

November 19, 2018

Ms. Laurie Brimmer
Internal Revenue Service, Room 6526
1111 Constitution Avenue, NW
Washington, DC 20224

RE: *Federal Register* notice of October 6, 2018, for Internal Revenue Service Form 1120-RIC, U.S. Business Income Tax Return (OMB Number: 1545-0123, formerly 1545-1010)

Dear Ms. Brimmer:

The Bureau of Economic Analysis (BEA) strongly supports the continued collection of data by the Internal Revenue Service (IRS) on form 1120-RIC and related schedules collected as a “single collection of information” under OMB control number 1545-0123. This form is our main data source for key components of BEA’s economic statistics.

Data from this form are used to prepare national income and product accounts and gross domestic product by industry. Specifically, data from this form are used to prepare annual estimates of corporate profits before tax, profits tax liability, and dividends in the corporate profits component of national income. Data on interest paid, interest received, and cash assets are used to prepare annual estimates of monetary interest paid, monetary interest received, imputed interest paid, and to distribute imputed interest received by industry in the net interest component of national income. Data from this form also are used indirectly in reconciling value-added components for regulated investment companies in the I-O accounts with the gross domestic product by industry accounts. The attachment lists the items and their use.

Please keep BEA informed about any modifications to this form. We are particularly interested in any modifications proposed during the forms approval process that would substantially affect our use of these data. For additional information, please contact Tiffany Burrell, Source Data Coordinator, on 301-278-9618 or by e-mail at Tiffany.Burrell@bea.gov. Should you need assistance in justifying this form to the Office of Management and Budget, please do not hesitate to contact BEA.

Sincerely,



Dennis J. Fixler
Chief Economist

Attachment

ATTACHMENT

Items from IRS Form 1120-RIC and Schedules Used by BEA

Items Used:	Use of Items for:
<p>Part I Income and deductions, Lines 1 – 33</p>	Corporate profits, interest, and taxes on dividends
<p>Part II Capital gains, Lines 1 – 4</p> <p>Schedule A Deductions for dividends paid, Lines 1 – 8</p> <p>Schedule J Taxes, Lines 2 – 7</p> <p>Schedule L Cash, Line 1</p> <p>Schedule M-1 Tax exempt interest, Line 7</p> <p>Schedule M-2 Distributions of cash and property, Lines 5a and 5c</p>	Corporate profits, interest, and taxes on dividends