds within each of the asset-seized grouping other than ordinary income were only 17.8 percent for short-term capital gains of small organizations, 13.7 percent for nontaxable income of medium organizations, and 10.9 percent of nontaxable income by large trusts.

Balance Sheet Information

Charitable remainder unitrusts, unlike annuity trusts, are required to provide information on both the book value and fair market value of their assets and liabilities. As shown in Figure I, the book value of total assets held by unitrusts ranged from \$7.3 billion for small trusts to \$28.5 billion for large trusts. The fair market value of total assets was \$7.8 billion for small trusts, \$25.5 billion for medium trusts, and \$34.0 billion for large trusts. Using book values, the ratio of total investments to total assets ranged from 75.7 for large unitrusts, to 76.7 for small trusts. When the same ratio is calculated using fair market values, the range was from 70.3 for medium trusts to 88.0 for large trusts.

The percentage of a trust's investments that were held as securities was greatest for medium-sized trusts. Charitable remainder unitrusts having assets between \$500,000 and \$3,000,000 held the greatest percentage of their investments in securities (77.0 percent in book value and 78.7 percent in fair market value). Trusts with assets over \$3 million held only 65.6 percent (book value), or 69.9 percent (fair market value), of their investments in securities.

Charitable Remainder Trusts, 1998

Figure J

Coefficients of Variation for Selected Items, by Type of Trust, 1998

| Item | Annuity trusts | Unitrusts |
|---|---|-----------|
| | Coefficients of variation (percentages) | |
| Gross ordinary income..... | 5.48 | 2.21 |
| Total deductions to ordinary income..... | 4.35 | 3.41 |
| Net ordinary income..... | 6.05 | 2.50 |
| Net short-term capital gains (losses)..... | 55.51 | 8.48 |
| Net long-term capital gains (losses)..... | 10.55 | 3.70 |
| End-of-year total assets (book value)..... | 4.19 | 0.89 |
| End-of-year total assets (FMV)..... | N/A | 0.76 |
| End-of-year total liabilities (book value)..... | 32.47 | 9.27 |
| End-of-year total liabilities (FMV)..... | N/A | 5.48 |

N/A--Not applicable.

NOTE: "FMV" is the abbreviation for fair market value.

The amount of total liabilities reported by trusts in each size category increased as the size of the trust increased. Small unitrusts reported book value of total liabilities in the amount of \$53.4 million, medium trusts reported \$229.6 million, and large trusts reported \$369.0 million. It is interesting that, for small trusts, the fair market value of total liabilities (\$36.6 million) was less than the book value. The liability-to-asset ratio (total liabilities divided by total assets), measured using book value, was 0.007 for small trusts, 0.012 for medium trusts, and 0.013 for large trusts. When measured using fair market value, the liability-to-asset ratio for medium trusts was less than the corresponding book value ratio.

Data Sources and Limitations

All statistics in this article are based on a sample of Forms 5227, the *Split Interest Trust Information Return*, from Reporting Year 1998. All charitable remainder trusts that are described in Internal Revenue Code section 664 and had operations during Calendar Year 1998 were required to file the form. Trusts for which 1998 was either an initial or a final year also filed Form 5227, so the sample does contain some part-year returns. The returns of charitable remainder trusts that were to be edited for this Statistics of Income study were computer-designated at the IRS Ogden Submission Processing Center after posting to the IRS Master File. The study year 1998 sample was stratified based on both the type of organization (either an annuity trust or a unitrust), as

well as the reported size of fair market value of total assets.

Charitable remainder annuity trusts were sampled at rates ranging from approximately 2.8 percent for trusts with assets of less than \$500,000 to 100 percent for trusts with assets of \$1.5 million or more. Unitrusts were sampled at rates from 1.8 percent for trusts with less than \$1.0 million in assets to 100 percent for trusts holding \$3.0 million or more in assets. After excluding returns that were selected for the sample but later rejected, the sample size was 6,471 (1,724 annuity trusts plus 4,747 unitrusts). The estimated population size was 85,060, of which 20,137 were annuity trusts and 64,923 were unitrusts. Rejected returns included those which were filed with no money amounts reported and those that were filed by a type of trust that was not an annuity trust or a unitrust. The magnitude of sampling error, measured by coefficients of variation, for selected items is shown in Figure J.

Although information from Parts III (the Current Distributions Schedule), V-A (Charitable Remainder Annuity Trust Information), and V-B (Charitable Remainder Unitrust Information) of Form 5227 was collected, it is not discussed or reported in this article due to issues of reliability. The Distribution Schedule is the portion of the return where the trust shows the accounts from which its annual distribution amounts are taken. Taxpayers report each income recipient and the amount they received from ordinary income, long- and short-term capital gains, nontaxable income, and corpus. Because of the nature of the form, it is impossible to verify the amounts reported by taxpayers in this schedule. Therefore, all distribution amounts discussed in the article, or presented in the figures represent amounts calculated from Part II (the Accumulation Schedule). Similarly, there is no method to confirm the information reported in Part V-A (Charitable Remainder Annuity Trust Information). For this reason, the data from these two sections have not been reported at this time. Part V-B (Charitable Remainder Unitrust Information) is different from the other two sections in that it is a "worksheet" of sorts, where the taxpayer is to show how the annual percentage amount to be distributed was determined. Due to the extremely poor nature of taxpayer reporting in this section, the data are considered extremely unreliable.

The samples were designed to provide reliable

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estimates of total revenue. The data presented were collected from returns as they were originally filed. The data were subject to comprehensive testing and correction procedures in order to ensure statistical reliability and validity. In most cases, changes made to the original return resulting from either administrative processing or a taxpayer amendment were not incorporated into the data. A discussion of the reliability of estimates based on samples, methods for evaluating the magnitude of both sampling and nonsampling error, and the precision of sample estimates can be found in the general Appendix in this issue of the *SOI Bulletin*.

Notes and References

- [1] Data were collected from Reporting Year 1998 for charitable remainder trusts (annuity trusts and unitrusts) only. The same is true for the current study of returns from Reporting Year 1999 (an article will appear in the Winter 2001/2002 *Bulletin*). The Reporting Year 2000 study will include additional data from the other types of split-interest trusts (charitable lead trusts and pooled income funds). Data and an article containing information from all types of split-interest trusts filing Form 5227 for Reporting Year 2000 will be available in the Winter 2002/2003 *Bulletin*.
- [2] The definition of split-interest trusts was taken from the "Instructions for Form 5227," page 1.
- [3] The term "charitable" refers to tax-exempt organizations with purposes that are charitable, educational, scientific, literary, or religious in nature.
- [4] For an in-depth discussion of the types of charitable remainder trusts and their uses, see "Charitable Remainder Trust Strategies... including the Full Monty CRUT," text from a presentation given by Conrad Teitell at the Washington Non-Profit Legal and Tax Conference in Spring of 2000. (Washington Non-Profit Legal and Tax Conference, Conference Proceedings Manual, Organization Management, Inc., Fairfax, VA, March 2000.)
- [5] For a detailed presentation of historical information on all split-interest trusts (including charitable lead trusts and pooled income funds) and charitable trusts, see "Charitable Trusts: An IRS Examination of Nonexempt Charitable Organizations," by Thomas B. Petska in *1983 Proceedings of the American Statistical Association, Section on Survey Research Methods, 1984* also published in *Statistics of Income and Related Administrative Research: 1983*, Statistics of Income Division, Internal Revenue Service, 1983.
- [6] Regardless of the type of trust that filed Form 5227, the filing of Form 1041, *U.S. Income Tax Return for Estates and Trusts*, may also have been required. Form 1041 must be filed annually by the fiduciaries of all estates and non-exempt trusts, provided the entity meets given filing thresholds. This study contains information on charitable remainder trusts only, both those that report unrelated business income as well as those that do not; the fiduciary study, however, reports data from split-interest trusts that have unrelated business income only. Statistics from Form 1041 are also presented in this issue of the *SOI Bulletin*. (See Mikow, Jacob, "Fiduciary Income Tax Returns, 1997.")
- [7] Both annuity trusts and unitrusts are discussed in terms of the size of fair market value of end-of-year assets. When discussing the size of trusts, the fair market value of assets used is the value reported on Line C of the first page of Form 5227; the size of the trust is *not* taken from the balance sheet. This is significant because annuity trusts do not have to provide information on the fair market value of their assets on the balance sheet (unitrusts, however, are required to provide book value, as well as fair market value information). When looking at the tables at the end of this article, it appears that a higher number of annuity trusts than unitrusts have either zero or unreported assets. Often taxpayers will inadvertently leave Line C on the front page blank—if the trust in question is a unitrust, however, then the requisite information can be

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gleaned from the balance sheet. No such correction is possible when an annuity trust leaves Line C blank. The tables include information from trusts whose value of assets are zero at the end of the year (both from the front page and from the balance sheet)—these trusts may be final-year filers. Final-year filers often report income, and the values of their assets at the beginning of the year.

[8] Total distributions for Reporting Year 1998 were calculated as the difference between “Total accumulations” (Line 22) from all sources (undistributed prior-year income plus current-year net income) less “Income undistributed at end of tax year” (Line 23) from all sources. The sources of income and distributions are ordinary income, net short-term capital gain income, net long-term capital gain income, and nontaxable income.

[9] Amounts in Figure C for “Current Year Income” may not match the amounts from Figure B because the information is taken from a different section of the return. All data re-

ported in Figure B came from Part I of Form 5227; information presented in Figure C is taken from Part II of Form 5227, the Accumulation Schedule. The discrepancies are the result of taxpayer reporting error.

[10] “Investments” refer to government obligations; corporate stock; corporate bonds; land, buildings, and equipment that is not held for charitable purposes; and other assets. “Securities” include government obligations, corporate stock, and corporate bonds. When “Receivables Due” are included in tables, they encompass net accounts receivable, receivables due from disqualified persons, and net other notes receivable. “Other assets” refer to cash; savings and temporary cash investments; inventories for sale or use; prepaid expenses; charitable-purpose land, buildings, and equipment; and other assets.

[11] Data for book-valued liabilities for annuity trusts should be used with caution because of the high coefficient of variation (CV) associated with aggregate total liabilities for annuity trusts. For CV’s on other data items, see Figure J.

SOURCE: IRS, Statistics of Income Bulletin, Winter 2000-2001, Publication 1136 (Rev. 2-2001).

Charitable Remainder Trusts, 1998

Table 1.--Charitable Remainder Annuity Trusts: Selected Income Information, by Size of Fair Market Value of Total Assets, 1998

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|--|------------------|---|------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | | Zero or not reported ¹ | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Number of returns..... | 20,137 | 1,552 | 14,912 | 2,598 | 621 | 364 | 90 |
| Total net income..... | 1,191,972 | 178,678 | 158,468 | 231,048 | 147,960 | 200,852 | 274,965 |
| Ordinary income: | | | | | | | |
| Gross ordinary income..... | 357,509 | 38,841 | 62,565 | 89,504 | 42,902 | 58,454 | 65,242 |
| Interest income..... | 178,023 | 13,273 | 35,507 | 33,225 | 24,012 | 32,097 | 39,908 |
| Dividends..... | 132,542 | 11,374 | 21,668 | 35,691 | 15,933 | 22,526 | 25,351 |
| Business income (loss)..... | -30 | -- | -- | -- | -30 | -- | -- |
| Rents, royalties, partnerships, other estates and trusts..... | 22,458 | 13,396 | 860 | 3,402 | 2,123 | 2,703 | -26 |
| Farm income (loss)..... | 59 | -- | -- | -- | 46 | 13 | -- |
| Ordinary gain (loss)..... | 78 | -- | 67 | -3 | -1 | 17 | -2 |
| Other income..... | 24,257 | 798 | 4,342 | 17,190 | 820 | 1,097 | 11 |
| Total allocable deductions..... | 41,389 | 4,347 | 6,302 | 10,744 | 5,870 | 7,339 | 6,788 |
| Interest..... | 939 | 119 | 4 | 671 | 78 | 61 | 6 |
| Taxes..... | 832 | 86 | 71 | 278 | 97 | 155 | 144 |
| Other deductions..... | 39,625 | 4,142 | 6,227 | 9,797 | 5,699 | 7,123 | 6,638 |
| Net ordinary income²..... | 315,951 | 34,494 | 56,263 | 78,652 | 36,972 | 51,115 | 58,454 |
| Capital gain (loss): | | | | | | | |
| Short-term capital gain (loss): | | | | | | | |
| Gross gain (loss)..... | 13,359 | -3,588 | 4,802 | 34 | 850 | 3,348 | 7,913 |
| Allocable deductions..... | 473 | 4 | 26 | 188 | 74 | 80 | 101 |
| Net gain (loss) ³ | 12,892 | -3,592 | 4,777 | -154 | 776 | 3,273 | 7,812 |
| Long-term capital gain (loss): | | | | | | | |
| Gross gain (loss)..... | 871,678 | 149,581 | 98,623 | 154,935 | 111,288 | 148,103 | 209,149 |
| Allocable deductions..... | 8,648 | 1,806 | 1,194 | 2,484 | 1,076 | 1,639 | 450 |
| Net gain (loss) ⁴ | 863,129 | 147,775 | 97,429 | 152,550 | 110,212 | 146,464 | 208,699 |

¹ Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

² Taken from "ordinary income less deductions" on line 13 of Form 5227. This amount may not equal "total ordinary income" (line 8) less "total deductions allocable to ordinary income" (line 12) due to taxpayer reporting error.

³ Taken from Form 5227, line 16.

⁴ Taken from Form 5227, line 19.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 2.--Charitable Remainder Annuity Trusts: Accumulation Information, by Size of Fair Market Value of Total Assets, 1998¹

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|---|------------------|---|------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | | Zero or not reported ² | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Number of returns..... | 20,137 | 1,552 | 14,912 | 2,598 | 621 | 364 | 90 |
| Total accumulations..... | 5,307,646 | 747,571 | 763,238 | 1,044,229 | 617,276 | 965,749 | 1,169,581 |
| Ordinary income..... | 592,799 | 87,122 | 87,714 | 93,587 | 67,385 | 111,300 | 145,690 |
| Net short-term capital gain income (loss)..... | 155,237 | 13,830 | 23,990 | 35,627 | 5,492 | 24,388 | 51,910 |
| Net long-term capital gain income (loss)..... | 4,330,668 | 626,902 | 592,629 | 853,412 | 523,304 | 791,496 | 942,925 |
| Nontaxable income..... | 228,942 | 19,717 | 58,905 | 61,603 | 21,095 | 38,565 | 29,056 |
| Prior year undistributed income..... | 4,055,407 | 561,189 | 591,496 | 796,713 | 463,822 | 756,481 | 885,705 |
| Ordinary income..... | 276,873 | 52,628 | 31,477 | 14,935 | 30,413 | 60,185 | 87,236 |
| Net short-term capital gain income (loss)..... | 142,345 | 17,422 | 19,213 | 35,781 | 4,716 | 21,115 | 44,099 |
| Net long-term capital gain income (loss)..... | 3,467,539 | 479,127 | 495,199 | 700,862 | 413,092 | 645,032 | 734,226 |
| Nontaxable income..... | 168,650 | 12,013 | 45,607 | 45,136 | 15,601 | 30,148 | 20,145 |
| Current year net income..... | 1,252,264 | 186,382 | 171,767 | 247,515 | 153,455 | 209,269 | 283,876 |
| Ordinary income..... | 315,951 | 34,494 | 56,263 | 78,652 | 36,972 | 51,115 | 58,454 |
| Net short-term capital gain income (loss)..... | 12,892 | -3,592 | 4,777 | -154 | 776 | 3,273 | 7,812 |
| Net long-term capital gain income (loss)..... | 863,130 | 147,775 | 97,429 | 152,550 | 110,212 | 146,464 | 208,699 |
| Nontaxable income..... | 60,292 | 7,704 | 13,298 | 16,467 | 5,494 | 8,417 | 8,911 |
| Current year distributions ³..... | 748,448 | 231,536 | 114,914 | 140,658 | 63,730 | 91,479 | 106,131 |
| Ordinary income..... | 270,875 | 32,196 | 54,075 | 66,733 | 31,137 | 44,702 | 42,052 |
| Net short-term capital gain income (loss)..... | 22,286 | 2,986 | 3,213 | 3,293 | 107 | 1,215 | 8,472 |
| Net long-term capital gain income (loss)..... | 411,339 | 194,031 | 44,290 | 55,916 | 27,220 | 41,348 | 48,535 |
| Nontaxable income..... | 43,929 | 2,323 | 10,336 | 14,717 | 5,266 | 4,214 | 7,072 |
| Undistributed at end of tax year..... | 4,559,198 | 516,036 | 648,324 | 903,570 | 553,546 | 874,271 | 1,063,450 |
| Ordinary income..... | 321,904 | 54,927 | 33,639 | 26,854 | 36,248 | 66,598 | 103,638 |
| Net short-term capital gain income (loss)..... | 132,951 | 10,844 | 17,776 | 32,334 | 5,385 | 23,174 | 43,438 |
| Net long-term capital gain income (loss)..... | 3,919,329 | 432,872 | 548,339 | 797,497 | 496,084 | 750,148 | 894,390 |
| Nontaxable income..... | 185,013 | 17,394 | 48,570 | 46,885 | 15,829 | 34,351 | 21,984 |

¹ All information presented in this table is taken from the accumulation schedule.

² Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

³ All reported distribution amounts are calculated as the difference of "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 3.--Charitable Remainder Annuity Trusts: Book Value Balance Sheet Information, by Size of Fair Market Value of Total Assets, 1998

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|--|------------------|---|------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | | Zero or not reported ¹ | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Number of returns..... | 20,137 | 1,552 | 14,912 | 2,598 | 621 | 364 | 90 |
| Total net assets (end of year)²..... | 8,301,734 | 691,302 | 1,379,131 | 1,902,749 | 981,010 | 1,403,534 | 1,944,008 |
| Total liabilities and net assets (end of year)³..... | 8,575,115 | 728,547 | 1,500,741 | 1,948,807 | 1,008,163 | 1,419,777 | 1,969,080 |
| Total assets (end of year)..... | 8,648,497 | 755,103 | 1,504,486 | 1,979,542 | 996,258 | 1,423,897 | 1,989,210 |
| Cash..... | 118,319 | 13,148 | 20,622 | 41,162 | 16,178 | 13,425 | 13,785 |
| Savings and temporary cash investments..... | 636,022 | 26,820 | 111,577 | 108,954 | 78,838 | 134,519 | 175,313 |
| Net accounts receivable..... | 39,601 | -- | 941 | 507 | 533 | 1,364 | 36,256 |
| Receivables from disqualified persons..... | 94 | 48 | -- | -- | -- | -- | 45 |
| Net other notes receivable..... | 98,546 | 6,809 | 30,111 | 2,330 | 22,700 | 20,526 | 16,070 |
| Inventories for sale or use..... | -- | -- | -- | -- | -- | -- | -- |
| Prepaid expenses..... | 556 | -- | -- | 214 | 48 | 281 | 11 |
| Total investments..... | 7,338,256 | 690,070 | 1,237,368 | 1,743,889 | 834,215 | 1,199,616 | 1,633,095 |
| Securities..... | 6,122,501 | 665,210 | 989,221 | 1,418,700 | 681,256 | 989,981 | 1,378,131 |
| Government obligations..... | 1,666,256 | 126,349 | 353,326 | 342,440 | 189,796 | 273,809 | 380,535 |
| Corporate stock..... | 3,279,365 | 384,641 | 405,038 | 841,581 | 372,878 | 515,331 | 759,895 |
| Corporate bonds..... | 1,176,880 | 154,220 | 230,857 | 234,679 | 118,582 | 200,841 | 237,701 |
| Land, buildings, and equipment..... | 55,875 | 7,134 | 5,711 | 18,236 | 9,522 | 15,271 | -- |
| Other investments..... | 1,159,880 | 17,726 | 242,436 | 306,953 | 143,437 | 194,364 | 254,964 |
| Charitable purpose land, buildings, and equipment..... | 42,227 | 7,934 | 2,464 | 7,402 | 9,945 | 14,396 | 87 |
| Other assets..... | 372,876 | 10,275 | 99,221 | 75,084 | 33,981 | 39,770 | 114,546 |
| Total liabilities (end of year)..... | 155,514 | 37,706 | 69,896 | 17,565 | 8,861 | 15,047 | 6,439 |
| Accounts payable, accrued expenses..... | 16,536 | -- | 4,980 | 800 | 2,392 | 5,778 | 2,587 |
| Deferred revenue..... | 7,625 | -- | 3,048 | -- | 1,491 | 700 | 2,387 |
| Loans from disqualified persons..... | 272 | -- | 109 | -- | 164 | -- | -- |
| Mortgages and notes payable..... | 3,968 | 767 | -- | -- | 52 | 2,928 | 221 |
| Other liabilities..... | 127,084 | 36,938 | 61,731 | 16,765 | 4,763 | 5,642 | 1,245 |

¹ Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

² Taken from "total net assets" (line 46, column (b)) of Form 5227.

³ Taken from "total liabilities and net assets" (line 47, column (b)) of Form 5227. This amount may not equal "total liabilities" (line 43, column (b)) plus "total net assets" (line 46, column (b)) due to taxpayer reporting error.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 4.--Charitable Remainder Unitrusts: Selected Income Information, by Size of Fair Market Value of Total Assets, 1998

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|---|------------------|---|---------------------|-----------------------------|-------------------------------|--------------------------------|----------------------|
| | | Zero or not reported ¹ | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Number of returns..... | 64,923 | 221 | 41,204 | 15,930 | 4,381 | 2,555 | 632 |
| Total net income..... | 9,992,956 | 5,669 | 1,274,755 | 1,993,842 | 1,234,706 | 2,053,849 | 3,430,085 |
| Ordinary income: | | | | | | | |
| Gross ordinary income..... | 2,100,662 | 96 | 328,837 | 441,088 | 299,492 | 394,590 | 636,560 |
| Interest income..... | 872,047 | 11 | 127,698 | 181,459 | 111,699 | 169,973 | 281,206 |
| Dividends..... | 978,763 | 84 | 157,501 | 201,408 | 131,797 | 182,912 | 305,060 |
| Business income (loss)..... | 294 | -- | 188 | -- | -- | 106 | -- |
| Rents, royalties, partnerships, other estates and trusts..... | 101,391 | -- | 14,268 | 27,944 | 8,406 | 18,718 | 32,056 |
| Farm income (loss)..... | -138 | -- | -- | -- | -- | -102 | -36 |
| Ordinary gain (loss)..... | 2,174 | -- | -- | 1,994 | -6 | 364 | -178 |
| Other income..... | 146,151 | -- | 29,179 | 28,281 | 47,596 | 22,643 | 18,452 |
| Total allocable deductions..... | 288,130 | 4 | 50,550 | 57,733 | 42,565 | 51,122 | 86,156 |
| Interest..... | 22,522 | -- | 495 | 187 | 262 | 1,980 | 19,598 |
| Taxes..... | 8,349 | -- | 1,888 | 988 | 1,729 | 1,632 | 2,112 |
| Other deductions..... | 258,053 | 4 | 48,217 | 56,875 | 40,574 | 47,726 | 64,656 |
| Net ordinary income ²..... | 1,810,023 | 91 | 278,167 | 381,545 | 256,927 | 343,115 | 550,178 |
| Capital gain (loss): | | | | | | | |
| Short-term capital gain (loss): | | | | | | | |
| Gross gain (loss)..... | 262,583 | 540 | 15,479 | -5,930 | -11,986 | 36,491 | 227,988 |
| Allocable deductions..... | 10,058 | -- | 706 | 2,232 | 979 | 1,949 | 4,192 |
| Net gain (loss) ³ | 252,574 | 540 | 14,773 | -8,162 | -12,965 | 34,543 | 223,796 |
| Long-term capital gain (loss): | | | | | | | |
| Gross gain (loss)..... | 8,022,097 | 5,037 | 988,965 | 1,636,596 | 1,000,423 | 1,686,397 | 2,704,679 |
| Allocable deductions..... | 94,899 | -- | 7,514 | 16,137 | 9,707 | 11,611 | 49,930 |
| Net gain (loss) ⁴ | 7,930,358 | 5,037 | 981,815 | 1,620,459 | 990,744 | 1,676,191 | 2,656,111 |

¹ Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

² Taken from "ordinary income less deductions" on line 13 of Form 5227. This amount may not equal "total ordinary income" (line 8) less "total deductions allocable to ordinary income" (line 12) due to taxpayer reporting error.

³ Taken from Form 5227, line 16.

⁴ Taken from Form 5227, line 19.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 5.--Charitable Remainder Unitrusts: Accumulation Information, by Size of Fair Market Value of Total Assets, 1998¹

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|--|-------------------|---|------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | | Zero or not reported ² | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | (1) | (2) | (3) | (4) | (5) | (6) | (7) |
| Number of returns..... | 64,923 | 221 | 41,204 | 15,930 | 4,381 | 2,555 | 632 |
| Total accumulations..... | 38,753,853 | 9,614 | 4,181,966 | 7,254,358 | 5,286,085 | 7,841,130 | 14,180,698 |
| Ordinary income..... | 2,738,848 | 584 | 398,014 | 455,318 | 334,430 | 505,086 | 1,045,415 |
| Net short-term capital gain income (loss)..... | 975,734 | 1,040 | 100,017 | 41,942 | 118,674 | 161,950 | 552,110 |
| Net long-term capital gain income (loss)..... | 34,817,285 | 7,990 | 3,642,707 | 6,696,113 | 4,809,109 | 7,109,410 | 12,551,956 |
| Nontaxable income..... | 221,986 | -- | 41,228 | 60,985 | 23,872 | 64,684 | 31,217 |
| Prior year undistributed income..... | 28,707,204 | 3,946 | 2,898,672 | 5,242,695 | 4,045,217 | 5,995,361 | 10,742,312 |
| Ordinary income..... | 928,826 | 493 | 119,847 | 73,772 | 77,504 | 161,973 | 495,237 |
| Net short-term capital gain income (loss)..... | 723,200 | 501 | 85,243 | 50,104 | 131,640 | 127,398 | 328,314 |
| Net long-term capital gain income (loss)..... | 26,887,244 | 2,953 | 2,660,891 | 5,075,654 | 3,818,365 | 5,433,219 | 9,896,164 |
| Nontaxable income..... | 168,934 | -- | 32,691 | 43,165 | 17,709 | 52,772 | 22,597 |
| Current year net income..... | 10,045,956 | 5,669 | 1,283,292 | 2,011,662 | 1,240,868 | 2,065,760 | 3,438,706 |
| Ordinary income..... | 1,810,022 | 91 | 278,167 | 381,546 | 256,927 | 343,113 | 550,178 |
| Net short-term capital gain income (loss)..... | 252,524 | 540 | 14,773 | -8,162 | -12,965 | 34,543 | 223,796 |
| Net long-term capital gain income (loss)..... | 7,930,359 | 5,037 | 981,816 | 1,620,459 | 990,744 | 1,676,191 | 2,656,111 |
| Nontaxable income..... | 53,052 | -- | 8,536 | 17,820 | 6,162 | 11,913 | 8,621 |
| Current year distributions³..... | 4,431,828 | 9,615 | 720,539 | 856,974 | 548,219 | 799,798 | 1,496,714 |
| Ordinary income..... | 1,715,597 | 584 | 609,919 | 382,665 | 231,690 | 323,321 | 467,508 |
| Net short-term capital gain income (loss)..... | 66,720 | 1,040 | 16,964 | 2,196 | 12,169 | 14,561 | 19,789 |
| Net long-term capital gain income (loss)..... | 2,621,317 | 7,990 | 387,498 | 463,013 | 301,877 | 453,846 | 1,007,092 |
| Nontaxable income..... | 28,195 | -- | 6,158 | 9,100 | 2,483 | 8,129 | 2,325 |
| Undistributed at end of tax year..... | 34,322,026 | -- | 3,461,427 | 6,397,384 | 4,737,866 | 7,041,362 | 12,683,986 |
| Ordinary income..... | 1,023,251 | -- | 88,095 | 72,653 | 102,740 | 181,855 | 577,908 |
| Net short-term capital gain income (loss)..... | 909,014 | -- | 83,053 | 39,746 | 106,505 | 147,388 | 532,321 |
| Net long-term capital gain income (loss)..... | 32,195,969 | -- | 3,255,209 | 6,233,100 | 4,507,232 | 6,655,563 | 11,544,864 |
| Nontaxable income..... | 193,792 | -- | 35,070 | 51,885 | 21,389 | 56,556 | 28,893 |

¹ All information presented in this table is taken from the accumulation schedule.

² Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

³ All reported distribution amounts are calculated as the difference of "total accumulations" (line 22) less "undistributed at end of tax year" (line 23).

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 6.--Charitable Remainder Unitrusts: Book Value Balance Sheet Information, by Size of Fair Market Value of Total Assets, 1998

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|--|-------------------|---|---------------------|-----------------------------|-------------------------------|--------------------------------|----------------------|
| | | Zero or not reported ¹ | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of returns..... | 64,923 | 221 | 41,204 | 15,930 | 4,381 | 2,555 | 632 |
| Total net assets (end of year)² | 53,309,155 | -- | 7,135,408 | 10,685,668 | 7,382,944 | 9,787,874 | 18,317,262 |
| Total liabilities and net assets (end of year)³..... | 54,036,492 | -- | 7,181,789 | 10,854,991 | 7,534,947 | 9,928,470 | 18,536,295 |
| Total assets (end of year)..... | 54,283,685 | -- | 7,266,502 | 10,938,307 | 7,564,320 | 9,967,994 | 18,546,561 |
| Cash | 956,649 | -- | 126,602 | 195,735 | 175,208 | 174,999 | 284,106 |
| Savings and temporary cash investments..... | 3,835,431 | -- | 523,196 | 759,485 | 465,473 | 827,135 | 1,260,143 |
| Net accounts receivable..... | 140,681 | -- | 7,589 | 7,340 | 58,494 | 18,808 | 48,449 |
| Receivables from disqualified persons..... | 6,800 | -- | -- | 2,868 | -- | 2,516 | 1,416 |
| Net other notes receivable..... | 823,985 | -- | 163,384 | 219,277 | 235,785 | 142,771 | 62,768 |
| Inventories for sale or use..... | 30,135 | -- | 7,030 | -- | -- | -- | 23,105 |
| Prepaid expenses..... | 6,536 | -- | 843 | 267 | 79 | 4,965 | 383 |
| Total investments..... | 44,737,968 | -- | 5,572,690 | 8,601,499 | 6,118,416 | 8,227,528 | 16,217,834 |
| Securities..... | 31,275,382 | -- | 3,936,664 | 6,715,795 | 4,621,336 | 6,373,280 | 9,628,298 |
| Government obligations..... | 4,412,925 | -- | 415,680 | 948,419 | 626,823 | 1,014,071 | 1,407,930 |
| Corporate stock..... | 22,020,295 | -- | 2,717,238 | 4,704,936 | 3,323,958 | 4,457,054 | 6,817,110 |
| Corporate bonds..... | 4,842,152 | -- | 803,746 | 1,062,440 | 670,555 | 902,155 | 1,403,258 |
| Land, buildings, and equipment..... | 438,559 | -- | 111,887 | 122,408 | 46,939 | 90,177 | 67,146 |
| Other investments..... | 13,024,037 | -- | 1,524,139 | 1,763,296 | 1,450,141 | 1,764,071 | 6,522,390 |
| Charitable purpose land, buildings, and equipment..... | 419,807 | -- | 145,644 | 93,484 | 63,788 | 48,534 | 68,358 |
| Other assets..... | 3,344,937 | -- | 748,097 | 1,058,351 | 447,077 | 520,760 | 570,652 |
| Total liabilities (end of year)..... | 652,054 | -- | 53,403 | 108,436 | 121,186 | 147,001 | 222,028 |
| Accounts payable, accrued expenses..... | 180,733 | -- | 27,380 | 25,526 | 28,105 | 43,772 | 55,950 |
| Deferred revenue..... | 59,913 | -- | 477 | 24,315 | 613 | 17,571 | 16,936 |
| Loans from disqualified persons..... | 585 | -- | 188 | -- | -- | 343 | 54 |
| Mortgages and notes payable..... | 17,906 | -- | 1,083 | 124 | 1,349 | 13,685 | 1,665 |
| Other liabilities..... | 392,748 | -- | 24,275 | 58,471 | 91,119 | 71,460 | 147,422 |

¹ Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

² Taken from "total net assets" (line 46, column (b)) of Form 5227.

³ Taken from "total liabilities and net assets" (line 47, column (b)) of Form 5227. This amount may not equal "total liabilities" (line 43, column (b)) plus "total net assets" (line 46, column (b)) due to taxpayer reporting error.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.

Charitable Remainder Trusts, 1998

Table 7.--Charitable Remainder Unitrusts: Fair Market Value Balance Sheet Information, by Size of Fair Market Value of Total Assets, 1998

[All figures are estimates based on samples--money amounts are in thousands of dollars]

| Item | Total | Size of fair market value of total assets | | | | | |
|---|-------------------|---|------------------------|-----------------------------------|-------------------------------------|--------------------------------------|-------------------------|
| | | Zero or not reported ¹ | \$1 under \$500,000 | \$500,000 under \$1,500,000 | \$1,500,000 under \$3,000,000 | \$3,000,000 under \$10,000,000 | \$10,000,000 or more |
| | | (1) | (2) | (3) | (4) | (5) | (6) |
| Number of returns..... | 64,923 | 221 | 41,204 | 15,930 | 4,381 | 2,555 | 632 |
| Total assets (end of year)..... | 64,304,568 | -- | 7,809,161 | 13,440,559 | 9,098,622 | 12,751,539 | 21,204,689 |
| Cash | 1,048,570 | -- | 193,577 | 138,571 | 256,421 | 196,146 | 263,855 |
| Savings and temporary cash investments..... | 3,645,609 | -- | 492,006 | 739,030 | 614,977 | 755,949 | 1,043,647 |
| Net accounts receivable..... | 240,700 | -- | 3,507 | 52,673 | 117,969 | 25,127 | 41,424 |
| Receivables from disqualified persons..... | 4,206 | -- | -- | 24 | 310 | 2,456 | 1,416 |
| Net other notes receivable..... | 775,930 | -- | 157,333 | 171,086 | 258,915 | 137,637 | 50,958 |
| Inventories for sale or use..... | 18,829 | -- | 18,829 | -- | -- | -- | -- |
| Prepaid expenses..... | 8,609 | -- | 635 | 287 | 30 | 6,625 | 1,033 |
| Total investments..... | 53,939,239 | -- | 6,088,023 | 10,836,488 | 7,131,854 | 10,895,506 | 18,987,370 |
| Securities..... | 39,521,580 | -- | 4,494,584 | 8,610,937 | 5,532,990 | 8,695,729 | 12,187,341 |
| Government obligations..... | 4,947,320 | -- | 437,848 | 1,090,787 | 652,733 | 1,142,023 | 1,623,929 |
| Corporate stock..... | 29,501,697 | -- | 3,260,996 | 6,467,435 | 4,161,992 | 6,582,555 | 9,028,719 |
| Corporate bonds..... | 5,072,563 | -- | 795,740 | 1,052,715 | 718,265 | 971,151 | 1,534,693 |
| Land, buildings, and equipment..... | 889,397 | -- | 175,721 | 262,025 | 96,906 | 229,620 | 125,125 |
| Other investments..... | 13,528,262 | -- | 1,417,718 | 1,963,526 | 1,501,958 | 1,970,157 | 6,674,904 |
| Charitable purpose land, buildings, and equipment..... | 775,206 | -- | 238,548 | 195,112 | 158,666 | 89,858 | 93,023 |
| Other assets..... | 3,824,924 | -- | 612,277 | 1,307,286 | 559,480 | 635,937 | 709,945 |
| Total liabilities (end of year)..... | 645,632 | -- | 36,630 | 87,874 | 58,393 | 115,020 | 347,717 |
| Accounts payable, accrued expenses..... | 172,499 | -- | 20,856 | 14,540 | 29,316 | 48,006 | 59,781 |
| Deferred revenue..... | 28,080 | -- | 293 | 24,315 | 510 | 1,518 | 1,443 |
| Loans from disqualified persons..... | 429 | -- | 26 | -- | -- | 333 | 69 |
| Mortgages and notes payable..... | 11,258 | -- | 1,083 | 460 | 1,177 | 6,720 | 1,818 |
| Other liabilities..... | 430,695 | -- | 14,370 | 48,558 | 26,134 | 57,027 | 284,605 |

¹ Includes returns that do not report the fair market value of their assets on the first page, or that report this amount as zero. Often, this amount is reported as zero for those trusts filing a final return. In these cases, the trusts report having assets at the beginning of the year, but nothing at the end of the year.

NOTE: Detail may not add to totals due to rounding and taxpayer reporting discrepancies.