

November 21, 2023

Ms. Sheleen Dumas  
Department PRA Clearance Officer  
Office of the Under Secretary for Economic Affairs  
U.S. Commerce Department

Dear Ms. Dumas:

The Bureau of Economic Analysis (BEA) strongly supports the new collection of data by the Census Bureau's Annual Integrated Economic Surveys (AIES). The data collected on these forms are crucial to key components of BEA's economic statistics. The AIES replaces several annual surveys - Annual Capital Expenditures Survey (ACES), Annual Retail Trade Survey (ARTS), Annual Survey of Manufactures (ASM), Annual Wholesale Trade Survey (AWTS), and Report of Organization (RoO).

BEA will use information from these surveys to prepare the national income and product accounts (NIPA), the fixed assets accounts (FAA), the input-output accounts, gross domestic product by industry, and regional estimates of gross domestic product by state and county. The data will be used as follows:

- National Income and Product Accounts -- to prepare annual estimates of personal consumption expenditures for goods and services, of investment, and of change in private inventories.
- Benchmark I-O accounts -- to derive intermediate inputs from revenue and expense data, and to derive tax rates for service industries from revenue data.
- Fixed Assets Accounts -- to prepare select nonmanufacturing industry estimates using the data on annual capital expenditures for equipment and structures
- Annual I-O accounts -- to extrapolate gross output from the benchmark I-O accounts between benchmark years using data on shipments, revenues, sales, purchases, and expenses; and to extrapolate intermediate inputs and gross operating surplus from the benchmark I-O accounts between benchmark years using data on expenses.
- Regional accounts -- to derive annual estimates of GDP by state and county for manufacturing industries using ASM value added and payroll. We anticipate utilizing AIES data for services industries in our estimates as it will be newly available with geographic detail.

The importance of the data previously collected by the RoO cannot be overstated. The information collected is used to update the Census Bureau's business register, which in turn provides the updated sampling frame used in data collection for the Economic Census and business surveys. Data from virtually every survey in the Census Bureau's Economic Directorate are used by one or more BEA programs. The resulting precision of the Economic Census and business surveys ensures that BEA appropriately captures the national, geographical, and industrial changes in the economy in its national income and product accounts, input-output accounts, gross domestic product by industry estimates, regional accounts, and international accounts.

Also, as described in Title 13, Section 401 of the U.S. Code, and the International Investment and Trade

in Services Survey Act, information derived from the RoO, is used in BEA's international program to improve sample frames for surveys of U.S. direct investment abroad, foreign direct investment in the United States, and international services transactions.

A list of items collected by the previous surveys and used by BEA appears in the attached table.

Please keep BEA informed about any modifications to the forms. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at [Tiffany.Burrell@bea.gov](mailto:Tiffany.Burrell@bea.gov). Should you need assistance in justifying these forms to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,

Dennis J. Fixler  
Chief Economist

Attachment

## ATTACHMENT

### BEA's Use of Data from the Service Annual Survey

Item Used:	BEA Use:
Operating revenue	Estimate PCE services (proprietary and nonprofit industries). Derive intermediate inputs and tax rates for Benchmark I-O. Estimate gross output in taxable industries for Annual I-O accounts.
Operating expenses	Estimate PCE services (nonprofit industries). Derive intermediate inputs for Benchmark I-O. Estimate gross output in tax-exempt industries for annual I-O accounts.
E-commerce revenue	Derive intermediate inputs for Benchmark I-O. Estimate gross output in taxable industries for annual I-O accounts.
Inventories at the end of the year	Estimate change in private inventories for the Publishing Industry (NAICS 511) and annual I-O accounts.

### BEA's Use of Data from the Annual Survey of Manufactures

Item	BEA Use
Detail of Sales, Shipments, Receipts, or Revenue	Private equipment and software, change in private inventories (CPII), and real inventory-sales ratios, national income and product accounts (NIPAs); gross domestic product (GDP) by industry, industry and product output; GDP by state; annual input-output (I-O) accounts
Value added	GDP by state
Employment	GDP by state
Annual payroll	CPII; GDP by state

Value of Inventories	CIPi; GDP by state; GDP by industry; annual I-O accounts
Inventories by Valuation Method	CIPi
Capital expenditures for new and used buildings and other structures (Exclude land)	Investment in structures, fixed assets accounts; annual I-O accounts
Capital expenditures for new and used machinery and equipment	Investment in equipment, fixed assets accounts; annual I-O accounts
Cost of purchased fuels consumed for heat, power, or the generation of electricity	CIPi; annual I-O accounts
Cost of purchased electricity	CIPi; annual I-O accounts
Cost of materials, parts, containers, packaging, etc. used  Cost of work done for you by others on your materials	CIPi; GDP by state; annual I-O accounts
Other operating expenses (all detail including total)  (To be used for the first time in the Industry Economic Accounts during the next Comprehensive Revision in 2013.)	GDP by industry and annual I-O accounts

**Note:** In addition, for economic census years, the international investment program obtains and publishes most ASM items for foreign-owned U.S. manufacturing establishments through a link of their data on U.S. affiliates of foreign companies and the Census Bureau's data on all U.S. companies.

### BEA's Use of Data from the Annual Retail Trade Survey Data

ITEMS USED	BEA USE
Retail sales, sales taxes, gross margins, E-commerce sales by merchandise line	Personal Consumption Expenditures in the NIPAs
Merchandise inventories, inventory valuation methods, merchandise purchases, inventory outside the U.S.	Change in private inventories component in the NIPAs
Retail sales, merchandise inventories, inventory valuation methods, merchandise purchases, sales taxes	Output for the benchmark I-O accounts and the annual industry accounts.

### Quinquennial Collection (formerly from Business Expenses Supplement) Annual Retail Trade Survey

ITEMS USED	BEA USE
Annual Payroll before deductions	Intermediate Inputs
Employers cost for fringe benefits	Intermediate Inputs
Contract temporary staff and leased employee expense	Intermediate Inputs
Expensed equipment	Intermediate Inputs
Purchase of packaging materials and containers	Intermediate Inputs
Purchases of other materials, parts, and supplies (not for resale)	Intermediate Inputs
Commission expenses	Intermediate Inputs
Expensed purchases of software	Intermediate Inputs
Data processing and other purchased computer services	Intermediate Inputs
Purchased communication services	Intermediate Inputs
Purchased repairs and maintenance to machinery and equipment	Intermediate Inputs
Purchased repairs and maintenance to building structures and offices	Intermediate Inputs
Leased and rental payments for machinery equipment and other tangible items	Intermediate Inputs

**BEA's use of the Business Expenses Supplement to the Annual Retail Trade Survey**  
(continued)

Leased and rental payments for land, buildings, structures, store spaces and offices	Intermediate Inputs
Purchased electricity	Decomposition of intermediate inputs in capital (K), labor (L), energy (E), materials (M), and purchased services (S) (KLEMS)
Purchased fuels	KLEMS
Water sewer refuse removal and other utility payments	KLEMS
Purchased transportation shipping and warehousing services	Intermediate Inputs
Purchased advertising and promotional services	Intermediate Inputs
Purchased professional and technical services	Intermediate Inputs
Depreciation and amortization charges	Intermediate Inputs
Government taxes and license fees	Intermediate Inputs
All other operating expenses	Intermediate Inputs
Total Operating Expenses	Intermediate Inputs
Interest Expense	Intermediate Inputs