
hawaii income patterns

BUSINESSES \$ 2000

DEPARTMENT OF TAXATION \$ STATE OF HAWAII

STATE OF HAWAII
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JULY 2002

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INTRODUCTION

With this report for tax year 2000, Hawaii Income Patterns: Businesses returns to a biennial publishing frequency after appearing triennially for tax years 1992, 1995, and 1998. Increased data processing efficiency allowed a return to the biennial frequency that was abandoned with the tax year 1989 report. This publication has traditionally restricted its coverage to businesses filing as C corporations, S corporations, partnerships, and proprietorships. Proprietorships were further restricted to those using Schedule C and Schedule F. This report expands coverage of Hawaii businesses by including rental proprietorships using federal Schedule E and financial corporations filing Form F-1. Another new feature of this tax year 2000 report is the addition of counts of W-2 forms filed for employee wage withholding.

This report is arranged in five sections. Section 1 is an overview of all businesses covered by this report and contains information elements common to all of the tax return types covered. Section 2 covers C corporations filing Form N-30 and S corporations filing Form N-35. Section 3 contains data on financial corporations filing Form F-1. Section 4 covers proprietorships filing federal Schedules C and F and rental proprietorships filing federal Schedule E. Section 5 deals with partnerships that file Form N-20.

Section 1

OVERVIEW OF BUSINESS RETURNS

This tax year 2000 issue of Hawaii Income Patterns: Businesses expands business coverage to include nearly all active private-for-profit businesses in Hawaii whose accounting periods ended in 2000. The only private-for-profit businesses not covered are insurance underwriters who pay the insurance premium tax. Since their tax returns are filed with the Department of Commerce and Consumer Affairs, the Department of Taxation does not have direct access to these returns. Major expansions of business coverage initiated with this report are first-time inclusions of financial corporations that file Form F-1 and rental proprietors that file federal Schedule E. Inactive businesses, defined as those with no income and no expenses other than those to maintain licenses and to file tax returns, were not included.

Private-for-profit businesses are organized as corporations, partnerships, or proprietorships. Simplest of these forms of business is the sole proprietorship, which by definition is owned by an individual person. A resident individual reports proprietorship activity on his or her personal income tax return, either Form N-11 or Form N-12. If the proprietorship is a farm, it is reported on federal Schedule F. If it is a real property rental, it is reported on federal Schedule E. All other proprietorships are reported on federal Schedule C. Any profit or loss from the proprietorship is included as ordinary income on the proprietor's individual income tax return.

A partnership is an unincorporated business relationship in which two or more individuals or business entities are participants. Partnerships that conduct business in Hawaii or that have a Hawaii resident as a partner report their activities on Form N-20. Although a partnership itself is not taxed, the partnership's net income or loss is divided among its partners and must be included in their individual or business tax returns.

Whereas partnership net income is passed on to its partners, the net profit of some corporations is taxable to the corporation itself. Corporations subject to such direct taxation through the corporate income tax are sometimes referred to as C corporations to distinguish themselves from S corporations discussed in the next paragraph. C corporations doing business in Hawaii report their activities on Form N-30. Financial corporations are also subject to direct taxation through the franchise tax and report their activities on Form F-1.

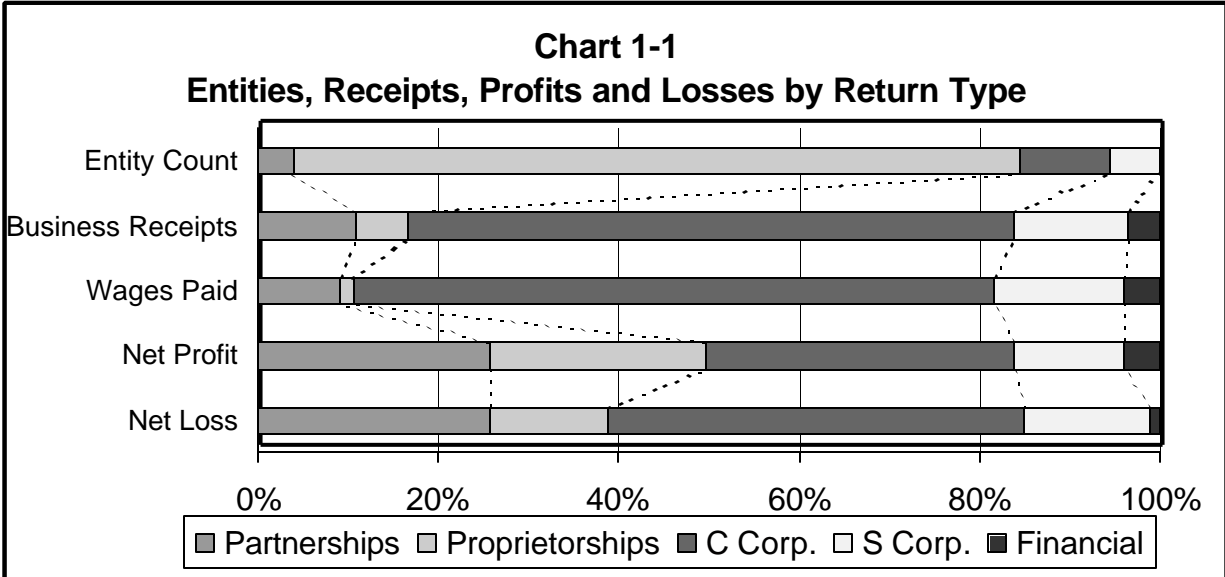
A corporation that meets certain qualifying restrictions may elect to become an S corporation, in which case it reports its financial activity on Form N-35. An S corporation pays no direct corporate income tax on the net income from its business activity but may be subject to a tax on capital gains and excess passive income. The S

Overview of Business Returns - 2000

corporation's net income or loss is divided among the shareholders to be reported as taxable income on their individual income tax returns.

SUMMARY

This report includes 166,866 active business entities with accounting periods that ended in 2000. This total includes 53,770 rental proprietorships and 114 financial corporations, which are categories included for the first time in this report.



As shown in Chart 1-1, proprietorships were by far the most numerous type of business entity, representing just over 80% of all business entities. As in past studies, each non-rental proprietorship was treated as a separate entity. By volume of business receipts, C corporations accounted for just over two-thirds of the \$71 billion total in Hawaii business receipts. By the amount of wages paid, C corporations were again the most important, accounting for 71% of the \$8.7 billion total in Hawaii wages paid by businesses covered by this report. These two items reflect the fact that many of Hawaii's largest businesses are organized as C corporations. While C corporations represented only 10% of all business entities, they accounted for 62% of the 5,882 businesses with at least \$1 million in business receipts.

As used in this report, "business receipts" refers to payments received by a business entity for the goods and/or services that it sells in its trade or business. It does not include passive income such as interest and rents except for entities for which such passive income is the major business activity. For example, interest income is included in business receipts for financial corporations, while rental income is considered as business receipts for real estate operators. Net profit or net loss refers to the amount remaining after subtracting amounts for returned goods, cost of goods, and business expenditures.

Hawaii businesses reported \$4.4 billion in net profits and \$3.1 billion in net losses for 2000. In 1998, Hawaii businesses totaled \$4.8 billion in net profits and \$4.2 billion in net losses. Among business types, non-rental proprietorships showed the best ratio of profits to losses, as \$885 million in profits outweighed \$154 million in losses by nearly six to one. For tax year 2000, just under 55% of business entities reported net profits.

DATA SOURCE AND METHODOLOGY

In order to expand and enhance business coverage for this 2000 report, manual retrieval of critical information was added to the electronic data retrieval methodology used for the 1998 report. The primary electronic data source for all return types except Form F-1 and sole proprietorships was the Department of Taxation's Comprehensive Net Income Tax (CNIT) system. The Internal Revenue Service's Business Return Transaction File (BRTF) served as a secondary electronic data source and provided additional data items not captured by CNIT. These additional data items are not complete because some tax returns in CNIT had no counterpart within the BRTF data set and could not be merged. The tables in this report identify which data items are incomplete because of this reason. The Department of Taxation's General Excise and Withholding (GEW) system was the source of information for withholding wages and the count of W-2 forms issued. Wages and W-2 counts are two new items added to the business overview section with this study.

Wage information was drawn from five sources: CNIT, BRTF, IRTF, GEW and paper returns. CNIT provided wage data for apportioned C corporations and partnerships in the form of the data item for apportioned Hawaii compensation. BRTF provided wage information for non-apportioned N-30 corporations and non-apportioned partnerships in the form of the data item for wages and salaries. IRTF supplied wage information for farm proprietorships in the form of the data item for wages. GEW provided wage information for non-apportioned S corporations and non-farm proprietorships via withholding wages. Manual retrieval of wage information was necessary for apportioned S corporations, apportioned partnerships, and financial corporation returns.

GEW was the sole source of information for the W-2 count. Unfortunately, not all business returns could be found in the GEW extract. Thus, there were 3,146 businesses that paid wages for which no W-2 count was available. This number represents about 18% of the 17,917 businesses that paid wages.

Since both CNIT and BRTF do not capture gross receipts and expense detail for rental businesses that file Form N-20 and Form N-35, gross receipts, total expenses, and net income for these rental businesses were recorded manually for these businesses from their paper returns. These data items were also gleaned manually for farms that filed Form N-20 for the same reason. Since no electronic data capture is available for financial corporations filing Form F-1, all information collected from these returns was recorded manually.

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In order to exclude out-of-state receipts from Hawaii business receipts, apportioned Hawaii sales was used in lieu of gross receipts for those businesses that used apportionment to allocate Hawaii income. Similarly, apportioned Hawaii compensation was used in lieu of wages for these businesses in order to exclude wages paid out-of-state. For businesses filing Form N-20 and Form N-35, apportioned items were collected manually since CNIT did not capture them.

For sole proprietorships, the Internal Revenue Service's Individual Return Transaction File (IRTF) was the primary source of electronic data. This information was merged with CNIT in order to restrict the data set to resident proprietorships and to provide additional information on proprietors such as adjusted gross income, earned income and taxation district identification. Rental proprietorships on resident returns that did not merge with IRTF because there was no corresponding federal return were excluded. These exclusions may account for differences in rental proprietorship net income in this study and the individual income study also published by this department.¹

ANALYSIS OF DATA

TAXATION DISTRICTS

The state of Hawaii is divided into four taxation districts:

- First Taxation District = Island of Oahu
- Second Taxation District = Islands of Maui, Molokai and Lanai
- Third Taxation District = Island of Hawaii
- Fourth Taxation District = Islands of Kauai and Niihau

A business that conducts operations in more than one district was counted only in the district where it filed its business return. For many such businesses, that district was the First District. Table 1-3 shows the distribution of businesses within industry and district. As might be expected, most businesses filed in the First District, where most of Hawaii's people live. According to census data for 2000², resident population was distributed as follows: 72.3% in the First District, 10.6% in the Second District, 12.3% in the Third District, and 4.8% in the Fourth District. Business returns showed a similar distribution, with 69.1% in the First District, 12.1% in the Second District, 13.4% in the Third District, and 5.4% in the Fourth District.

A notable exception to this distribution pattern was the agriculture and fishing industry, for which the Third District reported nearly half of the business entities. This probably reflects the fact that the Big Island has more land area for agricultural activities than all

¹ Chow, Yvonne, Hawaii Income Patterns – Individuals, 2000, Tax Research and Planning Office, Department of Taxation, July 2002.

² Department of Business, Economic Development, and Tourism, The State of Hawaii Data Book 2000, Table 1.01, p. 10.

Overview of Business Returns - 2000

of the other islands combined. Another less pronounced exception was the hospitality industry, for which the Second District accounted for 17.7% of business entities, reflecting Maui's status as a prime visitor destination.

Table 1-10 shows distribution of business receipts, net profit, net loss, wages paid, and W-2 counts by district. Whereas distribution of business entities corresponds quite closely to population distribution, business receipts, amounts of wages paid, and W-2 counts are concentrated in the First District, reflecting the fact that the state's largest businesses are found on Oahu. Also adding to Oahu business receipts, wages paid, and W-2 counts is the fact that businesses with activities in more than one district most often file in the First District, therefore inflating that district's numbers at the expense of the other districts. Businesses that filed on Oahu accounted for 87% of business receipts, 87% of wages paid, and 80% of the W-2 count. The number of W-2 forms issued by businesses can be used as an approximation of the job count of those businesses.

BUSINESS RECEIPTS

Hawaii business receipts amounted to \$71 billion for 2000. Table 1-5 displays key statistics by size of business receipts. It shows that only 3.5% of business entities, or 5,882 out of 166,866, had Hawaii business receipts of at least \$1 million. Yet, these large businesses accounted for 88% of business receipts, 65% of net profits, 85% of wages paid, and 77% of the W-2 count.

Figure 1.1 shows total and mean Hawaii business receipts by industry group. Leading all others in terms of total volume of business receipts was the retail industry with \$13.3 billion in Hawaii business receipts, followed by the wholesale industry with \$11.6 billion. The mean (average) amount of business receipts can be used as an approximate measure of the size of businesses. By this measure, utilities had the largest businesses with an average of \$24.6 million in business receipts, followed by transient accommodations with an average of \$5.5 million. Excluding unclassified businesses, the industry group with the smallest average business receipts was agriculture and fishing at \$52 thousand.

FIGURE 1-1
TOTAL AND MEAN BUSINESS RECEIPTS BY INDUSTRY - 2000

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS	
		Amount	Mean
ALL INDUSTRIES.....	166,866	\$70,955,430,243	\$425,224
Agriculture & Fishing.....	8,391	437,806,212	52,176
Construction & Mining.....	6,822	5,859,363,875	858,892
Utilities.....	73	1,799,447,353	24,649,964
Manufacturing.....	2,689	3,281,571,571	1,220,369
Wholesale.....	4,956	11,558,135,047	2,332,150
Retail.....	13,221	13,338,124,848	1,008,859
Transportation.....	2,346	2,636,382,857	1,123,778
Information.....	1,459	3,033,463,551	2,079,139
Finance & Insurance.....	3,906	5,956,190,255	1,524,882
Real Estate & Rental.....	67,492	7,078,228,848	104,875
Business Services.....	19,740	6,801,834,360	344,571
Education.....	1,348	86,011,531	63,807
Health & Care Services.....	6,346	1,897,745,375	299,046
Entertainment.....	4,881	668,111,840	136,880
Transient Accommodations...	569	3,115,382,301	5,475,189
Eating & Drinking Places.....	2,491	2,107,039,888	845,861
Repair Services.....	3,662	550,330,552	150,281
Personal & Other Services....	8,114	547,874,663	67,522
Unclassified.....	8,360	202,385,316	24,209

NET INCOME

Net income of the Hawaii businesses covered by this report amounted to \$1.3 billion. A total of 91,294 businesses had net profits amounting to \$4.4 billion, while another 67,741 businesses had net losses totaling \$3.1 billion. The remaining 7,831 businesses had a zero net balance, having neither a profit nor a loss.

Overview of Business Returns - 2000

By major industry group, health and care services and educational services had the best ratio of profits to losses. For health and care services, net profits of \$215 million were over five times greater than net losses of \$42 million. Similarly for educational services, net profits of \$10.7 million were more than five times greater than net losses of \$2.1 million. Industry groups that had more net losses than net profits included agriculture and fishing, information services, and finance and insurance. More comparisons of profits and losses can be made by referring to Table 1-4.

WAGES AND W-2 FORMS

Using the Department of Taxation's withholding tax data base as a data source for this report allowed the addition of two new data items to this overview section: wages and the W-2 count. Since one W-2 is normally issued by a business to each employee, the count of W-2 forms can provide an approximate employee count for that business. It should be noted that an employee count is not the same as a job or position count because of employee turnover. During the course of any given year, more than one employee may occupy a job position due to turnover.

Hawaii businesses reported \$8.7 billion in wages. Of this amount, \$1.4 billion was paid out by businesses in the entertainment and hospitality sector, which includes hotels and restaurants. The retail and business services groups each paid out another \$1.3 billion in wages. More detail on wages by industry can be found in Table 1-4.

Bearing in mind that W-2 counts could not be matched for about 18% of businesses, this count can still be a useful approximation of employee counts. A total of 370,243 W-2 forms were tallied by this study. Of this total, the entertainment and hospitality group accounted for 85,684, or nearly a quarter of the total. The retail industry group was next with 71,893 W-2 forms, followed by the business services group with 67,443.

INDUSTRIAL CLASSIFICATION

Table 1-4 shows business receipts, net profits, net losses, wages paid, and W-2 counts for Hawaii businesses by broad and detailed industry groups. Assigning businesses to industry groups was based on industry codes provided on the tax returns of these businesses. These codes are based on the North American Industry Classification System, 1997 Edition published by the Office of Management and Budget.

For corporations and partnerships in the First Taxation District, each industry code was manually reviewed for accuracy. This review was not possible in the other districts due to staffing limitations. For a business engaged in several different activities, the code was based on the principal business activity. Each non-rental proprietorship activity was treated as a separate business entity and was assigned the industry code supplied by the taxpayer. Since proprietorship schedules are not attached to the taxpayer's Hawaii individual income tax return, the non-rental proprietorship industry codes could not be manually verified.

Overview of Business Returns - 2000

Caution should be exercised in the interpretation of data by industry because of the limitation of having only one industry code assigned to a business entity. For example, the category "liquor stores" would not include liquor sales by department stores and grocery stores.

Section 1
Overview of Business Returns
Statistical Tables

This section includes rental proprietorships and financial corporations for the first time.
Dollar amounts and percentages are rounded and may not add up to totals.

TABLE 1-1

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS,
AND NET PROFITS - 2000
(Dollar Amounts in Thousands)

	ALL ENTITIES	"C" CORP. (N-30)	"S" CORP. (N-35)	FINANCIAL CORP. (F-1)	PARTNER- SHIPS (N-20)	PROPRIETORS	
						NON-RENTAL (Sch. C&F)	RENTAL (Sch. E)
Number of Businesses	166,866	16,860	8,945	114	6,574	80,603	53,770
Percent of Total	100.0%	10.1%	5.4%	0.1%	3.9%	48.3%	32.2%
Number of Businesses by Taxation District							
1st District (Oahu)	115,376	13,420	6,111	104	4,890	51,073	39,778
2nd District (Maui, Molokai, Lanai)	20,121	1,392	1,280	4	749	10,625	6,071
3rd District (Hawaii)	22,371	1,612	1,084	3	624	13,778	5,270
4th District (Kauai, Niihau)	8,998	436	470	3	311	5,127	2,651
Businesses with \$1 Million or More in Business Receipts							
Percent of Total	100.0%	62.1%	21.5%	0.7%	11.3%	3.7%	0.7%
Business Receipts	\$70,955,512	\$47,688,544	\$8,915,146	\$2,519,288	\$7,672,164	\$3,097,666	\$1,062,704
Percent of Total	100.0%	67.2%	12.6%	3.6%	10.8%	4.4%	1.5%
Businesses with Net Profit	91,294	5,940	5,747	53	3,748	54,071	21,735
Percent of Total	100.0%	6.5%	6.3%	0.1%	4.1%	59.2%	23.8%
Ratio of Profitable Businesses to All Businesses							
	54.7%	35.2%	64.2%	46.5%	57.0%	67.1%	40.4%
Amount of Net Profit	\$4,426,169	\$1,511,189	\$539,723	\$174,591	\$1,134,577	\$885,249	\$180,839
Percent Distribution	100.0%	34.1%	12.2%	3.9%	25.6%	20.0%	4.1%
Amount of Net Loss	\$3,115,892	\$1,438,394	\$428,460	\$36,371	\$803,123	\$153,562	\$255,981
Percent Distribution	100.0%	46.2%	13.8%	1.2%	25.8%	4.9%	8.2%

Overview of Business Returns - 2000

TABLE 1-2

DISTRIBUTION OF BUSINESSES BY TYPE OF RETURN
AMONG MAJOR INDUSTRY GROUPS - 2000

	ALL ENTITIES	"C" CORP. (N-30)	"S" CORP. (N-35)	FINANCIAL CORP. (F-1)	PARTNER- SHIPS (N-20)	PROPRIETORS (Sch. C,E,F)
ALL INDUSTRIES.....	166,866	16,860	8,945	114	6,574	134,373
Aariculture & Fishina.....	8,391	306	338	0	207	7,540
Construction & Utilities.....	6,895	1,226	822	0	224	4,623
Manufacturina.....	2,689	443	250	0	108	1,888
Wholesale.....	4,956	1,608	651	0	182	2,515
Retail.....	13,221	1,659	1,000	0	453	10,109
Transportation.....	2,346	322	177	0	38	1,809
Information.....	1,459	401	178	0	117	763
Finance & Insurance.....	3,906	687	283	114	518	2,304
Real Estate & Rental.....	67,492	4,408	1,248	0	3,304	58,532
Business Services.....	19,740	2,725	1,886	0	628	14,501
Education.....	1,348	110	69	0	13	1,156
Health & Care Services.....	6,346	1,012	450	0	112	4,772
Entertainment & Hospitalitv.....	7,941	1,199	1,082	0	459	5,201
Repair Services.....	3,662	307	223	0	76	3,056
Personal & Other Services.....	8,114	367	239	0	112	7,396
Unclassified.....	8,360	80	49	0	23	8,208
PERCENT DISTRIBUTION						
ALL INDUSTRIES.....	100.0%	10.1%	5.4%	0.1%	3.9%	80.5%
Aariculture & Fishina.....	100.0%	3.6%	4.0%	0.0%	2.5%	89.9%
Construction & Utilities.....	100.0%	17.8%	11.9%	0.0%	3.2%	67.0%
Manufacturina.....	100.0%	16.5%	9.3%	0.0%	4.0%	70.2%
Wholesale.....	100.0%	32.4%	13.1%	0.0%	3.7%	50.7%
Retail.....	100.0%	12.5%	7.6%	0.0%	3.4%	76.5%
Transportation.....	100.0%	13.7%	7.5%	0.0%	1.6%	77.1%
Information.....	100.0%	27.5%	12.2%	0.0%	8.0%	52.3%
Finance & Insurance.....	100.0%	17.6%	7.2%	2.9%	13.3%	59.0%
Real Estate & Rental.....	100.0%	6.5%	1.8%	0.0%	4.9%	86.7%
Business Services.....	100.0%	13.8%	9.6%	0.0%	3.2%	73.5%
Education.....	100.0%	8.2%	5.1%	0.0%	1.0%	85.8%
Health & Care Services.....	100.0%	15.9%	7.1%	0.0%	1.8%	75.2%
Entertainment & Hospitalitv.....	100.0%	15.1%	13.6%	0.0%	5.8%	65.5%
Repair Services.....	100.0%	8.4%	6.1%	0.0%	2.1%	83.5%
Personal & Other Services.....	100.0%	4.5%	2.9%	0.0%	1.4%	91.2%
Unclassified.....	100.0%	1.0%	0.6%	0.0%	0.3%	98.2%

Overview of Business Returns - 2000

TABLE 1-3

DISTRIBUTION OF BUSINESSES BY INDUSTRY AND DISTRICT - 2000

INDUSTRY GROUP	TAXATION DISTRICT				
	ALL	FIRST	SECOND	THIRD	FOURTH
ALL INDUSTRIES.....	166,866	115,376	20,121	22,371	8,998
Aariculture & Fishina.....	8,391	2,413	1,123	4,059	796
Construction & Utilities.....	6,895	3,977	1,057	1,269	592
Manufacturina.....	2,689	1,687	370	496	136
Wholesale.....	4,956	3,839	433	493	191
Retail.....	13,221	9,596	1,342	1,647	636
Transportation.....	2,346	1,763	252	261	70
Information.....	1,459	1,124	137	144	54
Finance & Insurance.....	3,906	3,299	245	252	110
Real Estate & Rental.....	67,492	49,788	7,781	6,581	3,342
Business Services.....	19,740	14,125	2,379	2,274	962
Education.....	1,348	950	167	180	51
Health & Care Services.....	6,346	4,449	765	833	299
Entertainment & Hospitality.....	7,941	4,923	1,409	1,054	555
Repair Services.....	3,662	2,175	531	687	269
Personal & Other Services.....	8,114	5,306	1,190	1,045	573
Unclassified.....	8,360	5,962	940	1,096	362
PERCENT DISTRIBUTION BY INDUSTRY	100.0%	100.0%	100.0%	100.0%	100.0%
Aariculture & Fishina.....	5.0%	2.1%	5.6%	18.1%	8.8%
Construction & Utilities.....	4.1%	3.4%	5.3%	5.7%	6.6%
Manufacturing.....	1.6%	1.5%	1.8%	2.2%	1.5%
Wholesale.....	3.0%	3.3%	2.2%	2.2%	2.1%
Retail.....	7.9%	8.3%	6.7%	7.4%	7.1%
Transportation.....	1.4%	1.5%	1.3%	1.2%	0.8%
Information.....	0.9%	1.0%	0.7%	0.6%	0.6%
Finance & Insurance.....	2.3%	2.9%	1.2%	1.1%	1.2%
Real Estate & Rental.....	40.4%	43.2%	38.7%	29.4%	37.1%
Business Services.....	11.8%	12.2%	11.8%	10.2%	10.7%
Education.....	0.8%	0.8%	0.8%	0.8%	0.6%
Health & Care Services.....	3.8%	3.9%	3.8%	3.7%	3.3%
Entertainment & Hospitality.....	4.8%	4.3%	7.0%	4.7%	6.2%
Repair Services.....	2.2%	1.9%	2.6%	3.1%	3.0%
Personal & Other Services.....	4.9%	4.6%	5.9%	4.7%	6.4%
Unclassified.....	5.0%	5.2%	4.7%	4.9%	4.0%

TABLE 1-4

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
ALL INDUSTRIES.....	166,866	155,446	\$70,955,430	91,294	\$4,426,169	67,741	\$3,115,892	17,917	\$8,719,373	370,243
AGRICULTURE & FISHING.....	8,391	7,332	\$437,806	3,820	\$52,968	4,367	\$76,730	728	\$76,454	6,157
Crops & Ornamentals.....	4,969	4,342	251,399	2,443	32,969	2,417	26,411	545	49,997	4,536
Livestock.....	695	576	59,314	184	4,639	501	27,608	70	10,505	476
Aquaculture.....	50	43	8,992	16	504	28	1,603	12	1,704	73
Other Animal Specialties.....	310	243	5,324	69	352	232	2,950	19	787	103
Forestry.....	146	105	5,398	58	1,195	80	2,665	16	748	71
Commercial Fishing.....	1,794	1,628	72,903	785	9,057	955	10,744	34	3,533	72
Agricultural Services.....	427	395	34,475	265	4,252	154	4,749	32	9,179	826
CONSTRUCTION & UTILITIES.....	6,895	6,528	\$7,658,811	4,869	\$320,257	1,520	\$193,933	1,905	\$690,852	33,499
Mining.....	115	88	77,162	60	1,439	50	927	8	18,064	334
Utilities.....	73	64	1,799,447	29	63,893	30	70,255	24	94,628	571
General Building Contractors.....	1,817	1,641	2,697,249	1,222	122,987	449	92,507	533	217,527	10,206
Road & Heavy Construction.....	177	169	970,665	112	22,474	43	6,603	87	90,825	2,798
Plumbing.....	459	448	219,449	305	11,343	104	1,377	195	33,318	2,195
Painting.....	520	505	130,475	420	11,229	85	1,906	107	24,974	1,883
Electrical Work.....	510	496	312,580	348	12,516	108	3,769	189	36,086	2,162
Masonry & Driveway.....	456	444	209,466	357	12,737	77	1,644	111	35,209	2,525
Carpentry & Flooring.....	1,034	1,004	122,774	849	13,076	163	1,035	91	9,199	760
Roofing & Siding.....	197	186	115,399	135	5,740	38	784	87	11,516	1,115
Concrete.....	75	70	40,205	53	2,906	14	398	22	6,580	278
Specialty Contractors.....	1,444	1,395	960,023	967	39,560	354	12,711	447	112,259	8,638

Overview of Business Returns - 2000

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
MANUFACTURING.....	2,689	2,546	\$3,281,572	1,653	\$123,138	854	\$36,626	559	\$539,414	11,015
Food & Beverages.....	404	390	1,156,752	208	29,157	134	17,171	174	161,792	5,763
Apparel & Textiles.....	558	540	201,761	397	15,873	135	5,465	79	23,406	1,218
Wood Products.....	248	227	58,121	151	3,789	94	814	21	7,278	298
Commercial Printing.....	210	203	136,827	122	4,773	63	2,869	72	25,938	1,203
Chemicals.....	41	36	69,325	20	1,718	17	2,784	12	10,625	255
Rubber & Plastics.....	40	39	23,769	21	1,135	14	217	14	1,626	280
Concrete.....	23	19	126,326	10	16,036	9	231	11	16,863	395
Metals & Metal Products.....	103	99	58,570	56	1,758	41	578	22	5,887	140
Electronic & Electrical Products.....	51	47	70,769	25	3,691	23	833	11	219,108	70
Ship Building & Repair.....	13	13	10,585	7	102	5	176	8	2,574	169
Furniture.....	119	113	44,041	79	2,262	37	652	25	7,788	503
WHOLESALE TRADE.....	4,956	4,674	\$11,558,135	2,833	\$314,962	1,681	\$117,904	1,375	\$583,054	20,177
Motor Vehicles & Parts.....	115	110	1,681,291	61	13,931	41	49,376	39	26,524	848
Furniture & Housewares.....	91	86	167,402	48	3,680	33	1,212	31	12,022	442
Construction Materials.....	147	142	430,002	92	14,984	33	4,089	67	35,691	844
Office Equipment.....	32	32	166,373	18	2,273	12	1,522	17	22,938	501
Computer Equipment.....	41	40	1,368,533	19	2,459	18	3,017	23	24,190	265
Industrial Equipment.....	203	196	327,528	116	4,478	69	7,077	69	31,480	607
Medical Equipment.....	52	50	77,549	33	1,474	15	948	30	6,908	91
Home Electronics & Appliances.....	135	133	431,380	85	9,459	29	3,734	65	27,536	692
Hardware.....	80	77	204,142	60	8,527	14	680	43	16,974	566
Sporting Goods.....	156	144	101,463	85	10,681	58	1,504	28	9,341	288
Toys & Hobby Goods.....	105	91	13,918	39	262	63	578	10	1,435	105
Jewelry.....	295	279	111,116	180	4,996	93	849	57	6,862	487
Paper Products.....	71	70	205,381	46	4,408	15	168	34	14,307	775
Drugs & Cosmetics.....	108	103	869,634	58	20,994	38	6,446	48	26,378	589
Apparel & Dry Goods.....	407	390	249,772	253	19,754	129	4,353	101	20,557	1,059
Food & Farm Products.....	541	519	1,984,613	316	30,445	165	12,291	241	128,576	5,465
Chemicals.....	65	63	178,072	39	8,375	20	2,947	28	30,112	893
Petroleum Products.....	44	40	1,443,074	23	45,839	9	447	18	24,009	503
Alcoholic Beverages.....	46	42	362,329	25	8,912	13	2,433	25	25,435	709
Books & Periodicals.....	81	75	36,384	53	1,728	27	867	11	3,536	264
Flowers & Florist Supplies.....	248	241	41,174	173	1,831	62	444	22	4,212	431
Tobacco Products.....	21	18	109,508	14	7,850	6	36	5	2,146	57

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
RETAIL TRADE.....	13,221	12,086	\$13,338,125	6,347	\$531,788	6,190	\$196,199	2,284	\$1,333,385	71,893
Motor Vehicle & Boat Dealers.....	171	160	2,071,872	105	33,163	48	2,128	74	134,142	4,508
Auto Parts Dealers.....	159	151	107,385	80	4,155	59	1,242	67	13,461	786
Furniture & Home Furnishings.....	180	172	166,418	112	7,192	50	1,519	75	17,459	1,115
Electronics & Appliances.....	206	203	378,773	122	9,565	64	5,895	77	28,415	911
Building Materials.....	165	161	370,071	109	14,532	35	4,690	73	41,496	1,977
Garden Supply.....	36	34	22,188	21	514	11	83	12	2,653	135
Grocery Stores.....	481	475	2,103,587	268	64,632	150	8,609	218	228,773	13,075
Bakeries.....	193	182	27,282	110	1,931	77	1,013	43	4,557	759
Other Specialty Food Stores.....	144	142	91,847	64	2,353	51	1,561	83	10,779	1,626
Liquor Stores.....	108	106	37,054	62	1,591	28	484	54	1,707	198
Drug Stores.....	53	51	697,515	35	17,842	15	808	37	74,209	412
Cosmetics Stores.....	198	183	14,932	88	1,242	104	419	16	2,174	249
Eyeglasses & Medical Goods.....	343	302	64,558	143	2,629	185	2,943	45	9,298	601
Gasoline Service Stations.....	154	151	506,319	63	5,259	63	4,403	130	31,028	3,644
Apparel & Shoes.....	893	860	1,611,447	554	43,589	289	12,668	283	226,399	9,564
Jewelry.....	380	372	382,615	256	23,154	88	4,112	150	47,416	2,719
Leather Goods.....	32	31	540,621	21	1,394	9	69,068	13	41,397	338
Sporting Goods.....	200	186	141,681	107	5,510	83	3,794	59	15,224	1,259
Hobby & Toy Stores.....	126	114	59,020	55	1,174	66	2,891	21	5,011	676
Yard Goods & Sewing Supply.....	273	264	69,772	202	7,400	65	236	14	8,484	695
Bookstores & News Stands.....	71	66	95,120	41	3,033	23	1,343	20	10,524	1,197
Records & Videotapes.....	41	35	38,424	17	651	21	691	11	3,195	167
General Stores.....	156	137	58,710	69	1,133	80	716	16	1,071	135
Department & Super Stores.....	54	51	2,454,056	19	216,041	21	23,015	38	239,732	15,230
Florists.....	244	234	54,254	151	2,459	85	798	51	7,040	701
Stationery Stores.....	55	53	125,346	35	1,731	13	580	27	11,955	927
Gift & Souvenir Shops.....	777	745	268,902	434	12,209	305	15,815	155	40,922	1,775
Used Merchandise.....	98	92	21,457	58	1,513	38	384	9	3,548	425
Pet Stores.....	58	55	31,340	27	752	26	400	22	3,650	396
Art Dealers.....	173	163	93,758	94	6,306	66	1,675	45	16,157	829
Mail Order & Internet Shopping....	360	284	95,697	85	997	263	3,400	9	1,112	35
Vending Machines.....	172	158	11,537	78	393	86	745	14	927	74
Direct Selling.....	5,546	4,835	131,533	2,191	12,392	3,261	12,168	63	9,187	600

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

Overview of Business Returns - 2000

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
TRANSPORTATION.....	2,346	2,277	\$2,636,383	1,748	\$83,887	465	\$65,962	354	\$611,704	14,143
Air Transportation.....	106	98	1,440,331	55	6,493	40	30,018	32	337,003	5,120
Water Transportation.....	46	43	475,597	27	28,147	18	22,758	10	110,159	1,200
Trucking & Moving.....	250	243	230,158	152	10,077	59	1,440	106	53,008	2,913
Bus Transportation.....	108	106	40,221	61	1,333	29	667	36	11,514	1,257
Taxi and Limousine Services.....	1,255	1,235	42,721	1,068	8,634	167	1,458	26	3,472	453
Tour Transportation.....	119	112	51,595	73	3,391	31	661	26	6,914	714
Aviation Services.....	140	131	62,485	80	1,894	54	7,178	27	33,121	472
Marine Cargo & Salvage.....	34	29	65,222	20	7,945	9	524	15	21,525	555
Freight Forwarding.....	40	40	40,379	25	1,019	6	94	28	38,999	199
Courier & Delivery Services.....	188	185	156,950	154	14,132	32	852	24	25,847	994
Warehousing & Storage.....	18	17	6,224	10	383	5	127	9	1,726	121
INFORMATION.....	1,459	1,295	\$3,033,464	686	\$246,493	661	\$371,061	274	\$434,268	7,437
Publishing.....	367	335	411,284	189	120,028	144	6,271	73	107,229	1,980
Movie & TV Production & Distr.	260	237	872,602	140	21,511	108	180,737	38	38,477	2,134
Sound Recording.....	78	72	10,167	36	608	39	268	8	1,112	41
Broadcasting.....	166	148	354,718	67	10,216	81	20,094	41	68,166	1,471
Telecommunications.....	237	199	1,303,306	73	87,651	140	149,580	65	197,398	1,201
News Reporting Services.....	210	174	46,372	83	3,199	116	13,424	80	13,267	330
Data Processing Services.....	128	117	34,444	87	3,118	31	665	18	8,590	279

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
FINANCE AND INSURANCE.....	3,906	3,264	\$5,956,190	2,492	\$329,081	1,080	\$357,449	468	\$608,434	4,188
Banking & Finance.....	393	358	3,121,985	209	182,402	147	105,420	117	395,545	1,086
Investment Brokers.....	179	161	1,998,808	115	10,095	51	45,218	34	55,670	691
Investors & Investor Groups.....	1,299	827	371,471	667	73,320	434	28,946	92	88,075	275
Insurance Services.....	2,013	1,897	451,250	1,488	62,886	441	177,209	217	67,535	2,094
REAL ESTATE AND RENTAL ¹	67,492	63,487	\$7,078,229	29,018	\$971,277	35,832	\$963,831	2,097	\$480,252	16,116
Real Estate Operators ¹	58,154	56,217	2,331,852	24,101	439,713	33,056	425,417	535	45,652	2,243
Real Estate Brokers.....	3,260	2,728	337,432	2,210	93,680	941	5,573	195	24,296	870
Real Estate Managers.....	805	740	383,363	562	25,228	171	7,332	167	86,034	2,441
Real Estate Appraisers.....	134	126	19,312	99	3,099	19	223	32	3,816	165
Real Estate Investors.....	2,904	2,013	1,867,746	1,410	368,329	1,046	468,066	277	148,113	3,017
Property Owner Associations.....	1,438	919	343,921	236	4,611	289	2,924	754	68,921	4,385
Motor Vehicle Rental.....	140	132	1,476,030	61	19,502	63	15,580	32	61,337	1,480
Videotape Rental.....	50	49	21,320	23	866	22	1,125	18	1,801	100
Other Consumer Goods Rental.....	122	116	86,562	71	1,510	43	21,692	20	20,359	216
Equipment Rental.....	423	389	193,061	206	11,477	168	15,340	60	19,350	1,116

¹ This report includes Schedule E rental proprietorships for the first time.

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
 BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
 (Dollar Amounts in Thousands)

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INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
BUSINESS SERVICES.....	19,740	18,284	\$6,801,834	13,792	\$582,658	4,901	\$408,502	3,136	\$1,267,421	67,443
Legal Services.....	1,562	1,434	543,723	1,120	146,807	309	5,282	486	119,627	4,008
Accounting & Bookkeeping.....	2,027	1,955	219,563	1,576	48,853	390	2,392	295	62,893	2,871
Architects.....	481	456	142,881	337	13,273	115	1,082	124	34,942	1,142
Landscape Architects.....	140	136	30,590	98	2,833	33	11,667	33	6,200	340
Engineering & Drafting.....	814	770	511,565	582	24,193	176	7,172	232	90,249	2,279
Surveying & Mapping.....	73	69	21,106	60	3,342	9	21	23	5,246	173
Testing Labs.....	24	24	7,581	17	292	5	72	10	1,924	113
Interior, Graphic & Other Design..	656	617	63,060	431	5,950	206	1,209	57	5,877	312
Computer Programming.....	1,341	1,212	445,064	784	27,334	482	15,502	199	106,703	2,229
Management & Consulting.....	1,782	1,561	347,887	1,224	36,286	455	11,914	186	69,098	2,513
Research & Development.....	142	119	77,320	85	9,613	50	9,031	28	26,244	815
Advertising & Public Relations.....	522	475	172,582	332	15,895	156	2,774	100	24,559	1,469
Market Research & Polling.....	77	71	7,958	43	584	23	108	12	2,693	807
Photographers.....	505	478	46,986	296	6,016	193	1,316	64	7,179	657
Translation Services.....	199	194	3,384	166	1,550	28	126	7	122	11
Veterinary Services.....	85	85	37,785	63	3,291	12	124	47	8,479	626
Other Professional Services.....	3,382	3,087	481,260	2,325	57,194	929	28,448	311	92,488	3,855
Holding Companies.....	337	228	1,448,329	130	65,040	131	279,432	111	203,855	778
Administrative Services.....	634	601	58,433	515	5,753	103	3,437	34	19,763	252
Employment Services.....	107	104	197,066	74	7,346	22	935	76	50,865	15,251
Secretarial Services.....	108	101	12,625	80	738	27	116	9	2,527	117
Mailing & Photocopy.....	76	68	22,319	45	811	28	296	18	4,533	396
Collection Agencies.....	31	28	10,482	16	618	11	295	16	3,562	250
Travel & Tour Agencies.....	935	859	1,203,108	524	43,688	294	10,106	227	143,514	8,632
Protective & Security Services.....	188	181	128,711	143	2,683	35	2,559	42	45,048	6,389
Pest Control.....	48	45	45,004	28	2,858	12	331	32	8,524	840
Janitorial & Maintenance.....	1,329	1,303	128,470	1,115	23,474	185	822	100	27,239	5,192
Yard Care & Tree Trimming.....	817	798	71,111	662	8,489	140	760	88	18,775	1,562
Carpet Cleaning.....	109	103	7,264	78	1,608	29	88	17	865	118
Waste Management.....	99	88	154,453	52	5,063	33	3,913	43	33,783	952

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
 BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
 (Dollar Amounts in Thousands)

Overview of Business Returns - 2000

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
EDUCATIONAL SERVICES.....	1,348	1,257	\$86,012	970	\$10,742	331	\$2,100	101	\$22,103	1,332
HEALTH & CARE SERVICES.....	6,346	6,122	\$1,897,745	4,531	\$214,799	1,290	\$41,545	1,677	\$517,390	19,006
Physicians.....	1,530	1,475	715,415	971	98,589	308	7,085	797	214,238	5,748
Dentists.....	679	670	276,845	452	42,103	103	2,436	482	65,039	3,955
Chiropractors.....	155	150	16,312	108	3,099	36	569	47	2,123	158
Optometrists.....	118	111	29,046	87	3,857	22	114	63	5,280	378
Psychologists.....	289	279	19,215	218	7,952	56	303	37	1,682	77
Physical Therapists.....	233	224	37,077	180	7,077	46	549	44	6,774	317
Medical & Dental Labs.....	98	92	130,389	65	4,362	28	818	29	38,046	326
Home Nursing Care.....	528	501	62,858	387	4,763	123	1,995	28	18,931	1,132
Nursing & Care Homes.....	441	432	144,822	309	10,551	119	5,664	7	46,379	2,546
Counseling.....	358	337	20,464	259	2,724	92	478	13	6,101	555
Child Care Services.....	879	861	10,568	743	3,633	111	553	9	691	45
ENTERTAINMENT AND HOSPITALITY.....	7,941	7,431	\$5,890,534	4,309	\$472,150	3,066	\$227,534	1,899	\$1,396,436	85,684
Entertainers.....	3,816	3,510	150,863	2,278	37,955	1,473	16,819	86	9,271	428
Amusement Parks & Centers.....	68	62	66,908	32	1,562	27	9,585	29	15,799	1,345
Other Recreational Activities.....	996	929	450,341	528	30,934	385	25,855	235	111,618	8,409
Transient Accommodations.....	569	514	3,115,382	260	311,128	254	131,023	130	820,395	24,482
Restaurants.....	932	900	1,058,685	419	44,001	350	29,465	690	243,172	29,989
Fast Food.....	839	817	789,032	439	38,021	319	8,691	452	146,708	16,442
Catering.....	444	428	179,754	267	6,109	152	3,611	88	38,409	2,459
Drinking Places.....	258	253	77,869	74	2,225	100	2,458	187	11,020	2,126

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-4 (Continued)

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY MAJOR INDUSTRY AND SELECTED DETAILED INDUSTRY CATEGORIES - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	
REPAIR SERVICES.....	3,662	3,549	\$550,331	2,637	\$42,176	890	\$17,604	497	\$66,815	4,085
Auto Care & Repair.....	1,340	1,295	238,025	892	17,858	374	3,680	296	32,803	2,197
Computer & Electronic Repair.....	266	258	27,945	189	2,336	65	750	27	6,374	311
Industrial Repair.....	344	336	170,588	232	5,453	94	11,279	83	13,243	640
Home Appliance Repair.....	358	352	15,896	279	3,500	76	242	19	3,553	193
Furniture Repair.....	90	87	8,786	61	1,079	24	313	17	1,112	95
PERSONAL SERVICES.....	8,114	7,680	\$547,875	6,012	\$81,918	1,898	\$25,076	441	\$79,443	7,259
Hair & Nail Care.....	1,506	1,488	88,260	1,226	14,340	242	4,228	137	16,729	1,230
Funeral Services.....	50	48	46,825	29	12,263	13	516	24	7,743	343
Laundromats.....	83	83	14,874	53	1,247	23	310	25	1,534	163
Laundry & Dry Cleaning.....	65	62	51,217	48	6,120	10	390	28	14,368	1,428
Animal Care Services.....	98	93	3,409	64	526	31	1,089	6	385	73
Photo Processing.....	83	80	12,711	42	957	33	368	21	1,718	157
Parking Lots.....	27	22	38,971	14	360	10	7,565	9	8,758	1,498
Organized Groups & Clubs.....	610	540	17,735	458	4,240	118	797	12	1,261	139
UNCLASSIFIED.....	8,360	7,634	\$202,385	5,577	\$47,875	2,715	\$13,837	122	\$11,949	809

NOTE: Detail may not add to totals because some detailed categories are not shown. A business with several lines of sales and services is classified under the primary line only.

TABLE 1-5

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY SIZE OF HAWAII BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

HAWAII BUSINESS RECEIPTS CLASS	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
			Number	Amount	Number	Amount	Number	Amount	
TOTAL.....	166,866	\$70,955,430	91,294	\$4,426,169	67,741	\$3,115,892	17,917	\$8,719,373	370,243
Under \$ 1,000	24,548	5,878	7,550	77,879	15,418	797,051	695	120,430	3,395
\$ 1,000 " 10,000	55,119	277,365	29,677	77,849	24,596	147,563	419	59,141	881
10,000 " 50,000	51,031	1,123,302	30,396	322,503	19,358	242,588	1,105	181,501	3,054
50,000 " 100,000	10,721	753,485	7,509	216,987	2,603	70,885	1,355	44,022	3,910
100,000 " 500,000	15,624	3,606,212	10,222	602,840	3,504	168,722	6,807	439,922	38,131
500,000 " 1 million	3,941	2,769,512	2,355	235,072	881	100,478	2,839	460,353	36,264
1 million " 5 million	4,283	9,147,549	2,568	594,416	999	330,654	3,366	1,440,824	103,924
5 million " 10 million	734	5,023,487	483	259,029	156	119,759	618	777,067	44,236
10 million and over	865	48,248,640	534	2,039,594	226	1,138,191	713	5,196,115	136,448

TABLE 1-6

DISTRIBUTION OF BUSINESSES, NET INCOME, BUSINESS RECEIPTS, AND WAGES PAID
BY SIZE OF NET PROFIT - 2000
(Dollar Amounts in Thousands)

SIZE OF NET PROFIT	NO. OF ENTITIES	NET INCOME	<u>BUSINESS RECEIPTS</u>		<u>WAGES PAID</u>		W-2 COUNT
			Number	Amount	Number	Amount	
TOTAL.....	166,866	\$1,310,277	155,446	\$70,955,430	17,917	\$8,719,373	370,243
No Net Profit	75,572	-3,115,892	65,761	27,759,231	8,382	3,343,271	154,500
Under \$ 25,000	74,218	432,982	72,936	4,099,036	3,770	428,950	37,204
\$ 25,000 " 100,000	12,564	608,200	12,341	5,353,233	3,369	646,704	50,701
100,000 " 500,000	3,684	716,558	3,599	7,375,563	1,873	958,543	54,205
500,000 " 1 million	407	283,277	394	3,836,550	246	367,307	15,654
1 million and over	421	2,385,151	415	22,531,818	277	2,974,598	57,979

Overview of Business Returns - 2000

TABLE 1-7

DISTRIBUTION OF BUSINESSES BY MAJOR INDUSTRY AND
BY SIZE OF HAWAII BUSINESS RECEIPTS - 2000

INDUSTRY GROUP	All	No Business Receipts	SIZE OF HAWAII BUSINESS RECEIPTS ¹					
			Under \$10k	\$10k< \$100k	\$100k< \$500k	\$500k< \$1 mill.	\$1 mill.< \$5 mill.	\$5 mill. & over
ALL INDUSTRIES.....	166,866	11,449	68,218	61,752	15,624	3,941	4,283	1,599
Agriculture & Fishing.....	8,391	1,084	4,459	2,268	410	103	58	9
Construction & Utilities.....	6,895	368	1,451	2,479	1,398	419	571	209
Manufacturing.....	2,689	143	942	887	389	115	150	63
Wholesale.....	4,956	283	1,370	1,191	853	348	592	319
Retail.....	13,221	1,135	6,043	2,679	1,835	558	717	254
Transportation.....	2,346	69	552	1,264	229	74	112	46
Information.....	1,459	164	536	355	195	67	90	52
Finance & Insurance.....	3,906	643	1,341	1,169	491	93	106	63
Real Estate & Rental.....	67,492	4,006	27,361	31,518	3,415	540	512	140
Business Services.....	19,740	1,456	7,969	6,429	2,465	557	635	229
Education.....	1,348	91	818	337	75	14	10	3
Health & Care Services.....	6,346	224	1,847	2,227	1,382	452	171	43
Entertainment & Hospitality.....	7,941	510	2,966	2,141	1,344	409	425	146
Repair Services.....	3,662	113	1,462	1,376	524	111	68	8
Personal & Other Services.....	8,114	434	4,037	3,137	381	63	48	14
Unclassified.....	8,360	726	5,064	2,295	238	18	18	1
PERCENT BY INDUSTRY	100.0%	6.9%	40.9%	37.0%	9.4%	2.4%	2.6%	1.0%
Agriculture & Fishing.....	100.0%	12.9%	53.1%	27.0%	4.9%	1.2%	0.7%	0.1%
Construction & Utilities.....	100.0%	5.3%	21.0%	36.0%	20.3%	6.1%	8.3%	3.0%
Manufacturing.....	100.0%	5.3%	35.0%	33.0%	14.5%	4.3%	5.6%	2.3%
Wholesale.....	100.0%	5.7%	27.6%	24.0%	17.2%	7.0%	11.9%	6.4%
Retail.....	100.0%	8.6%	45.7%	20.3%	13.9%	4.2%	5.4%	1.9%
Transportation.....	100.0%	2.9%	23.5%	53.9%	9.8%	3.2%	4.8%	2.0%
Information.....	100.0%	11.2%	36.7%	24.3%	13.4%	4.6%	6.2%	3.6%
Finance & Insurance.....	100.0%	16.5%	34.3%	29.9%	12.6%	2.4%	2.7%	1.6%
Real Estate & Rental.....	100.0%	5.9%	40.5%	46.7%	5.1%	0.8%	0.8%	0.2%
Business Services.....	100.0%	7.4%	40.4%	32.6%	12.5%	2.8%	3.2%	1.2%
Education.....	100.0%	6.8%	60.7%	25.0%	5.6%	1.0%	0.7%	0.2%
Health & Care Services.....	100.0%	3.5%	29.1%	35.1%	21.8%	7.1%	2.7%	0.7%
Entertainment & Hospitality.....	100.0%	6.4%	37.4%	27.0%	16.9%	5.2%	5.4%	1.8%
Repair Services.....	100.0%	3.1%	39.9%	37.6%	14.3%	3.0%	1.9%	0.2%
Personal & Other Services.....	100.0%	5.3%	49.8%	38.7%	4.7%	0.8%	0.6%	0.2%
Unclassified.....	100.0%	8.7%	60.6%	27.5%	2.8%	0.2%	0.2%	0.0%

¹The letter "k" represents \$1,000; thus \$10k means \$10,000.

Overview of Business Returns - 2000

TABLE 1-8

DISTRIBUTION OF BUSINESSES BY SIZE OF NET PROFIT AND BY MAJOR INDUSTRY - 2000

INDUSTRY GROUP	All	No Net Profit	SIZE OF NET PROFIT ¹			
			Under \$25k	\$25k < \$100k	\$100k < \$500k	\$500k & over
ALL INDUSTRIES.....	166,866	75,572	74,218	12,564	3,684	828
Aariculture & Fishina.....	8,391	4,571	3,460	293	58	9
Construction & Utilities.....	6,895	2,026	3,294	1,205	306	64
Manufacturina.....	2,689	1,036	1,282	266	77	28
Wholesale.....	4,956	2,123	1,890	608	242	93
Retail.....	13,221	6,874	5,000	975	289	83
Transportation.....	2,346	598	1,523	164	46	15
Information.....	1,459	773	487	127	47	25
Finance & Insurance.....	3,906	1,414	1,635	567	243	47
Real Estate & Rental.....	67,492	38,474	24,748	3,204	860	206
Business Services.....	19,740	5,948	10,571	2,441	652	128
Education.....	1,348	378	895	62	12	1
Health & Care Services.....	6,346	1,815	3,080	884	533	34
Entertainment & Hospitalitv.....	7,941	3,632	3,413	626	194	76
Repair Services.....	3,662	1,025	2,231	365	37	4
Personal & Other Services.....	8,114	2,102	5,487	470	45	10
Unclassified.....	8,360	2,783	5,222	307	43	5
PERCENT BY INDUSTRY	100.0%	45.3%	44.5%	7.5%	2.2%	0.5%
Aariculture & Fishina.....	100.0%	54.5%	41.2%	3.5%	0.7%	0.1%
Construction & Utilities.....	100.0%	29.4%	47.8%	17.5%	4.4%	0.9%
Manufacturina.....	100.0%	38.5%	47.7%	9.9%	2.9%	1.0%
Wholesale.....	100.0%	42.8%	38.1%	12.3%	4.9%	1.9%
Retail.....	100.0%	52.0%	37.8%	7.4%	2.2%	0.6%
Transportation.....	100.0%	25.5%	64.9%	7.0%	2.0%	0.6%
Information.....	100.0%	53.0%	33.4%	8.7%	3.2%	1.7%
Finance & Insurance.....	100.0%	36.2%	41.9%	14.5%	6.2%	1.2%
Real Estate & Rental.....	100.0%	57.0%	36.7%	4.7%	1.3%	0.3%
Business Services.....	100.0%	30.1%	53.6%	12.4%	3.3%	0.6%
Education.....	100.0%	28.0%	66.4%	4.6%	0.9%	0.1%
Health & Care Services.....	100.0%	28.6%	48.5%	13.9%	8.4%	0.5%
Entertainment & Hospitality....	100.0%	45.7%	43.0%	7.9%	2.4%	1.0%
Repair Services.....	100.0%	28.0%	60.9%	10.0%	1.0%	0.1%
Personal & Other Services.....	100.0%	25.9%	67.6%	5.8%	0.6%	0.1%
Unclassified.....	100.0%	33.3%	62.5%	3.7%	0.5%	0.1%

¹ The letter "k" represents \$1,000: thus \$25k means \$25,000.

Overview of Business Returns - 2000

TABLE 1-9

DISTRIBUTION OF BUSINESSES BY NUMBER OF
W-2 FORMS AND BY MAJOR INDUSTRY - 2000

INDUSTRY GROUP	NUMBER OF W-2 FORMS						Total with W-2	No W-2	Grand Total
	1-4	5-9	10-19	20-49	50-99	100 or more			
ALL INDUSTRIES.....	6,289	2,999	2,368	1,896	688	596	14,836	152,030	166,866
Aariculture & Fishina.....	106	57	60	51	14	10	298	8,093	8,391
Construction & Utilities.....	644	337	318	271	95	51	1,716	5,179	6,895
Manufacturina.....	158	89	86	85	27	22	467	2,222	2,689
Wholesale.....	444	244	175	178	63	31	1,135	3,821	4,956
Retail.....	639	406	371	330	105	94	1,945	11,276	13,221
Transportation.....	86	52	52	57	28	23	298	2,048	2,346
Information.....	97	24	34	27	10	17	209	1,250	1,459
Finance & Insurance.....	199	74	32	19	9	10	343	3,563	3,906
Real Estate & Rental.....	1,040	275	187	102	29	19	1,652	65,840	67,492
Business Services.....	1,289	477	361	264	93	112	2,596	17,144	19,740
Education.....	36	9	14	13	2	2	76	1,272	1,348
Health & Care Services.....	689	481	226	66	16	26	1,504	4,842	6,346
Entertainment & Hospitality.....	380	277	307	356	184	157	1,661	6,280	7,941
Repair Services.....	222	112	71	34	3	4	446	3,216	3,662
Personal & Other Services.....	191	72	57	34	10	17	381	7,733	8,114
Unclassified.....	69	13	17	9	0	1	109	8,251	8,360
PERCENT BY INDUSTRY	3.8%	1.8%	1.4%	1.1%	0.4%	0.4%	8.9%	91.1%	100.0%
Aariculture & Fishina.....	1.3%	0.7%	0.7%	0.6%	0.2%	0.1%	3.6%	96.4%	100.0%
Construction & Utilities.....	9.3%	4.9%	4.6%	3.9%	1.4%	0.7%	24.9%	75.1%	100.0%
Manufacturina.....	5.9%	3.3%	3.2%	3.2%	1.0%	0.8%	17.4%	82.6%	100.0%
Wholesale.....	9.0%	4.9%	3.5%	3.6%	1.3%	0.6%	22.9%	77.1%	100.0%
Retail.....	4.8%	3.1%	2.8%	2.5%	0.8%	0.7%	14.7%	85.3%	100.0%
Transportation.....	3.7%	2.2%	2.2%	2.4%	1.2%	1.0%	12.7%	87.3%	100.0%
Information.....	6.6%	1.6%	2.3%	1.9%	0.7%	1.2%	14.3%	85.7%	100.0%
Finance & Insurance.....	5.1%	1.9%	0.8%	0.5%	0.2%	0.3%	8.8%	91.2%	100.0%
Real Estate & Rental.....	1.5%	0.4%	0.3%	0.2%	0.0%	0.0%	2.4%	97.6%	100.0%
Business Services.....	6.5%	2.4%	1.8%	1.3%	0.5%	0.6%	13.2%	86.8%	100.0%
Education.....	2.7%	0.7%	1.0%	1.0%	0.1%	0.1%	5.6%	94.4%	100.0%
Health & Care Services.....	10.9%	7.6%	3.6%	1.0%	0.3%	0.4%	23.7%	76.3%	100.0%
Entertainment & Hospitality.....	4.8%	3.5%	3.9%	4.5%	2.3%	2.0%	20.9%	79.1%	100.0%
Repair Services.....	6.1%	3.1%	1.9%	0.9%	0.1%	0.1%	12.2%	87.8%	100.0%
Personal & Other Services.....	2.4%	0.9%	0.7%	0.4%	0.1%	0.2%	4.7%	95.3%	100.0%
Unclassified.....	0.8%	0.2%	0.2%	0.1%	0.0%	0.0%	1.3%	98.7%	100.0%

TABLE 1-10

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY TAXATION DISTRICT - 2000
(Dollar Amounts in Thousands)

TAXATION DISTRICT	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
			Number	Amount	Number	Amount	Number	Amount	
ALL DISTRICTS.....	166,866	\$70,955,430	91,294	\$4,426,169	67,741	\$3,115,892	17,917	\$8,719,373	370,243
First.....	115,376	61,332,879	61,975	3,685,792	47,358	2,332,502	12,966	7,597,513	294,841
Second.....	20,121	3,330,625	11,321	304,165	8,033	107,116	1,941	525,576	33,383
Third.....	22,371	5,169,054	12,973	321,754	8,642	635,599	2,216	465,780	30,839
Fourth.....	8,998	1,122,873	5,025	114,458	3,708	40,674	794	130,504	11,180
PERCENT BY DISTRICT....	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
First.....	69.1%	86.4%	67.9%	83.3%	69.9%	74.9%	72.4%	87.1%	79.6%
Second.....	12.1%	4.7%	12.4%	6.9%	11.9%	3.4%	10.8%	6.0%	9.0%
Third.....	13.4%	7.3%	14.2%	7.3%	12.8%	20.4%	12.4%	5.3%	8.3%
Fourth.....	5.4%	1.6%	5.5%	2.6%	5.5%	1.3%	4.4%	1.5%	3.0%

Section 2

CORPORATIONS

This section presents information on corporations that are either directly or indirectly taxable under Chapter 235 of the Hawaii Revised Statutes (HRS). Those that are directly taxable are called C corporations and file their income tax returns on Form N-30. C corporations pay direct taxes at the following rates on Form N-30: 4.4% on ordinary income up to \$25,000, 5.4% on the excess over \$25,000 but not over \$100,000, and 6.4% on the excess over \$100,000. Net capital gains are taxed at 4%.

Corporations that are indirectly taxable are called S corporations and file their returns on Form N-35. Most income and losses from S corporations are passed through to their shareholders to be taxed on their individual income tax returns. S corporations do pay a direct tax on excess passive income and certain capital gains.

To qualify as an S corporation, a business entity must have no more than 75 shareholders, all of whom have to be individuals, estates, or certain trusts. Individual shareholders cannot be nonresident aliens. Partnerships and corporations cannot be shareholders.

Banks and other financial corporations are exempt from Chapter 235 but are taxable under Chapter 241, HRS. They are covered in Section 3 of this report. Insurance underwriters are also exempt from Chapter 235 but are taxable under Chapter 431, HRS. Since their tax returns are filed with the Department of Commerce and Consumer Affairs and are not directly accessible to the Department of Taxation, they are excluded from this report. Insurance agencies, on the other hand, are subject to taxation under Chapter 235 and are included in this report.

In prior editions of this report, a distinction was made between domestic corporations, those incorporated in Hawaii, and foreign corporations, those incorporated elsewhere. Up to and including the report for tax year 1995, research staff manually checked the location of incorporation before assigning a corporation as domestic or foreign. After 1995, staff limitations no longer allowed this manual check. For the 1998 report, a corporation was classified as domestic if it did not file Schedules O and P, which are the schedules used by corporations to allocate income to Hawaii if they have economic activity both in Hawaii and elsewhere. As more corporations originally incorporated in Hawaii expand operations outside of Hawaii, they use Schedules O and P to allocate income. With this trend, a convention of equating domestic corporations with the absence of Schedules O and P becomes less useful. Therefore, this 2000 report dispenses with the terms "foreign" and "domestic" and, instead, uses the term "non-apportioned" to refer to corporations not using Schedules O and P.

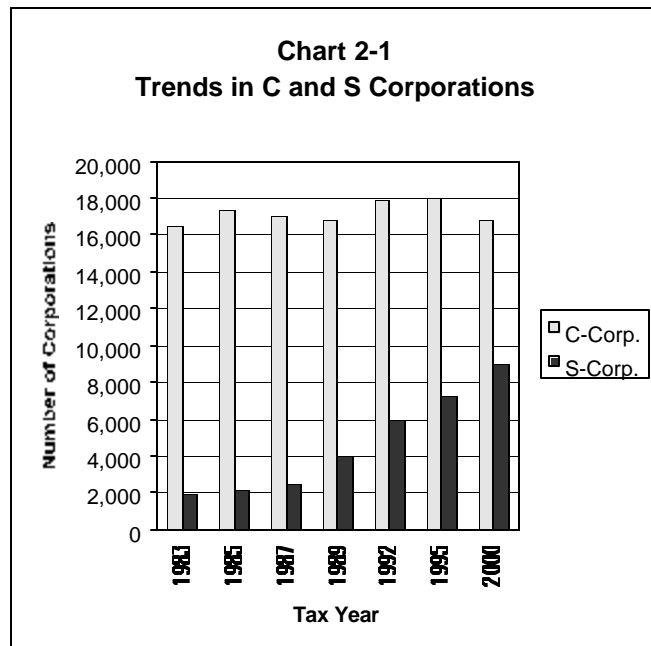
Corporations - 2000

Active Chapter 235 corporations numbered 25,805 for 2000, which was a 2% increase over the 1995 total of 25,293. Comparison is not made with the 1998 total of 29,612 because that total included inactive corporations. From 1998 to 2000, Hawaii business receipts of Chapter 235 corporations increased 14% from \$46.9 billion to \$53.6 billion. Net profits decreased 24% from \$2.69 billion to \$2.05 billion.

Net losses amounted to \$1.9 billion for 2000, of which \$1.4 billion was attributable to C corporations and \$428 million was attributable to S corporations. The total for C corporations was adjusted to reduce the effect of unusable accumulated net operating losses, which was the practice used in the 1995 and earlier editions of this report. Accumulated net operating losses are not usable if the corporation has a current year loss. For 1998, net losses amounted to \$2.9 billion for C corporations and \$496 million for S corporations. Since the 1998 net loss amount for C corporations included unusable accumulated net operating losses, a direct comparison is not possible. The \$1.4 billion 2000 loss is more directly comparable with the 1995 C corporation net loss total of \$1.8 billion.

C corporations are directly taxable on any net income they may have. For 2000, a total of 5,799 C corporations, or 34% of all C corporations, incurred income tax liability. These corporations paid \$85 million in income taxes. S corporations, on the other hand, pass most income and losses through to their shareholders. They pay direct taxes only on excess passive income and certain capital gains. For 2000, only 1%, or 92 of 8,945 S corporations, were liable for these direct taxes, which amounted to \$0.3 million.

In 1987, the Hawaii legislature adopted Act 239, which removed the requirement that all S corporation shareholders be Hawaii residents and which allowed all new federal S corporations to automatically become Hawaii S corporations. As Chart 2-1 shows, S corporations have grown quite impressively in number since then, while the number of C corporations has remained relatively unchanged. It is apparent that most new corporations have chosen to incorporate as S corporations to take advantage of the income pass-through feature.



Section 2
Corporations
Statistical Tables

Detail in tables may not add up to totals due to rounding

Corporations - 2000

TABLE 2-1

DISTRIBUTION OF CORPORATION RETURNS
BY TAXATION DISTRICT AND BY INDUSTRY - 2000

INDUSTRY	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
"C" CORPORATIONS.....	16,860	13,420	1,392	1,612	436
Agriculture & Fishing.....	306	158	23	111	14
Construction & Utilities.....	1,226	919	115	144	48
Manufacturing.....	443	324	43	67	9
Wholesale.....	1,608	1,426	59	105	18
Retail.....	1,659	1,230	169	214	46
Transportation.....	322	242	30	38	12
Information.....	401	350	14	27	10
Finance & Insurance.....	687	614	21	43	9
Real Estate & Rental.....	4,408	3,526	445	316	121
Business Services.....	2,725	2,309	157	203	56
Education.....	110	96	6	7	1
Health & Care Services.....	1,012	819	76	97	20
Entertainment & Hospitality.....	1,199	857	158	142	42
Repair Services.....	307	245	22	32	8
Personal & Other Services.....	367	275	35	42	15
Unclassified.....	80	30	19	24	7
"S" CORPORATIONS.....	8,945	6,111	1,280	1,084	470
Agriculture & Fishing.....	338	138	44	140	16
Construction & Utilities.....	822	512	146	99	65
Manufacturing.....	250	158	39	40	13
Wholesale.....	651	537	63	43	8
Retail.....	1,000	662	175	108	55
Transportation.....	177	104	33	34	6
Information.....	178	135	21	17	5
Finance & Insurance.....	283	242	17	19	5
Real Estate & Rental.....	1,248	908	144	113	83
Business Services.....	1,886	1,375	239	189	83
Education.....	69	60	3	5	1
Health & Care Services.....	450	285	70	66	29
Entertainment & Hospitality.....	1,082	680	186	134	82
Repair Services.....	223	159	30	26	8
Personal & Other Services.....	239	146	48	38	7
Unclassified.....	49	10	22	13	4

TABLE 2-2

DISTRIBUTION OF CORPORATION RETURNS BY TAXATION DISTRICT
AND SIZE OF HAWAII BUSINESS RECEIPTS - 2000

SIZE OF HAWAII BUSINESS RECEIPTS	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
"C" CORPORATIONS.....	16,860	13,420	1,392	1,612	436
Under \$ 1,000	2,375	1,949	165	206	55
\$ 1,000 " 10,000	1,064	851	77	107	29
10,000 " 50,000	1,988	1,600	156	178	54
50,000 " 100,000	1,329	1,051	118	131	29
100,000 " 500,000	4,497	3,481	434	457	125
500,000 " 1 million	1,954	1,502	185	216	51
1 million " 5 million	2,590	2,059	207	253	71
5 million " 10 million	477	408	23	32	14
10 million and over	586	519	27	32	8
"S" CORPORATIONS.....	8,945	6,111	1,280	1,084	470
Under \$ 1,000	881	630	108	103	40
\$ 1,000 " 10,000	581	415	72	63	31
10,000 " 50,000	1,281	874	157	188	62
50,000 " 100,000	974	633	155	132	54
100,000 " 500,000	2,977	1,975	465	369	168
500,000 " 1 million	984	651	165	111	57
1 million " 5 million	975	704	130	89	52
5 million " 10 million	155	118	17	16	4
10 million and over	137	111	11	13	2

TABLE 2-3

NUMBER OF BUSINESSES AND HAWAII GROSS RECEIPTS
BY MAJOR INDUSTRY AND CORPORATE RETURN TYPE - 2000
(Dollar Amounts in Thousands)

INDUSTRY GROUP	All Corporations		Non-AppORTioned "C"		AppORTioned "C"		Non-AppORTioned "S"		AppORTioned "S"	
	No. of Entities	Business Receipts	No. of Entities	Business Receipts	No. of Entities	Business Receipts	No. of Entities	Business Receipts	No. of Entities	Business Receipts
34 ALL INDUSTRIES.....	25,805	\$56,603,690	13,718	\$22,119,851	3,142	\$25,568,693	8,426	\$7,502,643	519	\$1,412,503
Aariculture & Fishina.....	644	277,704	292	176,708	14	14,541	335	80,359	3	6,096
Construction & Utilities.....	2,048	6,619,873	1,060	3,592,864	166	1,284,339	757	1,229,007	65	513,662
Manufacturing.....	693	2,857,124	342	635,610	101	1,853,254	240	272,057	10	96,204
Wholesale.....	2,259	10,939,127	889	3,579,621	719	6,182,483	577	933,986	74	243,037
Retail.....	2,659	11,976,575	1,459	4,875,627	200	5,264,322	968	1,750,521	32	86,104
Transportation.....	499	2,555,873	253	1,261,847	69	1,058,532	165	149,790	12	85,704
Information.....	579	1,895,024	151	712,782	250	1,083,222	150	77,189	28	21,831
Finance & Insurance.....	970	3,188,922	447	352,640	240	2,564,906	257	267,770	26	3,605
Real Estate & Rental.....	5,656	4,110,576	4,038	1,501,057	370	2,056,788	1,220	524,526	28	28,206
Business Services.....	4,611	5,689,064	1,936	2,403,474	789	1,998,635	1,704	1,042,310	182	244,645
Education.....	179	72,144	85	29,409	25	17,259	59	9,410	10	16,066
Health & Care Services.....	1,462	1,357,235	974	976,432	38	154,699	444	204,595	6	21,510
Entertainment & Hospitalitv...	2,281	4,281,072	1,105	1,562,037	94	1,889,843	1,048	790,880	34	38,311
Repair Services.....	530	339,276	279	182,096	28	60,704	220	94,494	3	1,983
Personal & Other Services....	606	388,713	335	241,326	32	79,361	233	62,487	6	5,540
Unclassified.....	129	55,389	73	36,323	7	5,803	49	13,263	0	0

TABLE 2-4

NUMBER OF BUSINESSES AND NET INCOME
BY SIZE OF NET PROFIT AND CORPORATE RETURN TYPE - 2000
(Dollar Amounts in Thousands)

SIZE OF NET PROFIT	All Corporations		Non-AppORTioned "C"		AppORTioned "C"		Non-AppORTioned "S"		AppORTioned "S"	
	No. of Entities	Net Income	No. of Entities	Net Income	No. of Entities	Net Income	No. of Entities	Net Income	No. of Entities	Net Income
TOTAL.....	25,805	\$184,058	13,718	(\$168,587)	3,142	\$241,382	8,426	\$76,709	519	\$34,554
No Net Profit	14,118	(1,866,854)	9,332	(846,333)	1,588	(592,061)	3,077	(420,787)	121	(7,673)
Under \$25,000	6,153	50,643	2,523	19,675	876	4,966	2,502	24,608	252	1,394
\$25,000 " 100,000	3,488	181,010	1,206	61,694	271	14,662	1,936	100,521	75	4,134
100,000 " 500,000	1,556	316,014	495	100,049	241	55,645	764	147,614	56	12,706
500,000 " 1,000,000	240	168,154	83	59,097	62	42,639	86	60,206	9	6,212
1 million & over	250	1,335,091	79	437,231	104	715,531	61	164,548	6	17,780

TABLE 2-5
NUMBER OF BUSINESSES, HAWAII BUSINESS RECEIPTS, NET PROFIT, NET LOSS,
AND TAX LIABILITY FOR "C" CORPORATIONS BY INDUSTRY AND SIZE OF BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		TAX LIABILITY	
			Number	Amount	Number	Amount	Number	Amount
TOTAL.....	16,860	\$47,688,544	5,940	\$1,511,189	4,378	\$1,438,394	5,799	\$85,100
INDUSTRY								
Aariculture & Fishina.....	306	191,249	88	10,668	87	25,608	87	628
Construction & Utilities.....	1,226	4,877,203	467	108,937	277	96,675	463	6,673
Manufacturina.....	443	2,488,864	175	57,369	105	26,176	174	3,473
Wholesale.....	1,608	9,762,104	758	158,778	433	94,143	732	9,533
Retail.....	1,659	10,139,950	609	351,304	456	138,631	600	18,085
Transpoartation.....	322	2,320,379	118	48,908	76	57,201	115	3,007
Information.....	401	1,796,004	117	166,476	187	131,690	109	9,574
Finance & Insurance.....	687	2,917,546	306	40,486	164	82,595	281	2,124
Real Estate & Rental.....	4,408	3,557,844	1,257	147,272	1,104	371,838	1,234	8,278
Business Services.....	2,725	4,402,109	1,087	141,302	705	289,102	1,059	8,467
Education.....	110	46,668	46	3,156	25	724	44	175
Health & Care Services.....	1,012	1,131,131	296	15,888	258	23,170	294	886
Entertainment & Hospitality.....	1,199	3,451,880	337	229,115	347	94,671	330	12,420
Repair Services.....	307	242,800	117	6,367	70	1,742	117	356
Personal & Other Services.....	367	320,687	132	23,235	67	4,026	131	1,336
Unclassified.....	80	42,126	30	1,930	17	404	29	84
SIZE OF HAWAII BUSINESS RECEIPTS								
Under \$ 1,000	2,375	166	463	20,998	794	365,074	426	1,014
\$ 1,000 " 10,000	1,064	4,964	296	3,290	311	10,094	285	152
10,000 " 50,000	1,988	54,012	578	15,133	513	18,849	568	904
50,000 " 100,000	1,329	97,600	424	10,278	325	21,110	415	477
100,000 " 500,000	4,497	1,165,862	1,450	43,447	1,168	53,374	1,431	2,246
500,000 " 1 million	1,954	1,391,740	813	41,685	441	44,787	799	2,156
1 million " 5 million	2,590	5,677,289	1,306	183,373	570	207,090	1,280	10,259
5 million " 10 million	477	3,251,768	283	114,128	99	64,930	278	6,811
10 million and over	586	36,045,144	327	1,078,857	157	653,086	317	61,081

TABLE 2-6

NUMBER OF BUSINESSES, HAWAII BUSINESS RECEIPTS, NET PROFIT, NET LOSS,
AND TAX LIABILITY FOR "S" CORPORATIONS BY INDUSTRY AND SIZE OF BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		TAX LIABILITY	
			Number	Amount	Number	Amount	Number	Amount
TOTAL.....	8,945	\$8,915,146	5,747	\$539,723	3,180	\$428,460	94	\$343
INDUSTRY								
Agriculture & Fishing.....	338	86,455	136	7,969	200	14,678	s	s
Construction & Utilities.....	822	1,742,669	591	53,092	230	24,429	10	20
Manufacturing.....	250	368,261	166	24,484	83	4,853	s	s
Wholesale.....	651	1,177,023	421	54,417	228	12,456	14	51
Retail.....	1,000	1,836,625	624	103,641	375	13,969	7	88
Transportation.....	177	235,493	111	15,923	66	3,756	s	s
Information.....	178	99,020	103	7,803	73	5,397	s	s
Finance & Insurance.....	283	271,376	178	14,063	104	176,832	7	49
Real Estate & Rental.....	1,248	552,732	763	69,915	483	68,072	11	24
Business Services.....	1,886	1,286,955	1,324	101,420	557	51,774	27	73
Education.....	69	25,476	51	1,926	18	483	s	s
Health & Care Services.....	450	226,104	335	25,931	114	4,212	s	s
Entertainment & Hospitality.....	1,082	829,191	588	41,933	494	36,727	5	5
Repair Services.....	223	96,476	159	7,425	64	1,819	s	s
Personal & Other Services.....	239	68,026	166	7,103	73	8,672	s	s
Unclassified.....	49	13,263	31	2,678	18	330	s	s
SIZE OF HAWAII BUSINESS RECEIPTS								
Under \$ 1,000	881	75	247	14,709	633	214,446	4	26
\$ 1,000 " 10,000	581	2,845	210	824	364	6,002	7	1
10,000 " 50,000	1,281	35,782	717	9,323	558	30,831	12	11
50,000 " 100,000	974	70,765	691	15,095	283	9,718	10	6
100,000 " 500,000	2,977	748,987	2,170	93,321	806	45,476	25	64
500,000 " 1 million	984	693,893	736	57,288	246	16,305	10	22
1 million " 5 million	975	2,007,196	732	129,500	242	41,885	15	60
5 million " 10 million	155	1,068,141	131	49,764	24	11,102	5	85
10 million and over	137	4,287,462	113	169,899	24	52,695	6	68

s = tax liability detail suppressed to protect taxpayer confidentiality

TABLE 2-7
 ADDITIONAL SOURCES OF INCOME FOR NON-APPORTIONED "C" CORPORATIONS
 BY INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	INTEREST		GROSS RENTS		CAPITAL GAIN/LOSS		D-1 GAIN/LOSS		DIVIDENDS ¹	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	8,165	\$515,499	1,773	\$247,255	1,210	\$352,198	2,423	(\$327,084)	1,470	\$162,312
Agriculture & Fishing.....	159	1,775	45	3,855	34	3,355	54	(746)	43	323
Construction & Utilities.....	669	301,134	150	19,939	120	5,868	242	3,928	132	124,951
Manufacturing.....	166	5,941	41	2,028	25	4,413	64	4,857	34	723
Wholesale.....	481	15,224	86	5,558	77	2,320	192	10,595	100	1,508
Retail.....	761	17,252	154	17,685	129	209,666	271	(5,273)	166	1,669
Transportation.....	123	7,934	32	2,822	19	8,237	66	3,039	24	145
Information.....	60	1,320	6	8,852	13	12,244	30	857	8	163
Finance & Insurance.....	295	26,439	44	24,807	82	5,627	104	2,461	112	24,111
Real Estate & Rental.....	2,958	72,183	800	93,389	399	71,536	533	(172,755)	335	3,486
Business Services.....	1,106	34,939	148	14,497	138	7,467	383	(153,657)	250	3,463
Education.....	29	132	3	36	4	1,471	7	119	6	14
Health & Care Services.....	599	3,299	81	2,553	57	2,515	190	175	140	658
Entertainment & Hospitality....	410	23,996	114	41,925	64	7,532	196	(20,312)	60	544
Repair Services.....	154	432	33	1,179	15	425	39	167	27	87
Personal & Other Services.....	167	3,151	32	7,165	26	6,699	43	(1,268)	29	345
Unclassified.....	28	348	4	963	8	2,823	9	728	4	123

¹ Data on dividends not available on 13% of returns due to lack of federal return information.

TABLE 2-8
 ADDITIONAL SOURCES OF INCOME FOR NON-APPORTIONED "S" CORPORATIONS
 BY INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	INTEREST ¹		D-1 GAIN/LOSS		MISC. INCOME/LOSS	
	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	2,439	\$3,938,901	442	\$6,704	2,055	\$92,232
Agriculture & Fishing.....	75	39,907	14	1,310	105	3,725
Construction & Utilities.....	240	263,766	58	984	172	5,828
Manufacturing.....	59	31,390	20	286	59	500
Wholesale.....	165	96,840	38	169	159	4,778
Retail.....	244	445,358	57	449	259	27,081
Transportation.....	48	21,024	21	343	36	1,677
Information.....	44	30,541	8	1,157	41	507
Finance & Insurance.....	100	808,690	11	195	91	831
Real Estate & Rental.....	519	985,306	47	450	278	8,627
Business Services.....	469	906,631	79	1,345	416	13,101
Education.....	11	801	2	5	12	579
Health & Care Services.....	125	31,239	10	76	118	3,838
Entertainment & Hospitality.....	243	240,252	53	(114)	220	24,841
Repair Services.....	42	15,902	12	35	38	586
Personal & Other Services.....	47	19,935	12	15	39	(5,918)
Unclassified.....	8	1,320	0	0	12	1,652

¹ Data on interest income not available on 15% of returns due to lack of federal return information.

TABLE 2-9

WAGES PAID AND NUMBER OF W-2 FORMS
BY INDUSTRY - 2000
(Dollar Amounts in Thousands)

INDUSTRY	ALL CORPORATIONS			"C" CORPORATIONS			"S" CORPORATIONS		
	WAGES PAID		W-2	WAGES PAID		W-2	WAGES PAID		W-2
	Number	Amount	COUNT	Number	Amount	COUNT	Number	Amount	COUNT
TOTAL.....	13,996	\$7,451,002	315,794	9,876	\$6,189,238	236,666	4,120	\$1,261,764	79,128
Agriculture & Fishing.....	272	68,139	5,248	171	52,488	3,891	101	15,650	1,357
Construction & Utilities.....	1,466	651,353	30,558	953	424,649	21,189	513	226,704	9,369
Manufacturing.....	478	484,236	9,576	338	439,091	7,209	140	45,145	2,367
Wholesale.....	1,272	548,668	19,064	979	458,178	14,764	293	90,490	4,300
Retail.....	1,868	1,256,166	65,416	1,302	1,064,401	52,927	566	191,765	12,489
Transportation.....	312	605,435	13,360	232	532,537	11,664	80	72,897	1,696
Information.....	252	350,711	4,964	180	333,326	4,221	72	17,385	743
Finance & Insurance.....	263	238,527	2,778	212	215,589	2,049	51	22,938	729
Real Estate & Rental.....	1,764	428,676	13,780	1,494	361,835	10,332	270	66,841	3,448
Business Services.....	2,539	1,147,551	60,868	1,709	919,860	47,791	830	227,690	13,077
Education.....	97	21,798	1,291	59	11,764	524	38	10,034	767
Health & Care Services.....	1,127	456,860	14,984	849	385,414	11,730	278	71,446	3,254
Entertainment & Hospitality.....	1,548	1,053,606	63,582	914	888,766	40,692	634	164,840	22,890
Repair Services.....	372	59,320	3,512	242	36,130	2,093	130	23,190	1,419
Personal & Other Services.....	323	71,950	6,355	211	58,897	5,232	112	13,053	1,123
Unclassified.....	43	8,006	458	31	6,313	358	12	1,694	100

TABLE 2-10

SELECTED EXPENSES OF NON-APPORTIONED "C" CORPORATIONS¹
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	NO. OF ENTITIES	RETURNS AND ALLOWANCES		COST OF GOODS SOLD		OFFICERS' COMPENSATION ²		REPAIRS ²	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	13,666	854	\$73,081	5,791	\$12,127,974	5,728	\$780,477	7,160	\$232,021
Agriculture & Fishing.....	292	13	756	139	60,643	116	9,380	186	3,948
Construction & Utilities.....	1,059	29	265	869	2,527,294	670	98,695	589	22,079
Manufacturing.....	342	64	19,015	299	390,895	192	22,564	222	4,219
Wholesale.....	887	138	11,878	775	2,806,735	517	63,923	496	8,764
Retail.....	1,457	209	17,853	1,347	3,239,742	869	85,804	977	29,911
Transportation.....	251	17	933	83	699,981	127	17,672	153	37,263
Information.....	150	10	457	75	332,752	56	5,813	73	612
Finance & Insurance.....	437	5	1,218	27	58,898	101	25,927	115	5,982
Real Estate & Rental.....	4,013	20	3,421	192	377,624	464	55,360	1,687	71,608
Business Services.....	1,930	80	5,678	574	960,241	973	169,371	881	17,281
Education.....	85	12	1,051	24	1,595	31	3,595	37	125
Health & Care Services.....	972	141	4,329	102	34,395	709	158,905	586	8,491
Entertainment & Hospitality.....	1,104	60	1,732	887	435,353	560	37,494	788	18,497
Repair Services.....	279	27	99	237	86,377	198	15,213	190	972
Personal & Other Services.....	335	26	3,259	135	106,203	126	8,992	152	1,917
Unclassified.....	73	3	1,136	26	9,244	19	1,770	28	353

¹ Excludes returns using separate accounting and returns using apportionment formulas.

² Data in these categories excludes approximately 13% of returns due to lack of matching federal information.

TABLE 2-10 (Continued)

SELECTED EXPENSES OF NON-APPORTIONED "C" CORPORATIONS¹
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	BAD DEBTS ²		TAXES PAID ²		INTEREST EXPENSE ²		CONTRIBUTIONS ²		DEPRECIATION ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	1,000	\$55,839	10,516	\$729,816	5,752	\$669,078	1,934	\$6,229	8,275	\$500,587
Agriculture & Fishing.....	11	306	222	7,452	155	6,705	42	46	223	14,424
Construction & Utilities.....	118	16,948	899	159,753	664	327,540	237	954	801	123,008
Manufacturing.....	51	1,141	279	14,008	190	12,589	83	410	259	9,913
Wholesale.....	151	2,553	749	35,707	493	15,640	205	375	647	16,300
Retail.....	223	3,380	1,245	146,599	804	45,000	298	1,355	1,108	65,092
Transportation.....	31	1,911	202	27,483	150	16,562	45	49	189	29,821
Information.....	22	438	104	4,086	70	3,676	18	45	95	4,429
Finance & Insurance.....	27	16,329	265	18,266	109	45,017	49	568	164	16,959
Real Estate & Rental.....	141	4,956	2,757	73,616	990	82,265	219	982	1,504	72,094
Business Services.....	98	5,019	1,478	88,569	835	40,566	329	816	1,230	55,399
Education.....	4	33	63	1,823	31	151	18	17	46	403
Health & Care Services.....	14	33	808	53,759	474	5,611	130	97	748	15,985
Entertainment & Hospitalitv...	62	2,229	898	79,542	483	62,582	148	257	815	67,366
Repair Services.....	22	56	245	9,124	167	1,922	58	37	223	3,508
Personal & Other Services....	18	409	255	9,058	119	2,742	39	198	191	5,279
Unclassified.....	7	97	47	973	18	511	16	22	32	607

¹ Excludes returns using separate accounting and returns using apportionment formulas.

² Data in these categories excludes approximately 13% of returns due to lack of matching federal information.

TABLE 2-10 (Continued)

SELECTED EXPENSES OF NON-APPORTIONED "C" CORPORATIONS¹
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	PENSIONS ²		EMPLOYEE BENEFITS ²		RENTAL EXPENSE ²		ADVERTISING ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	1,862	\$94,988	4,725	\$211,674	6,200	\$630,344	4,699	\$161,484
Agriculture & Fishing.....	32	1,597	111	3,198	117	4,855	76	1,025
Construction & Utilities.....	233	8,692	503	35,456	579	37,849	450	3,824
Manufacturing.....	49	3,597	180	5,756	200	11,513	165	15,734
Wholesale.....	169	6,338	392	11,349	512	32,061	404	5,716
Retail.....	208	14,830	736	45,223	1,000	250,703	823	51,175
Transportation.....	28	7,950	113	21,524	144	59,281	105	16,424
Information.....	14	218	44	1,082	73	4,239	58	1,130
Finance & Insurance.....	35	2,067	96	9,698	113	29,332	81	3,643
Real Estate & Rental.....	119	3,168	484	16,570	734	28,482	570	8,778
Business Services.....	413	18,360	764	26,712	962	54,869	678	21,298
Education.....	5	224	26	324	51	2,118	41	527
Health & Care Services.....	429	24,824	550	13,011	633	32,541	396	3,738
Entertainment & Hospitality...	57	1,711	474	16,386	714	65,573	574	22,157
Repair Services.....	53	890	142	2,738	182	8,533	135	1,172
Personal & Other Services....	16	431	97	2,185	162	7,134	125	4,253
Unclassified.....	2	92	13	461	24	1,262	18	890

¹ Excludes returns using separate accounting and returns using apportionment formulas.

² Data in these categories excludes approximately 13% of returns due to lack of matching federal information.

TABLE 2-11

SELECTED EXPENSES OF NON-APPORTIONED "S" CORPORATIONS¹
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	RETURNS & ALLOWANCES		COST OF GOODS SOLD		BAD DEBTS ²		INTEREST EXPENSE ²		COMPENSATION OF OFFICERS ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	653	\$26,488	4,422	\$4,269,454	457	\$17,113	3,374	\$78,599	6,729	\$2,854,870
Agriculture & Fishing.....	5	33	134	30,379	5	43	115	3,999	275	54,411
Construction & Utilities.....	35	326	619	965,062	41	538	407	4,899	638	201,500
Manufacturing.....	32	5,407	205	153,631	31	543	116	1,968	208	78,511
Wholesale.....	85	3,003	501	697,097	72	1,268	265	6,991	490	175,160
Retail.....	134	2,214	902	1,138,091	108	3,161	461	9,966	830	500,833
Transportation.....	9	36	56	37,928	9	51	84	2,325	139	96,729
Information.....	17	148	83	31,665	10	191	58	1,094	118	35,674
Finance & Insurance.....	6	209	16	187,099	10	917	50	9,535	160	239,849
Real Estate & Rental.....	19	1,234	119	234,234	30	3,870	252	9,021	721	259,780
Business Services.....	86	1,404	541	444,032	62	5,821	699	10,485	1,420	536,817
Education.....	7	118	19	1,120	1	1	25	79	50	6,520
Health & Care Services.....	81	11,433	94	14,523	7	274	202	2,833	368	130,658
Entertainment & Hospitality...	70	639	811	269,619	44	205	430	13,943	885	451,690
Repair Services.....	43	115	178	41,097	14	40	108	913	190	45,777
Personal & Other Services...	22	160	126	17,910	11	180	86	496	198	34,618
Unclassified.....	2	10	18	5,967	2	8	16	52	39	6,344

¹ Excludes returns using apportionment formulas to allocate Hawaii income.

² Data in these categories excludes approximately 15% of returns due to lack of matching federal information.

Section 3

FINANCIAL CORPORATIONS

This section covers banks and other financial corporations that are taxable under Chapter 241 of the Hawaii Revised Statutes. These corporations pay a franchise tax in lieu of an income tax. As mentioned in the overview, all information on financial corporations was collected manually from paper returns. In the case of financial corporations with activities both within and outside of Hawaii, the apportioned amount of Hawaii receipts was used as business receipts and the apportioned amount of Hawaii payroll was used for wages paid. For these financial corporations using apportionment, the net income after Hawaii adjustments was used instead of net income before adjustments.

For 2000, a total of 114 financial corporations reported \$2.5 billion in business receipts. Net profits totaling \$175 million were reported by 53 entities, while another 53 entities had net losses amounting to \$36 million. A total of 51 corporations had franchise tax liability totaling \$11 million.

Section 3
Financial Corporations
Statistical Tables

Financial corporations appear in this report for the first time.
Detail in tables may not add up to totals due to rounding.

TABLE 3-1

NUMBER OF BUSINESSES, HAWAII BUSINESS RECEIPTS, NET PROFIT, NET LOSS,
AND TAX LIABILITY FOR FINANCIAL CORPORATIONS BY SIZE OF BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

SIZE OF HAWAII BUSINESS RECEIPTS	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		TAX LIABILITY	
			Number	Amount	Number	Amount	Number	Amount
TOTAL.....	114	\$2,519,288	53	\$174,591	53	\$36,371	51	\$11,136
Under \$ 50,000	20	322	4	22	15	14,484	3	2
\$50,000 " 100,000	13	930	6	102	7	626	5	8
100,000 " 500,000	27	5,586	14	559	11	3,024	14	44
500,000 " 1 million	14	10,056	8	895	5	313	8	70
1 million " 5 million	19	34,572	12	1,865	6	3,805	12	148
5 million and over	21	2,467,823	9	171,147	9	14,119	9	10,864

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TABLE 3-2

TOTAL DEDUCTIONS, WAGES PAID, AND W-2 COUNT
FOR FINANCIAL CORPORATIONS BY SIZE OF BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

SIZE OF HAWAII BUSINESS RECEIPTS	TOTAL DEDUCTIONS		WAGES PAID		W-2 COUNT
	Number	Amount	Number	Amount	
TOTAL.....	114	\$2,381,068	79	\$342,505	927
Under \$ 50,000	20	14,784	4	17	4
\$50,000 " 100,000	13	1,454	8	308	14
100,000 " 500,000	27	8,050	18	4,000	15
500,000 " 1 million	14	9,474	14	4,436	144
1 million " 5 million	19	36,512	16	8,679	183
5 million and over	21	2,310,794	19	325,064	567

Section 4

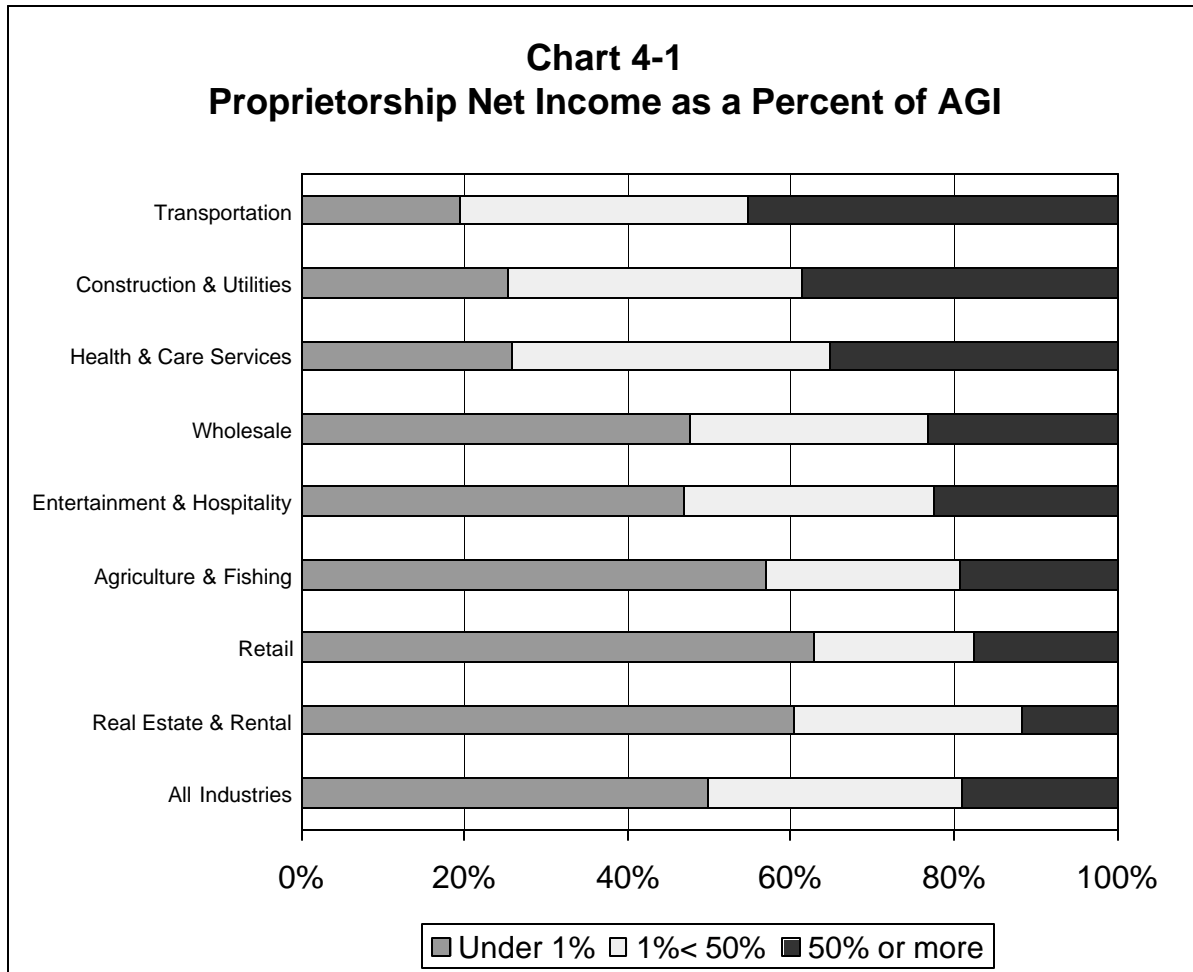
PROPRIETORSHIPS

This section presents data on those unincorporated, single-owner businesses whose activities were reported by Hawaii resident business proprietors on Schedules C, E, and F on their federal individual income tax returns. Federal information was linked with Hawaii resident individual income tax returns filed on Forms N-11 and N-12 to isolate resident proprietorships for this report. Proprietorships filed by nonresidents and part-year residents on Form N-15 were excluded. Since a proprietor may report several proprietorships, each in a different industrial classification, on a return, each non-rental proprietorship activity was considered a separate business for this report, as was the practice in previous issues in this series. For rental proprietorships, all rentals belonging to any one proprietor counted as a single business, since they all fell in the same industrial classification. As mentioned previously, inclusion of rental proprietorships in this report significantly expands proprietorship coverage.

Sole proprietorships are by far the most common type of business organization in Hawaii. Numbering 134,373 for 2000, proprietorships accounted for just over 80% of Hawaii businesses. Of the proprietorship total, 53,770 were rental proprietorships reported on federal Schedule E. While proprietorships are dominant in terms of numbers of entities, they are mostly small and accounted for only 5.9% of total business receipts.

Business receipts amounted to \$4.16 billion, of which \$3.10 billion was from non-rental proprietorships and \$1.06 billion from rental proprietorships. Total expenses, including cost of goods, amounted to \$3.55 billion, of which \$2.41 billion was from non-rental proprietorships and \$1.14 billion from rental proprietorships. Among non-rental proprietorships, 67% showed profits and the total amount of profit was almost six times the amount of net losses. Both of these proportions were the best among all business types.

On average, a proprietorship contributed 8% of the proprietor's total adjusted gross income (AGI), as shown in Table 4-6. Thus, most served as a source of supplemental income for the proprietor. For almost half of all proprietorships, proprietorship net income or loss comprised less than 1% of AGI. But for about one-fifth of proprietors, the proprietorship contributed at least half of AGI, and for about one-tenth of proprietors, the proprietorship was the sole source of income. Table 4-8 and Chart 4-1 show the relative importance of proprietorship net income by major industry. Proprietorship income contributed at least half of AGI for 45% of transportation proprietors, many of whom are taxi drivers. Proprietorship income provided at least half of AGI for 39% of construction proprietors. On the other hand, proprietorship income provided at least half of AGI of only 11.5% of proprietors involved in the real estate and rental industry group.



Many owners of small proprietorships run their businesses from their homes. However, a proprietor can claim a deduction for business use of a part of a home only if that part is used exclusively and regularly to conduct business. If the proprietor also uses that part of the home for personal purposes, it no longer qualifies for the deduction. Among non-rental proprietorships, only 9.1% were able to claim this deduction. This data item was not available for rental proprietorships.

Section 4
Proprietorships
Statistical Tables

This section includes Schedule E rental proprietorships for the first time.
Detail in tables may not add up to totals due to rounding.

Proprietorships -2000

TABLE 4-1

NUMBER OF PROPRIETORSHIPS BY TAXATION DISTRICT
AND BY MAJOR INDUSTRY - 2000

INDUSTRY	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
TOTAL.....	134,373	90,851	16,696	19,048	7,778
Agriculture & Fishing.....	7,540	2,039	1,025	3,729	747
Construction & Utilities.....	4,623	2,418	764	983	458
Manufacturing.....	1,888	1,129	272	379	108
Wholesale.....	2,515	1,724	303	329	159
Retail.....	10,109	7,389	934	1,273	513
Transportation.....	1,809	1,394	183	183	49
Information.....	763	544	97	89	33
Finance & Insurance.....	2,304	1,872	177	170	85
Real Estate & Rental.....	58,532	42,811	6,815	5,901	3,005
Business Services.....	14,501	9,943	1,919	1,839	800
Education.....	1,156	788	155	165	48
Health & Care Services.....	4,772	3,253	610	663	246
Entertainment & Hospitality....	5,201	3,105	989	718	389
Repair Services.....	3,056	1,720	470	618	248
Personal & Other Services.....	7,396	4,814	1,086	954	542
Unclassified.....	8,208	5,908	897	1,055	348

TABLE 4-2

NUMBER OF PROPRIETORSHIPS BY TAXATION DISTRICT
AND BY SIZE OF BUSINESS RECEIPTS - 2000

INDUSTRY	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
TOTAL.....	134,373	90,851	16,696	19,048	7,778
No Business Receipts.....	7,950	5,468	790	1,248	444
Under \$ 1,000	12,133	7,890	1,442	2,084	717
\$ 1,000 " 5,000	27,133	17,311	3,433	4,590	1,799
5,000 " 10,000	25,577	17,128	3,472	3,487	1,490
10,000 " 25,000	32,241	23,166	3,698	3,711	1,666
25,000 " 50,000	14,049	9,636	1,874	1,778	761
50,000 " 100,000	7,655	5,197	994	1,026	438
100,000 " 250,000	5,001	3,290	664	736	311
250,000 " 500,000	1,729	1,177	210	248	94
500,000 " 1,000,000	648	427	86	95	40
1,000,000 and over.....	257	161	33	45	18

TABLE 4-3

BUSINESS RECEIPTS, OTHER INCOME, NET PROFIT, AND NET LOSS DATA
BY SIZE OF BUSINESS RECEIPTS AND BY INDUSTRY - 2000
(Dollar Amounts in Thousands)

SIZE OF BUSINESS RECEIPTS AND INDUSTRY	<u>BUSINESS RECEIPTS</u>		<u>OTHER INCOME</u>		<u>NET PROFIT</u>		<u>NET LOSS</u>	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	134,373	\$4,160,370	4,281	\$56,428	75,806	\$1,066,088	57,498	\$409,543
SIZE OF BUSINESS RECEIPTS								
No Business Receipts.....	7,950	0	1,029	36,103	1,005	28,155	6,742	34,800
Under \$ 1,000	12,133	5,726	307	696	5,646	2,092	6,411	19,196
\$ 1,000 " 5,000	27,133	74,818	552	1,824	15,081	24,027	11,870	53,296
5,000 " 10,000	25,577	190,821	377	1,461	13,707	48,435	11,672	67,302
10,000 " 25,000	32,241	504,886	510	2,906	18,650	136,356	13,308	105,736
25,000 " 50,000	14,049	489,798	399	2,090	9,515	147,963	4,448	61,945
50,000 " 100,000	7,655	530,533	337	2,043	5,861	171,631	1,768	25,907
100,000 " 250,000	5,001	770,784	398	4,047	4,092	219,452	900	18,544
250,000 " 500,000	1,729	594,861	214	2,832	1,493	148,239	231	10,419
500,000 " 1,000,000	648	435,665	104	1,509	556	87,821	91	5,223
1,000,000 and over.....	257	562,478	54	918	200	51,918	57	7,177
INDUSTRY								
Agriculture & Fishing.....	6,618	127,464	191	690	3,515	28,286	3,956	27,281
Construction & Utilities.....	4,422	424,047	192	2,059	3,692	73,794	914	5,599
Manufacturing.....	1,782	71,847	79	454	1,258	15,023	612	3,081
Wholesale.....	2,332	178,129	179	1,644	1,542	22,872	952	5,654
Retail.....	9,076	489,644	938	6,169	4,862	53,176	5,163	22,711
Transportation.....	1,766	49,899	83	1,340	1,500	15,050	305	1,899
Information.....	676	14,582	27	93	418	5,027	337	1,815
Finance & Insurance.....	2,104	132,650	135	16,048	1,694	69,513	591	3,306
Real Estate & Rental.....	56,146	1,251,938	302	7,904	25,061	285,704	32,937	264,019
Business Services.....	13,494	484,147	707	8,447	10,976	192,080	3,434	28,854
Education.....	1,079	13,446	39	167	863	5,580	285	889
Health & Care Services.....	4,595	345,015	354	4,172	3,825	143,716	881	4,903
Entertainment & Hospitality.....	4,840	171,407	265	2,233	3,147	36,949	2,009	13,012
Repair Services.....	2,949	118,467	93	629	2,303	26,579	738	3,260
Personal & Other Services.....	7,024	141,208	370	2,770	5,645	49,705	1,716	10,394
Unclassified.....	7,520	146,480	327	1,610	5,505	43,034	2,668	12,866

TABLE 4-4

SELECTED BUSINESS DEDUCTIONS BY SIZE OF BUSINESS RECEIPTS AND BY INDUSTRY - 2000
(Dollar Amounts in Thousands)

SIZE OF BUSINESS RECEIPTS AND INDUSTRY	TOTAL DEDUCTIONS ¹		RETURNS AND ALLOWANCES		COST OF GOODS SOLD	
	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	129,189	\$3,551,059	2,100	\$9,193	19,366	\$933,393
SIZE OF BUSINESS RECEIPTS						
No Business Receipts.....	7,685	42,578	23	169	392	947
Under \$ 1,000.....	10,325	23,490	127	36	1,996	1,313
\$ 1,000 " 5,000.....	25,165	105,738	284	173	3,352	6,095
5,000 " 10,000.....	24,957	211,045	168	104	1,904	7,124
10,000 " 25,000.....	31,863	476,885	230	287	3,008	21,158
25,000 " 50,000.....	13,962	405,343	255	527	2,633	35,492
50,000 " 100,000.....	7,620	385,378	320	1,473	2,413	69,223
100,000 " 250,000.....	4,983	572,051	377	1,872	2,178	165,697
250,000 " 500,000.....	1,728	457,533	208	2,339	944	162,235
500,000 " 1,000,000.....	644	352,671	80	1,904	369	143,788
1,000,000 and over.....	257	518,346	28	309	177	320,321
INDUSTRY						
Agriculture & Fishina.....	7,362	127,118	25	32	253	4,786
Construction & Utilities.....	4,469	357,324	86	587	2,317	200,274
Manufacturing.....	1,837	60,212	81	146	1,059	29,747
Wholesale.....	2,428	161,889	153	666	1,440	116,021
Retail.....	9,818	463,436	535	1,912	6,209	286,202
Transportation.....	1,749	37,503	20	585	93	3,773
Information.....	717	11,441	20	22	107	1,915
Finance & Insurance.....	2,137	81,641	46	849	65	36,858
Real Estate & Rental.....	57,127	1,237,725	75	431	202	5,100
Business Services.....	13,658	327,957	260	1,410	1,672	95,332
Education.....	1,024	8,915	15	8	60	424
Health & Care Services.....	4,532	209,720	256	653	402	11,236
Entertainment & Hospitality.....	4,958	149,352	106	352	1,298	45,042
Repair Services.....	2,928	95,598	91	179	1,184	39,811
Personal & Other Services.....	6,962	104,370	144	296	1,339	16,143
Unclassified.....	7,483	116,858	187	1,065	1,666	40,728

¹ Includes cost of goods sold.

TABLE 4-4 (Continued)

SELECTED BUSINESS DEDUCTIONS BY SIZE OF BUSINESS RECEIPTS AND BY INDUSTRY - 2000
(Dollar Amounts in Thousands)

SIZE OF BUSINESS RECEIPTS AND INDUSTRY	SALARIES AND WAGES		W-2 JOB COUNT	BUSINESS USE OF HOME		MORTGAGE INTEREST	
	Number	Amount		Number	Amount	Number	Amount
TOTAL.....	2,958	\$129,646	12,881	7,374	\$22,988	34,164	\$396,231
SIZE OF BUSINESS RECEIPTS							
No Business Receipts.....	85	772	45	255	589	547	2,645
Under \$ 1,000	43	36	6	253	360	332	1,035
\$ 1,000 " 5,000	111	205	124	737	1,106	3,557	14,043
5,000 " 10,000	68	194	57	781	1,476	9,401	99,816
10,000 " 25,000	147	1,009	182	1,686	4,488	12,513	112,450
25,000 " 50,000	190	1,791	322	1,585	5,643	4,255	60,379
50,000 " 100,000	361	5,014	791	1,135	4,507	1,834	34,688
100,000 " 250,000	859	25,070	3,372	696	3,197	1,077	28,304
250,000 " 500,000	707	42,759	4,058	188	1,232	389	14,831
500,000 " 1,000,000	287	31,471	2,406	48	325	171	9,921
1,000,000 and over.....	100	21,325	1,518	10	66	88	18,119
INDUSTRY							
Aariculture & Fishina.....	424	1,285	256	75	184	599	3,475
Construction & Utilities.....	400	21,031	2,011	657	2,247	216	1,221
Manufacturina.....	53	2,060	216	251	817	66	254
Wholesale.....	69	3,280	297	306	939	81	415
Retail.....	295	14,252	1,857	595	1,494	203	1,123
Transportation.....	30	1,342	166	50	133	52	194
Information.....	4	69	8	105	302	15	78
Finance & Insurance.....	109	4,489	313	156	610	55	391
Real Estate & Rental.....	200	6,522	674	460	1,561	31,468	379,449
Business Services.....	400	19,546	1,624	1,971	5,585	355	1,678
Education.....	2	286	27	108	230	17	41
Health & Care Services.....	497	31,557	2,227	813	3,481	444	3,889
Entertainment & Hospitality.....	187	9,366	1,785	542	1,778	172	1,732
Repair Services.....	113	5,932	488	274	796	82	391
Personal & Other Services.....	98	4,698	582	534	1,494	113	674
Unclassified.....	77	3,930	350	477	1,335	226	1,225

TABLE 4-5

PROPRIETORSHIP NET INCOME COMPARED TO OTHER INCOME SOURCES ON PROPRIETORS'
PERSONAL TAX RETURNS BY SIZE OF ADJUSTED GROSS INCOME - 2000
(Dollar Amounts in Thousands)

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SIZE OF ADJUSTED GROSS INCOME (AGI)	RETURN COUNT	ADJUSTED GROSS INCOME ¹	PROPRIETORSHIP NET INCOME		PROPRIETORS' WAGES EARNED ¹		OTHER INCOME SOURCES ¹		
			Amount	% of AGI	Amount	% of AGI	Amount	% of AGI	
TOTAL.....	108,963	\$6,256,033	\$649,615	10.4%	\$3,994,214	63.8%	\$1,612,204	25.8%	
Under \$ 5,000	11,438	(156,141)	(37,868)	n.m.	30,682	n.m.	(148,955)	n.m.	
\$ 5,000 "	10,000	8,415	62,964	10,561	16.8%	23,463	37.3%	28,940	46.0%
10,000 "	25,000	19,858	342,591	78,153	22.8%	186,114	54.3%	78,324	22.9%
25,000 "	50,000	26,065	959,090	95,456	10.0%	698,560	72.8%	165,074	17.2%
50,000 "	75,000	18,034	1,111,754	71,922	6.5%	870,266	78.3%	169,565	15.3%
75,000 "	100,000	10,849	936,439	62,687	6.7%	724,095	77.3%	149,658	16.0%
100,000 "	150,000	8,574	1,023,974	98,063	9.6%	710,954	69.4%	214,957	21.0%
150,000 "	200,000	2,375	405,323	71,262	17.6%	216,088	53.3%	117,973	29.1%
200,000 and over.....	3,355	1,570,039	199,380	12.7%	533,992	34.0%	836,667	53.3%	

¹ This table evaluates relationships of income items by taxpayer return. Therefore, AGI, wages earned, and "other income" are counted only once.
n.m. = not meaningful

TABLE 4-6
 PROPRIETORSHIP NET INCOME COMPARED TO OTHER INCOME SOURCES ON PROPRIETORS'
 PERSONAL TAX RETURNS BY INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	ENTITY COUNT	ADJUSTED GROSS INCOME (AGI) ¹	PROPRIETORSHIP <u>NET INCOME</u>		PROPRIETORS' <u>WAGES EARNED</u> ¹		OTHER INCOME <u>SOURCES</u> ¹	
			Amount	% of AGI	Amount	% of AGI	Amount	% of AGI
TOTAL.....	134,373	\$8,186,502	\$656,545	8.0%	\$4,987,248	60.9%	\$2,542,710	31.1%
Agriculture & Fishing.....	7,540	347,665	1,005	0.3%	210,555	60.6%	136,105	39.1%
Construction & Utilities.....	4,623	226,241	68,195	30.1%	112,036	49.5%	46,011	20.3%
Manufacturing.....	1,888	76,936	11,943	15.5%	50,487	65.6%	14,506	18.9%
Wholesale.....	2,515	126,209	17,218	13.6%	80,963	64.1%	28,028	22.2%
Retail.....	10,109	486,850	30,465	6.3%	373,357	76.7%	83,028	17.1%
Transportation.....	1,809	45,034	13,151	29.2%	27,716	61.5%	4,167	9.3%
Information.....	763	43,338	3,212	7.4%	30,544	70.5%	9,582	22.1%
Finance & Insurance.....	2,304	212,499	66,206	31.2%	91,412	43.0%	54,881	25.8%
Real Estate & Rental.....	58,532	4,183,743	21,685	0.5%	2,523,118	60.3%	1,638,940	39.2%
Business Services.....	14,501	992,446	163,227	16.4%	581,024	58.5%	248,195	25.0%
Education.....	1,156	67,193	4,691	7.0%	48,210	71.7%	14,293	21.3%
Health & Care Services.....	4,772	369,612	138,813	37.6%	179,563	48.6%	51,236	13.9%
Entertainment & Hospitality.....	5,201	242,370	23,937	9.9%	155,446	64.1%	62,988	26.0%
Repair Services.....	3,056	114,281	23,319	20.4%	79,080	69.2%	11,882	10.4%
Personal & Other Services.....	7,396	305,993	39,311	12.8%	192,813	63.0%	73,869	24.1%
Unclassified.....	8,208	346,092	30,168	8.7%	250,926	72.5%	64,999	18.8%

¹ Each proprietorship entity was evaluated separately. For returns with more than one proprietorship entity, AGI, wages earned, and "other income sources" are included for each proprietorship entity and thus counted more than once.

TABLE 4-7

SELECTED DATA FOR RENTALS REPORTED ON SCHEDULE E
 BY GROSS RECEIPTS, AGGREGATED BY RETURN - 2000
 (Dollar Amounts in Thousands)

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SIZE OF GROSS RECEIPTS	RETURNS WITH RENTALS	GROSS RENTS		GROSS ROYALTIES		DEPRECIATION		MORTGAGE INTEREST		TOTAL EXPENSES	
		Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	53,770	50,865	\$1,049,146	2,086	\$13,558	44,761	\$215,289	31,313	\$377,230	52,495	\$1,137,846
No Business Receipts.....	1,623	0	0	0	0	728	1,832	434	2,148	1,623	7,964
Under \$ 1,000	1,679	902	513	795	182	506	554	259	748	994	2,430
\$ 1,000 " 5,000	7,634	7,367	23,521	344	677	5,414	9,409	3,353	13,410	7,311	42,832
5,000 " 10,000	15,377	15,287	116,674	254	835	13,150	34,501	9,218	99,093	15,259	150,806
10,000 " 25,000	18,636	18,553	282,446	365	2,073	16,738	71,235	12,102	110,759	18,548	322,229
25,000 " 50,000	5,656	5,623	191,058	153	1,896	5,259	40,286	3,779	57,713	5,624	196,298
50,000 " 100,000	2,041	2,021	135,748	104	2,510	1,900	22,769	1,346	31,337	2,024	127,387
100,000 " 250,000	833	822	118,711	47	2,862	787	16,171	597	25,215	824	111,255
250,000 " 500,000	181	180	60,657	15	1,137	174	6,940	143	12,525	181	59,286
500,000 " 1,000,000	68	68	44,205	4	16	63	4,071	48	7,942	65	40,927
1,000,000 and over.....	42	42	75,614	5	1,369	42	7,523	34	16,340	42	76,431

TABLE 4-8

PROPRIETORSHIP NET INCOME AS A PERCENT OF
ADJUSTED GROSS INCOME BY MAJOR INDUSTRY - 2000

INDUSTRY	Total	Under 1%	1%< 10%	10%< 25%	25%< 50%	50%< 100%	100%
ALL INDUSTRIES.....	134,373	66,937	18,883	12,765	10,230	12,387	13,171
Agriculture & Fishing.....	7,540	4,288	808	523	478	499	944
Construction & Utilities.....	4,623	1,165	592	514	568	799	985
Manufacturing.....	1,888	750	233	202	198	205	300
Wholesale.....	2,515	1,197	308	246	184	248	332
Retail.....	10,109	6,345	984	539	469	650	1,122
Transportation.....	1,809	353	193	215	229	270	549
Information.....	763	406	122	66	44	52	73
Finance & Insurance.....	2,304	849	322	261	276	363	233
Real Estate & Rental.....	58,532	35,316	7,543	5,108	3,795	4,418	2,352
Business Services.....	14,501	5,117	2,868	1,766	1,426	1,566	1,758
Education.....	1,156	491	300	150	75	68	72
Health & Care Services.....	4,772	1,234	742	602	518	803	873
Entertainment & Hospitality....	5,201	2,433	721	499	375	493	680
Repair Services.....	3,056	990	483	335	320	392	536
Personal & Other Services.....	7,396	2,373	1,263	938	705	840	1,277
Unclassified.....	8,208	3,630	1,401	801	570	721	1,085
PERCENT.....	100.0%	49.8%	14.1%	9.5%	7.6%	9.2%	9.8%
Agriculture & Fishing.....	100.0%	56.9%	10.7%	6.9%	6.3%	6.6%	12.5%
Construction & Utilities.....	100.0%	25.2%	12.8%	11.1%	12.3%	17.3%	21.3%
Manufacturing.....	100.0%	39.7%	12.3%	10.7%	10.5%	10.9%	15.9%
Wholesale.....	100.0%	47.6%	12.2%	9.8%	7.3%	9.9%	13.2%
Retail.....	100.0%	62.8%	9.7%	5.3%	4.6%	6.4%	11.1%
Transportation.....	100.0%	19.5%	10.7%	11.9%	12.7%	14.9%	30.3%
Information.....	100.0%	53.2%	16.0%	8.7%	5.8%	6.8%	9.6%
Finance & Insurance.....	100.0%	36.8%	14.0%	11.3%	12.0%	15.8%	10.1%
Real Estate & Rental.....	100.0%	60.3%	12.9%	8.7%	6.5%	7.5%	4.0%
Business Services.....	100.0%	35.3%	19.8%	12.2%	9.8%	10.8%	12.1%
Education.....	100.0%	42.5%	26.0%	13.0%	6.5%	5.9%	6.2%
Health & Care Services.....	100.0%	25.9%	15.5%	12.6%	10.9%	16.8%	18.3%
Entertainment & Hospitality....	100.0%	46.8%	13.9%	9.6%	7.2%	9.5%	13.1%
Repair Services.....	100.0%	32.4%	15.8%	11.0%	10.5%	12.8%	17.5%
Personal & Other Services.....	100.0%	32.1%	17.1%	12.7%	9.5%	11.4%	17.3%
Unclassified.....	100.0%	44.2%	17.1%	9.8%	6.9%	8.8%	13.2%

Section 5

PARTNERSHIPS

This section presents information on active partnerships that filed Form N-20 for accounting periods that ended in 2000. A partnership was not included if it was inactive, which was defined as having no income and having only expenses necessary to file tax returns and keep licenses in force.

A partnership is an unincorporated body consisting of two or more partners. A partner can be an individual, a corporation, a trust, an estate, or another partnership. Since a partnership is not directly taxable, any income or loss is passed through to the partners. If a partner is a directly taxable entity such as an individual or a C corporation, then that partner is liable for income taxes on any net profit that is passed through. Sometimes, the same income or loss is passed through many times when partnerships are partners in other partnerships. In an attempt to minimize counting such income or loss multiple times, partnerships whose only activity was being a partner in another partnership were excluded from this report whenever they were encountered in the data gathering and edit process.

Active partnerships numbered 6,574 for 2000, a decrease from 7,067 for 1998, when inactive partnerships were included. Compared with 1995, when only active partnerships were counted, the number of partnerships increased 20% from 5,474. Hawaii business receipts for 2000 amounted to \$7.7 billion, an increase of \$2.0 billion from the \$5.7 billion recorded for 1995. A comparison cannot be made with 1998 because business receipts of partnerships whose primary business activity was real property rental were not collected for that year.

As shown in Table 5-1, the 3,304 partnerships in the real estate and rental industry group accounted for about half of the total partnership count. For 2000, gross rents, total rental expenses, and net rental income of partnerships with real property rental as the primary business were manually captured from paper returns since these data items were not available electronically. Although they represented half of all partnerships, real estate and rental partnerships accounted for only 22% of total partnership business receipts. Partnerships in the entertainment and hospitality industry group contributed 19% of business receipts even though they represented only 2.4% of partnership entities. Some of the larger entities in this group were hotels.

For 2000, partnerships with net profits numbered 3,748 and represented 57% of partnership entities, the same proportion as in 1995. Net profits for 2000 amounted to \$1.13 billion, while net losses totaled \$803 million.

Partnerships - 2000

Partnerships with activity in Hawaii and elsewhere that used allocation formulas to apportion Hawaii income numbered 269 and had Hawaii business receipts of \$1.99 billion.

Section 5
Partnerships
Statistical Tables

Detail in tables may not add up to totals due to rounding.

Partnerships - 2000

TABLE 5-1

DISTRIBUTION OF PARTNERSHIP RETURNS
BY TAXATION DISTRICT AND BY INDUSTRY - 2000

INDUSTRY	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
TOTAL.....	6,574	4,890	749	624	311
Agriculture & Fishing.....	207	78	31	79	19
Construction & Utilities.....	224	128	32	43	21
Manufacturing.....	108	76	16	10	6
Wholesale.....	182	152	8	16	6
Retail.....	453	315	64	52	22
Transportation.....	38	23	6	6	3
Information.....	117	95	5	11	6
Finance & Insurance.....	518	467	26	17	8
Real Estate & Rental.....	3,304	2,543	377	251	133
Business Services.....	628	498	64	43	23
Education.....	13	6	3	3	1
Health & Care Services.....	112	92	9	7	4
Entertainment & Hospitality.....	459	281	76	60	42
Repair Services.....	76	51	9	11	5
Personal & Other Services.....	112	71	21	11	9
Unclassified.....	23	14	2	4	3

TABLE 5-2

DISTRIBUTION OF PARTNERSHIP RETURNS BY TAXATION DISTRICT
AND SIZE OF HAWAII BUSINESS RECEIPTS - 2000

SIZE OF HAWAII BUSINESS RECEIPTS	TAXATION DISTRICT				
	All	First	Second	Third	Fourth
TOTAL.....	6,574	4,890	749	624	311
No Business Receipts	954	652	132	110	60
Under \$ 10,000	1,011	770	121	78	42
\$10,000 " 25,000	743	563	72	72	36
25,000 " 50,000	717	543	77	61	36
50,000 " 100,000	750	546	91	79	34
100,000 " 250,000	894	668	95	87	44
250,000 " 500,000	499	364	60	59	16
500,000 " 1 million	341	261	33	28	19
1 million and over	665	523	68	50	24

TABLE 5-3

DISTRIBUTION OF BUSINESSES, BUSINESS RECEIPTS, NET INCOME, AND WAGES PAID
BY INDUSTRY AND BY SIZE OF HAWAII BUSINESS RECEIPTS - 2000
(Dollar Amounts in Thousands)

SIZE OF BUSINESS RECEIPTS & INDUSTRY	NO. OF ENTITIES	BUSINESS RECEIPTS	NET PROFIT		NET LOSS		WAGES PAID		W-2 COUNT
			Number	Amount	Number	Amount	Number	Amount	
TOTAL.....	6,574	\$7,672,164	3,748	\$1,134,577	2,632	\$803,123	884	\$796,220	40,641
BUSINESS RECEIPTS SIZE									
No Receipts Reported	954	0	82	11,887	692	162,084	31	8,039	288
Under \$ 10,000	1,011	3,891	488	1,309	519	11,912	18	565	55
\$ 10,000 " 25,000	743	12,523	453	4,489	288	5,542	16	458	54
25,000 " 50,000	717	25,999	481	9,220	234	5,611	24	481	57
50,000 " 100,000	750	53,656	527	19,880	220	13,524	52	1,880	332
100,000 " 250,000	894	141,188	649	49,680	243	21,139	145	7,864	954
250,000 " 500,000	499	178,946	354	48,142	145	16,746	136	9,368	1,086
500,000 " 1 million	341	238,159	242	47,383	98	33,850	148	24,484	2,440
1 million and over	665	7,017,803	472	942,588	193	532,715	314	743,081	35,375
INDUSTRY									
Aariculture & Fishina.....	207	32,720	81	6,045	124	9,164	32	7,030	653
Construction & Utilities.....	224	614,892	119	84,434	99	67,230	39	18,468	930
Manufacturina.....	108	352,600	54	26,262	54	2,516	28	53,119	1,223
Wholesale.....	182	440,880	112	78,895	68	5,650	34	31,106	816
Retail.....	453	871,907	252	23,667	196	20,888	121	62,968	4,620
Transportation.....	38	30,611	19	4,005	18	3,106	12	4,927	617
Information.....	117	1,123,857	48	67,187	64	232,160	18	83,488	2,465
Finance & Insurance.....	518	115,330	261	30,428	168	58,345	17	22,912	170
Real Estate & Rental.....	3,304	1,715,715	1,937	468,386	1,308	259,902	133	45,053	1,662
Business Services.....	628	628,623	405	147,856	205	38,772	197	100,324	4,951
Education.....	13	422	10	80	3	4	2	19	14
Health & Care Services.....	112	195,495	75	29,264	37	9,260	53	28,972	1,795
Entertainment & Hospitalitv..	459	1,438,055	237	164,153	216	83,124	164	333,465	20,317
Repair Services.....	76	92,587	58	1,805	18	10,783	12	1,563	85
Personal & Other Services..	112	17,954	69	1,875	42	1,984	20	2,794	322
Unclassified.....	23	516	11	234	12	237	2	12	1

TABLE 5-4

SELECTED EXPENSES OF NON-APPORTIONED PARTNERSHIPS
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	NUMBER OF ENTITIES	TOTAL EXPENSES ¹	RETURNS & ALLOWANCES		COST OF GOODS SOLD		PAYMENTS TO PARTNERS ²	
			Number	Amount	Number	Amount	Number	Amount
TOTAL.....	6,305	\$5,653,424	190	\$46,440	1,425	\$2,396,663	491	\$33,735
Agriculture & Fishing.....	203	35,968	s	s	29	13,679	16	393
Construction & Utilities.....	210	578,001	10	578	117	446,562	26	2,026
Manufacturing.....	102	98,466	14	830	91	60,282	12	272
Wholesale.....	144	180,116	15	5,207	122	112,040	20	401
Retail.....	442	279,677	55	2,802	389	162,727	59	1,763
Transportation.....	35	22,714	s	s	11	4,404	6	265
Information.....	91	977,967	10	3,456	41	718,360	7	218
Finance & Insurance.....	499	64,687	s	s	5	559	17	2,798
Real Estate & Rental ³	3,251	1,365,933	8	114	99	458,914	56	4,112
Business Services.....	560	392,520	18	5,948	127	70,225	128	13,667
Education.....	12	353	s	s	4	48	4	20
Health & Care Services.....	110	159,810	13	11,145	14	2,032	21	1,554
Entertainment & Hospitality...	440	1,376,785	26	16,332	276	256,862	82	5,457
Repair Services.....	74	100,252	9	13	57	86,014	15	248
Personal & Other Services...	109	19,628	7	10	38	3,829	22	540
Unclassified.....	23	546	0	0	5	127	0	0

¹ Includes cost of goods sold and returns and allowances.

² Data in these categories excludes approximately 13% of returns due to lack of matching federal information.

³ Expense detail for most rental businesses is not available due to lack of matching federal information.

s = data detail suppressed to protect taxpayer confidentiality.

TABLE 5-4 (Continued)

SELECTED EXPENSES OF NON-APPORTIONED PARTNERSHIPS¹
 BY MAJOR INDUSTRY - 2000
 (Dollar Amounts in Thousands)

INDUSTRY	INTEREST EXPENSE ²		DEPRECIATION ²		RENTAL EXPENSE ²		REPAIRS ²	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	955	\$195,361	1,475	\$140,166	1,331	\$110,511	1,147	\$35,446
Agriculture & Fishing.....	26	1,179	52	1,727	22	297	37	332
Construction & Utilities.....	67	24,703	78	6,930	53	1,323	66	2,300
Manufacturing.....	41	952	64	4,822	57	2,437	42	2,033
Wholesale.....	33	1,243	65	1,581	53	3,923	38	334
Retail.....	132	1,592	262	4,500	285	17,805	223	802
Transportation.....	23	470	25	1,607	18	498	19	985
Information.....	23	8,518	34	7,636	25	1,371	25	242
Finance & Insurance.....	20	1,445	24	824	25	1,665	8	56
Real Estate & Rental ³	150	41,011	170	21,876	20	4,239	105	4,021
Business Services.....	186	11,409	264	5,382	76	21,158	209	4,652
Education.....	s	s	3	3	271	58	4	1
Health & Care Services.....	45	3,654	66	4,804	8	5,663	57	1,365
Entertainment & Hospitality...	156	97,067	271	77,182	75	47,078	241	18,076
Repair Services.....	18	111	34	146	243	818	24	92
Personal & Other Services....	30	1,986	54	1,006	44	2,106	44	146
Unclassified.....	s	s	9	139	56	73	5	8

¹ Excludes returns using apportionment formulas to allocate Hawaii income.

² Data in these categories excludes approximately 13% of returns due to lack of matching federal information.

³ Expense detail for most rental businesses is not available due to lack of matching federal information.

s = data detail suppressed to protect taxpayer confidentiality.

TABLE 5-5

HAWAII BUSINESS RECEIPTS, NET PROFIT, NET LOSS, AND WAGES PAID
BY NUMBER OF PARTNERS - 2000
(Dollar Amounts in Thousands)

NUMBER OF PARTNERS	NUMBER OF		BUSINESS RECEIPTS		NET PROFIT		NET LOSS		WAGES PAID	
	Entities	Partners	Number	Amount	Number	Amount	Number	Amount	Number	Amount
TOTAL.....	6,574	105,781	5,622	\$7,672,164	3,748	\$1,134,577	2,632	\$803,123	884	\$796,220
Unknown.....	943	--	743	2,409,085	439	248,576	447	273,036	117	165,983
Two.....	2,347	4,694	2,077	2,572,480	1,356	417,863	951	180,719	387	278,694
Three.....	920	2,760	809	641,650	538	125,722	371	178,011	128	59,915
Four.....	621	2,484	539	409,700	382	51,340	218	88,041	73	35,298
Five.....	392	1,960	328	210,054	231	25,379	150	20,674	31	15,051
Six.....	300	1,800	261	86,055	193	18,844	98	17,014	20	9,460
7 to 9.....	430	3,341	369	433,365	263	53,472	147	13,303	35	58,797
10 to 19.....	356	4,601	297	147,008	205	46,667	138	15,704	40	19,195
20 to 49.....	199	5,505	147	429,058	96	86,195	96	10,033	25	85,129
50 to 99.....	31	2,101	25	195,951	21	36,088	8	4,446	17	35,819
100 or more.....	35	76,535	27	137,760	24	24,429	8	2,142	11	32,879

APPENDIX

FACSIMILES OF TAX RETURNS AND INSTRUCTIONS

LINKS TO FORMS ON OUR WEBSITE

- C Corporation (Form N-30)
- S Corporation (Form N-35)
- Financial Corporation (Form F-1)
- Proprietorship (Federal Schedule C)
- Farm (Federal Schedule F)
- Partnership (Form N-20)