Maryland's Corporate Income Tax

Presentation to the
Maryland Economic Development and Business Climate Commission

Department of Legislative Services
Office of Policy Analysis
Annapolis, Maryland

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Overview

- Each Maryland corporation, and every other corporation that conducts business within Maryland, is subject to the corporate income tax

- The corporate income tax is currently imposed at a rate of 8.25%, with various tax exemptions and/or credits available to qualifying businesses

- While Maryland imposes a single corporate income tax rate, a number of states have graduated corporate income tax rates

Calculation and Applicability

- For a corporation located solely in Maryland with no operations in other states, that corporation's calculation of Maryland taxable income is relatively straightforward

- However, for a Maryland corporation with multistate operations, the calculation of corporate income tax is more complicated and can also provide opportunities for using tax planning and avoidance mechanisms

Calculation and Applicability (cont.)

- Federal taxable income – starting point
- Maryland modified income – federal taxable income plus or minus Maryland addition and subtraction modifications
- Maryland taxable income
  - Wholly local corporation – Maryland modified income is Maryland taxable income
  - Multistate corporation – determines portion of Maryland modified income attributable to Maryland based on amount of business carried out in Maryland
- Maryland tax liability is Maryland taxable income times tax rate (8.25%) minus any tax credits

Calculation and Applicability (cont.)

- While corporations pay the corporate income tax, business entities such as partnerships and limited liability companies are considered pass-through entities for tax purposes

- While pass-through entities file a Maryland income tax return, members of pass-through entities report taxable income on their individual income tax returns

  – While the income of a corporation is “double taxed”, at the entity level and again when distributed to an individual as a dividend, pass-through entity income is only taxed at the individual level

- The Comptroller has estimated that approximately 160,000 pass-through entities file a Maryland income tax return

Other States

- With the exception of South Dakota and Wyoming, all states and the District of Columbia impose some type of corporate income tax or tax on business gross receipts

- Ten states and the District of Columbia have a top corporate income tax rate that is higher than Maryland's 8.25% rate

- Since 2010, 14 states and the District of Columbia have reduced their corporate income tax rates

  - Alaska, Arizona, Idaho, Illinois, Indiana, Kansas, Massachusetts, New Mexico, North Carolina, North Dakota, Oregon, Rhode Island, Texas, and West Virginia

- All but two of the states that have reduced corporate income tax rates (Indiana and North Carolina) have implemented or are in the process of implementing combined reporting

Issues to Be Discussed

- Federal Limitations on State Taxing Authority
- Unitary Business Principle/Apportionment of Income
- Combined Reporting
- Revenues and Incidence

Taxing Multistate Corporations

- Federal constitutional and statutory limitations on state taxing authority
  - Nexus
  - Fair apportionment
- Unitary business principle/formulary apportionment
- Corporate income tax filing options – separate or combined

Federal Limitations on Taxing Multistate Corporations

- Nexus/jurisdiction to tax
  - Constitutional requirements – sufficient contacts with state required
  - Federal statute (P.L. 86-272)
    - Generally prohibits a state from imposing an income tax on a foreign corporation whose only business activity within the state consists of the solicitation of orders of tangible personal property by its employees or representatives
- The tax base of a multistate corporation must be “fairly apportioned” among jurisdictions

Unitary Business Principle

- Unitary business — where in-state and out-of-state operations of a multistate enterprise are interdependent on and contribute to one another

- Where a unitary business exists, the income of the enterprise attributable to a particular state
  - Is not accurately reflected in a separate geographical accounting
  - Is better measured by “formulary apportionment” of income based on the operations of the entire unitary business within and outside the state

Apportionment Factors

- Property Factor
  - *Numerator* – total value of the corporation's real and tangible personal property owned or rented and used in Maryland during the taxable year
  - *Denominator* – total value of all of the corporation's real and tangible personal property owned or rented and used in all locations during the same period
- Payroll Factor
  - *Numerator* – total compensation paid by the corporation in Maryland during the taxable year
  - *Denominator* – total compensation paid by the corporation in all locations during the same period
- Sales Factor
  - *Numerator* – total sales of the corporation in Maryland during the taxable year
  - *Denominator* – total sales of the corporation for all locations during the same period

Types of Apportionment Formulas

- Evenly weighted three-factor formula of property, payroll, and sales

- Three-factor formula of property, payroll, and sales, with sales factor double weighted

- Single sales factor

Unitary Business Principle and Apportionment in Maryland

- Maryland has long recognized the unitary business principle by requiring apportionment of income for multistate corporations

  - In general, three-factor double-weighted sales factor apportionment is required

  - Manufacturers use a single sales factor apportionment method

Apportionment in Maryland

- The double-weighting of the sales factor and single sales factor apportionment reduces the tax for “in-state” taxpayers

  – For corporations that are based in the taxing state, placing more weight on the sales factor can provide tax relief because those corporations generally own significantly more property and incur more payroll costs in the state

  – More weight on the sales factor tends to pull a larger percentage of an out-of-state corporation’s income within the taxing jurisdiction of the state

Three-factor Double-weighted Sales Apportionment

$$\frac{\dfrac{\text{Property in Maryland}}{\text{Property Everywhere}} + \dfrac{\text{Payroll in Maryland}}{\text{Payroll Everywhere}} + 2 \text{ X } \dfrac{\text{Sales in Maryland}}{\text{Sales Everywhere}}}{\text{Divided by 4}}$$

Apportionment – Illustration

- Corporation X's property, payroll, and sales are divided as follows between State A and State B

	State A	State B	Total
Property	$20	$80	$100
Payroll	20	80	100
Sales	50	50	100

Apportionment – Illustration (cont.)

- Assuming Maryland is State A, how apportionment works using Maryland factors

All Corporations

$$\frac{\dfrac{\$20}{100} + \dfrac{\$20}{100} + 2X\,\dfrac{\$50}{100}}{\text{Divided by 4}}$$

Manufacturing Corporations

$$\frac{\$50}{100}$$

Apportionment – Illustration (cont.)

- Assuming total taxable income of $10, under different apportionment methods, Corporation X's taxable income for the two states would be computed as follows

	Taxable Income	
Apportionment Method	**State A**	**State B**
Equal three-factor	$3.00	$7.00
Double-weighted sales factor	3.50	6.50
Single sales factor	5.00	5.00

Apportionment – Illustration (cont.)

- In State B, where most of property and payroll are located
  - Less taxable income under double-weighted sales method than under equal three-factor method
  - Even less taxable income under the single sales factor method
- If State A and State B use the same apportionment method, and Corporation X is subject to tax in each state, 100% of total taxable income is taxed under each method
- Use of <u>different</u> apportionment methods by State A and State B may result in taxation of less than 100% or more than 100% of taxable income
- Tax savings may result if
  - Corporation X is not subject to tax in one of the states
  - Tax rates of State A and State B are different

Single Sales Factor for Manufacturers

- Manufacturers began using a single sales factor formula in 2001

- The single sales factor reduced the total taxes paid by multistate manufacturers by 11.0% compared to the amount that would have been paid under a three-factor formula

  – Annual revenue loss equals about 2.0% of total corporate income tax revenues, or about $20 million in tax year 2010

  – For illustrative purposes, the reduction in total tax revenues is equivalent to an average corporate income tax rate of 7.3% for manufacturers

- Not all manufacturers had a decrease in tax liabilities – the Comptroller’s Office estimates that 38.0% of multistate manufacturers had no change in taxes paid and about 30.0% paid additional income taxes

Single Sales Factor for Manufacturers (cont.)

- Both the gross revenue increase and decrease resulted mainly from the changes in tax liabilities for a few corporations

- In tax years 2007 through 2010:

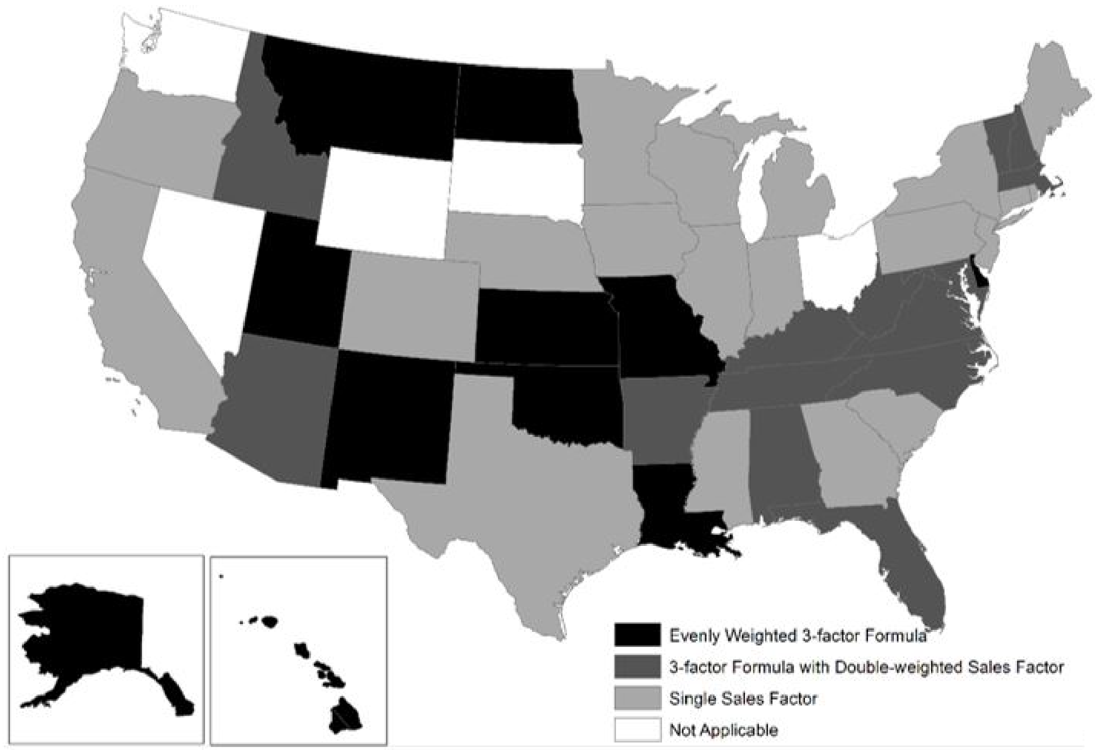
  – The 10 corporations with the largest tax decrease reduced annual revenues on average by $21.5 million (an average decrease of $2.1 million per corporate return)

  – The 10 corporations with the largest tax increase increased annual revenues on average by $13.1 million (average increase of $1.3 million)

  – In contrast, the other 3,500 returns reduced annual revenues on average by $5.1 million, for an average reduction per return of about $1,500

Apportionment Formulas by State

- Since 2013, four jurisdictions have moved to using a single sales factor:
  - District of Columbia
  - Minnesota
  - New Jersey
  - Rhode Island



Limitations of the Unitary Business Principle in Maryland

- The application of the unitary business principle is limited in Maryland for multi-corporate enterprises because of the requirement for “separate reporting” by each separate corporation

- Even though the activities of related corporations may constitute a single unitary business, the affiliated corporations that lack nexus with the State (or are protected from taxation by federal law) are not subject to the State income tax

- As such, neither the net income nor the apportionment factors of those affiliated corporations are considered for purposes of the tax

Overview of Combined Reporting

- Under combined reporting, formal corporate structure is disregarded to determine the share of income of a multistate enterprise that is attributable to a state

- The combined income of all members of a unitary group is taken into account, and the combined taxable income is then apportioned to the state using the combined apportionment factors of all the members of the group

- There are two methods by which combined reporting can be implemented, commonly known as Joyce and Finnigan

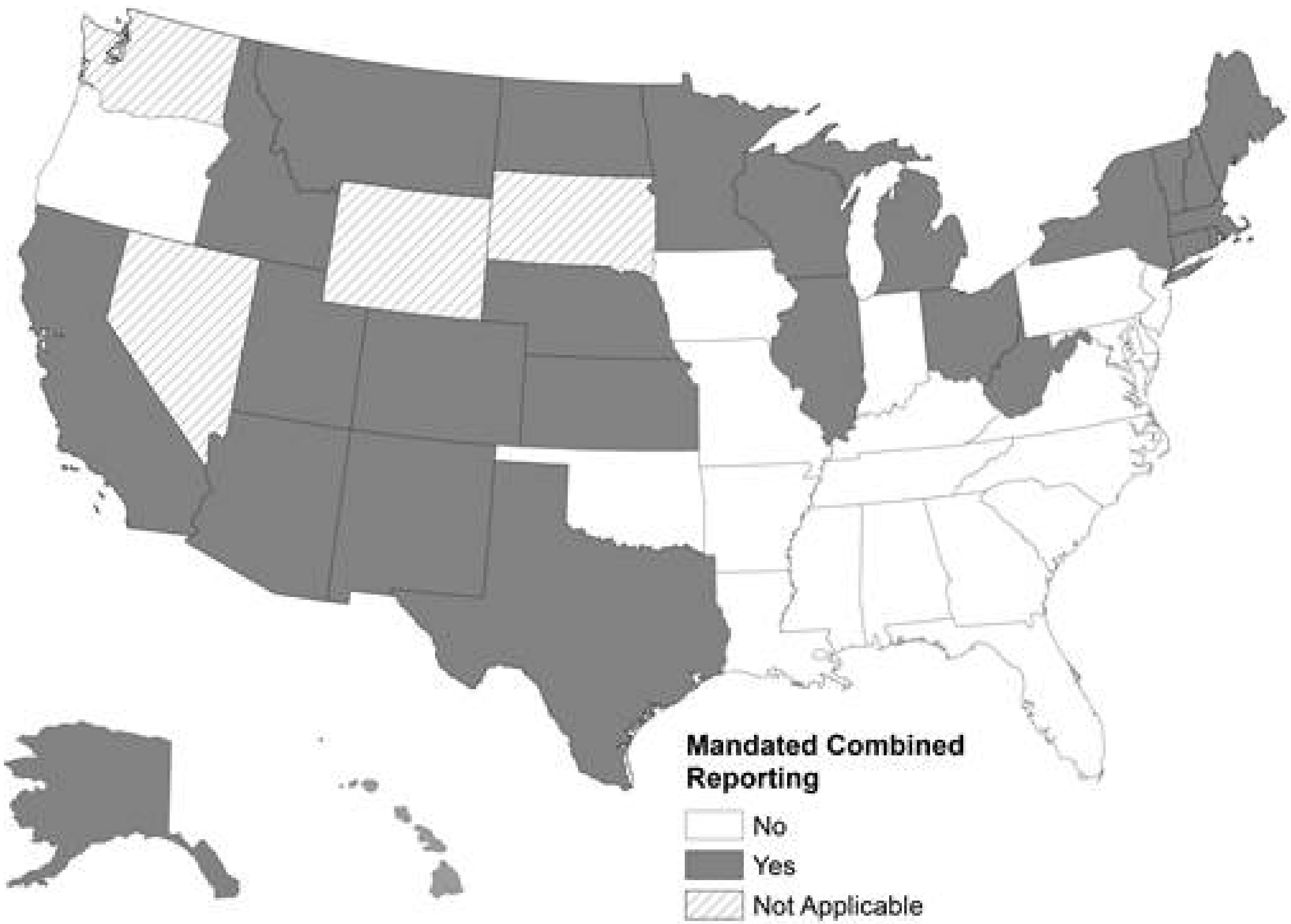
- However, under either the Joyce or Finnigan methods, some income may still go untaxed

Combined Reporting
Maryland Legislation and Other States

- Legislation to implement combined reporting in Maryland has been introduced numerous times in recent years

- More than half of the states with a corporate income tax currently require some form of combined reporting

Combined Reporting – Other States



Combined Reporting – Advantages

- Provides uniform treatment of multistate enterprises without regard to corporate structure

- Reduces or eliminates the effectiveness of tax avoidance opportunities under separate reporting

- Reduces administrative burdens by eliminating the need to examine the validity and reasonableness of intercompany transactions, such as intercompany transfer pricing

- Removes a competitive disadvantage for local businesses, which are unable to use cross-border tax planning techniques to avoid the tax

- Potential State revenue gain over time – the Department of Legislative Services (DLS) estimates that combined reporting could generate up to $75 million annually

Combined Reporting – Disadvantages

- The unitary business determination can be complex and lead to litigation
- Would be a significant change for many business entities, tax professionals, and the Comptroller
- Perceived to be business unfriendly
- Revenues can be volatile, and there are revenue winners and losers

Impacts of Combined Reporting

- As with the single sales factor for manufacturers, there are winners and losers from combined reporting

- Combined reporting will result in a significant shift in tax burdens across industries and by income

- For example, in tax year 2010 under Finnigan rules

  - About 40% of corporate groups would have had an increase in taxes, 31% a decrease, and 28% no change

  - Taxes increased by a total of $202 million for those groups with an increase, and decreased by a total of $140 million for groups with a tax decrease

  - Large corporations (those with Maryland modified income of more than $500 million) comprised about three-quarters of the total increase, with nontaxable corporate groups and corporate groups with limited income experiencing significant tax reductions

  - Corporate groups in the retail trade; professional, scientific, and technical services; and manufacturing had a significant increase in taxes; with taxes decreasing in the health care, transportation and warehousing, and utilities industries

Overview of State Corporate Income Tax Revenues

- Corporate income tax revenues totaled slightly over $1.0 billion in fiscal 2015

- Third largest source of State general fund revenues but substantially less than personal income tax ($8.2 billion) and sales and use taxes ($4.3 billion)

- Corporate income tax revenues comprise about 5% of all general fund revenues, with additional revenues dedicated for transportation and higher education

- The corporate income tax is one of the most volatile State revenue sources

  – Corporate profits vary significantly from year to year

  – A limited number of corporations pay a significant portion of the total taxes paid each year

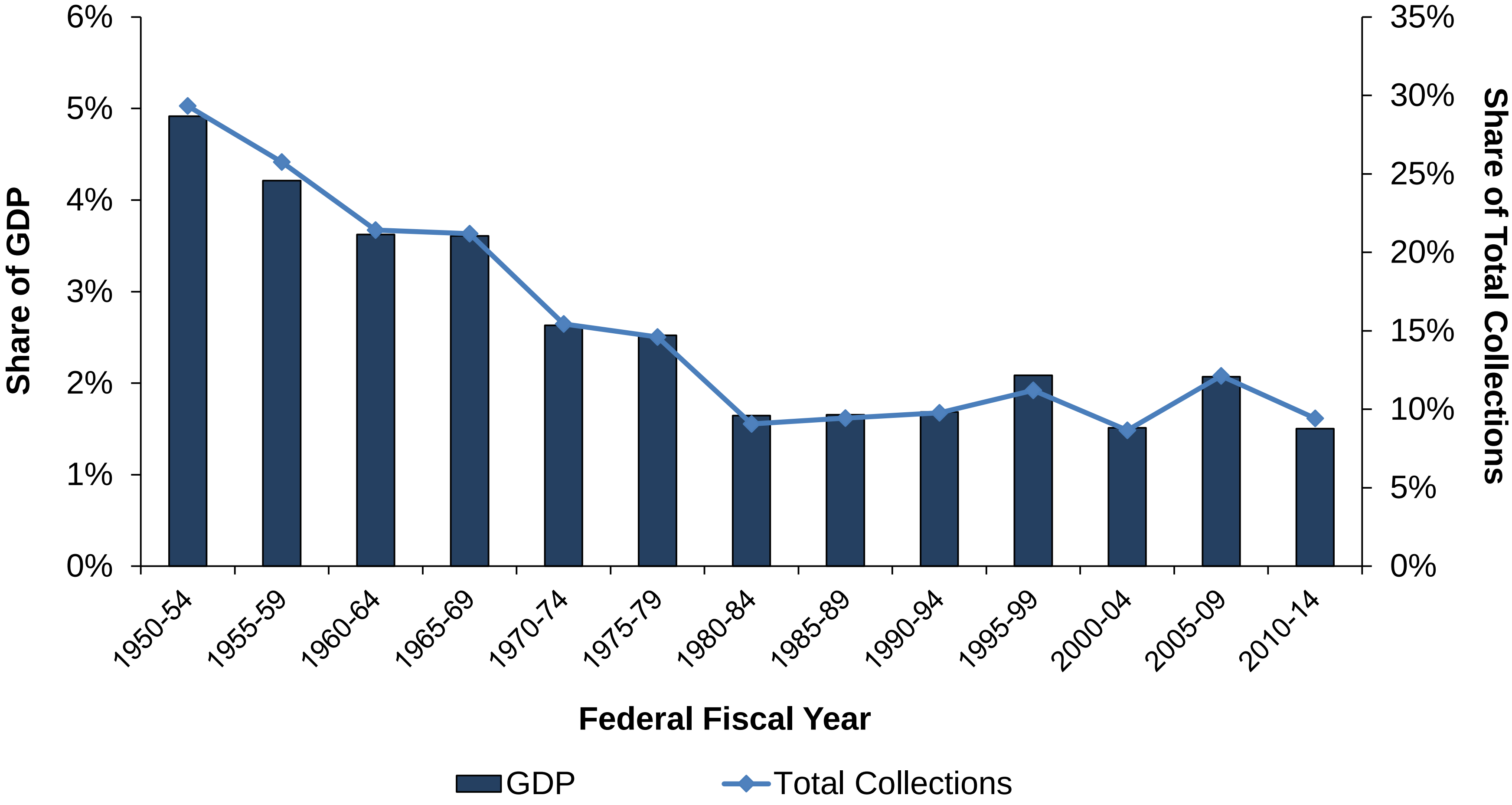
Overview of Federal Corporate Income Tax Rates and Revenues

- Federal corporate income tax revenues are projected to total $348 billion in federal fiscal year 2015

- Tax rate begins at 15%, but most income is generally subject to a rate of 35%
  - Effective tax rates are lower due to deductions and exclusions

- Factors that influence federal revenues include
  - the rise of pass-through entities and the fraction of total business income reported by noncorporate entities
  - corporate profitability and economic conditions
  - an increase in the share of corporate profits sourced to overseas operations
  - a decrease in average effective tax rates resulting from rate reductions and tax incentives

Federal Corporate Income Taxes – Share of Economy and Total Collections



GDP: gross domestic product

Federal Revenues and Trends

- Corporate income tax revenues decreased as a share of total federal revenues and the economy from the peak of the 1950s through the mid-1980s

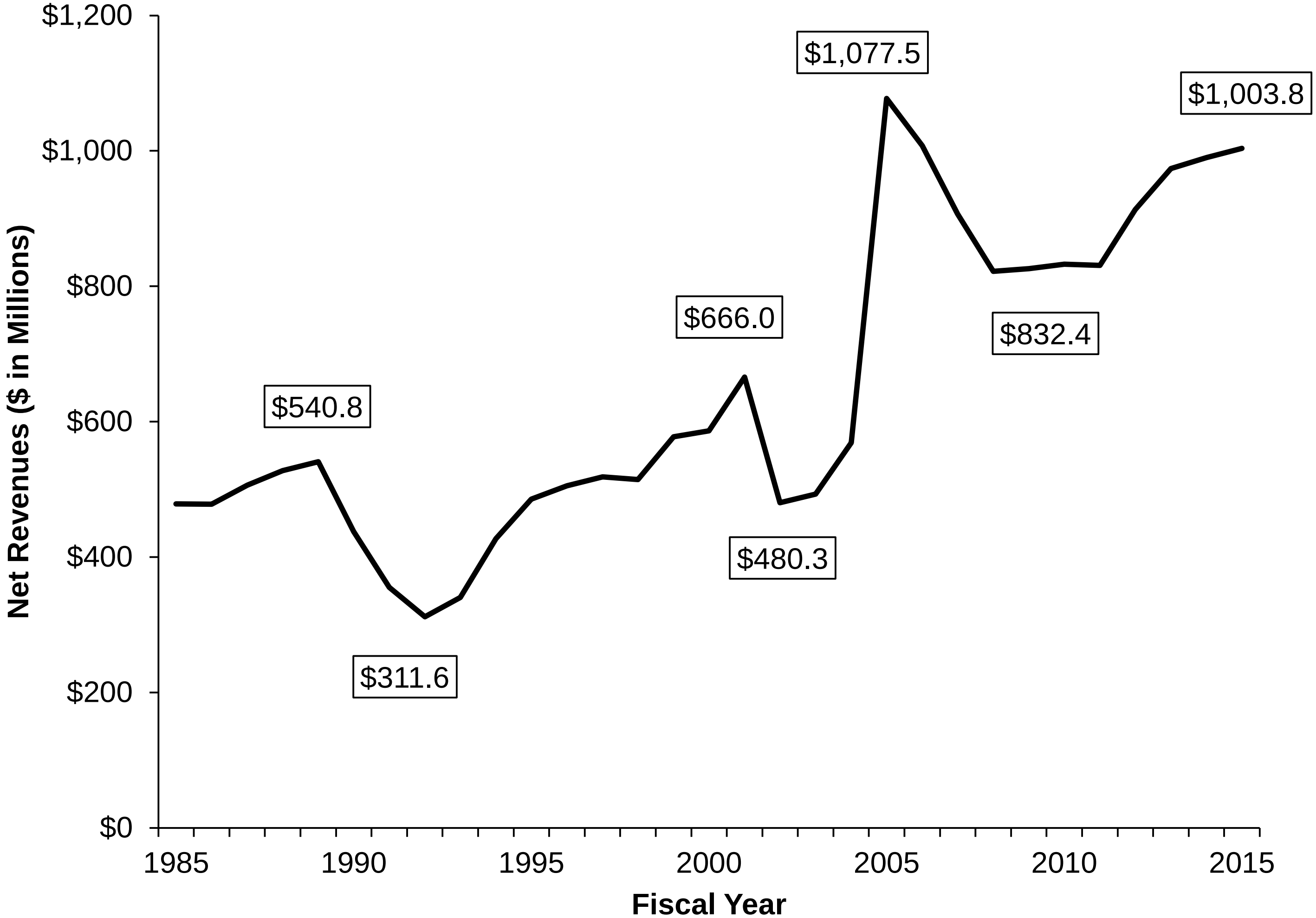
- Since the mid-1980s, corporate income tax revenues have remained around 2.0% of gross domestic product and 10.0% of total federal collections

- Corporate profitability was variable over this time, falling through the 1980s, rising in 1990 and, notwithstanding significant downturns in the 2001 and 2008 recessions, eventually returning to 1950s/1960s levels

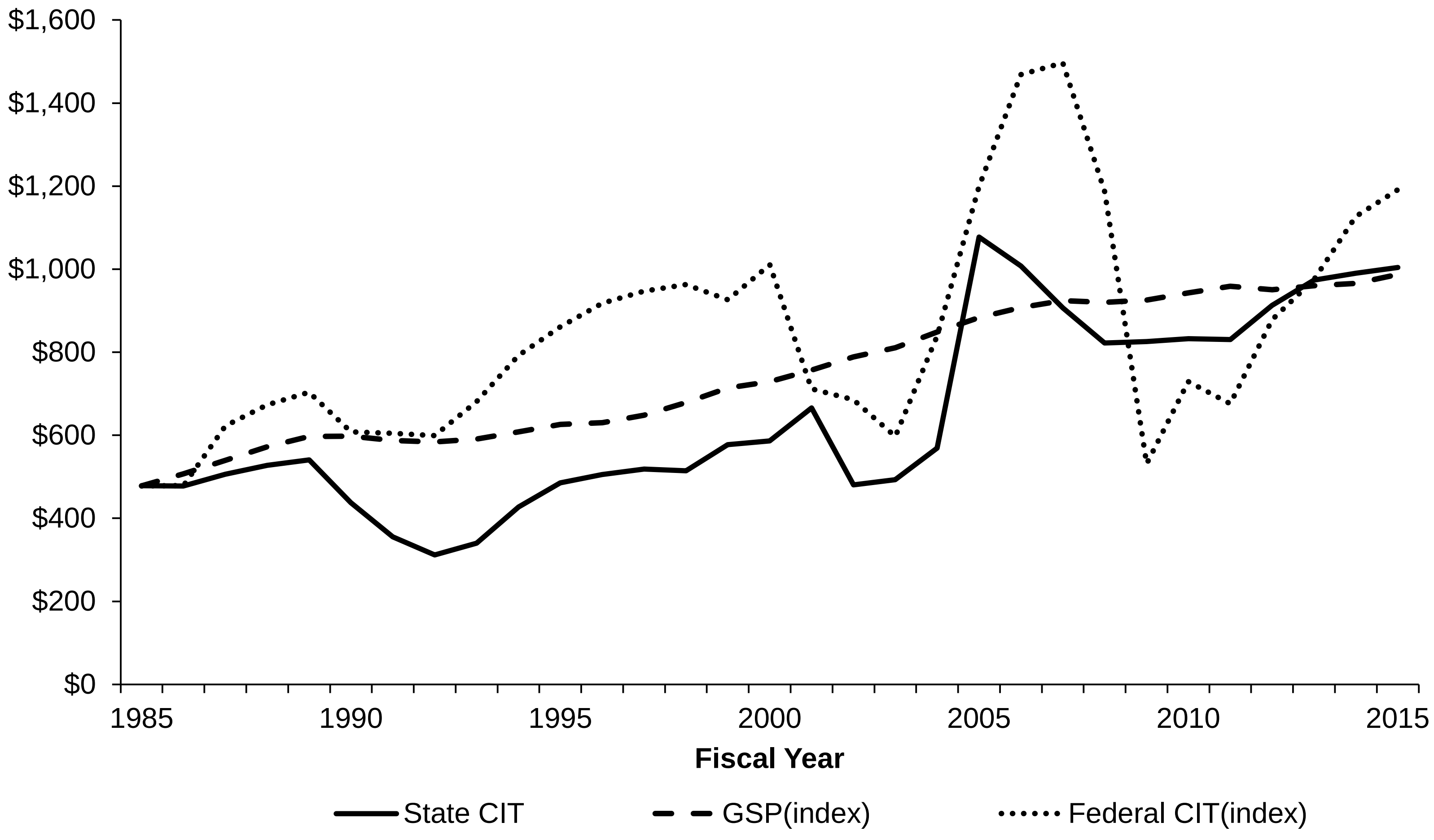
- The percentage of corporate profits sourced overseas was a steady 2.5% through 1990 but has since increased to about 10.0%

- Recent decreases in revenues reflect the substantial decrease in corporate profits caused by the 2008 recession and temporary federal provisions allowing firms to accelerate deductions for investments made in certain taxable years

State Corporate Income Tax Revenue Trends



State Revenues Compared to Change in Federal Revenues and Economy



CIT: corporate income tax

GSP: gross state product

Federal and State Corporate Income Tax Revenue Changes

- Since 1985, State corporate income tax revenues have grown on average (adjusted for inflation) by 2.5%, close to the growth in the State economy (2.4%) but slower than the 3.1% growth in federal revenues over this time

- State corporate income tax revenues equal about 0.3% of the State's economy (Gross State Product or GSP)

- State revenues increased significantly in fiscal 2004 and 2005 due to Delaware Holding Company tax compliance legislation and a general uptick in revenues

- Since 2000, State revenues have not been as volatile as federal revenues but have recently lagged behind

  – Reasons for this include differences in the impact of the recession and recovery on Maryland relative to the United States and State decoupling from federal tax law changes

Factors Influencing State Revenue Collections Compared to Federal Revenues

- Differences in the corporate tax base (different industries, for example), profitability, economic growth, and local demand for products
- State regulatory policy changes
- State tax law changes
  - Rate increase (2007)
  - Apportionment (1992 and 2001)
  - Compliance (2004 and 2007)
- Federal tax law changes and State conformity/decoupling

State Tax Incidence Overview

- About 8% of U.S. businesses are organized as corporations
  - In general, these are larger corporations that report more income than other businesses and, therefore, may not necessarily be reflective of the broader economy
- Of the approximately 60,000 State corporate income tax returns filed in tax year 2012, about 40% were taxable
  - About 3 in 10 unistate returns are taxable, compared with a little more than one-half of multistate returns
- Of the taxable corporations, the median tax paid was equal to $658
- The amount of taxes paid is significantly larger for large corporations, as corporations with Maryland modified income of $1 billion or more paid an average of $2.7 million in taxes
- The likelihood that a company files a return and has tax liability differs significantly across industries

Tax Incidence Caveats

- Since Maryland is a separate reporting state, corporate statistics may not include all members of a corporate group and related entities

- Data is not available to compare effective tax rates across companies and industries

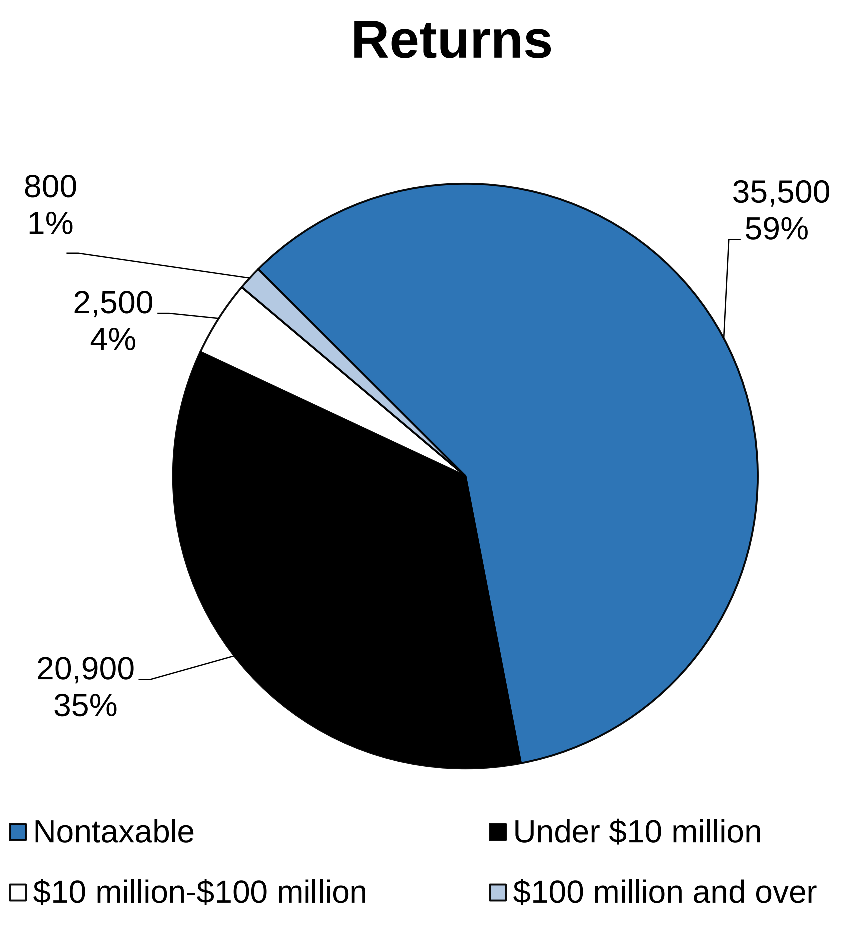
- Tax burdens can differ significantly, even though the corporations may be of similar size or in the same industry

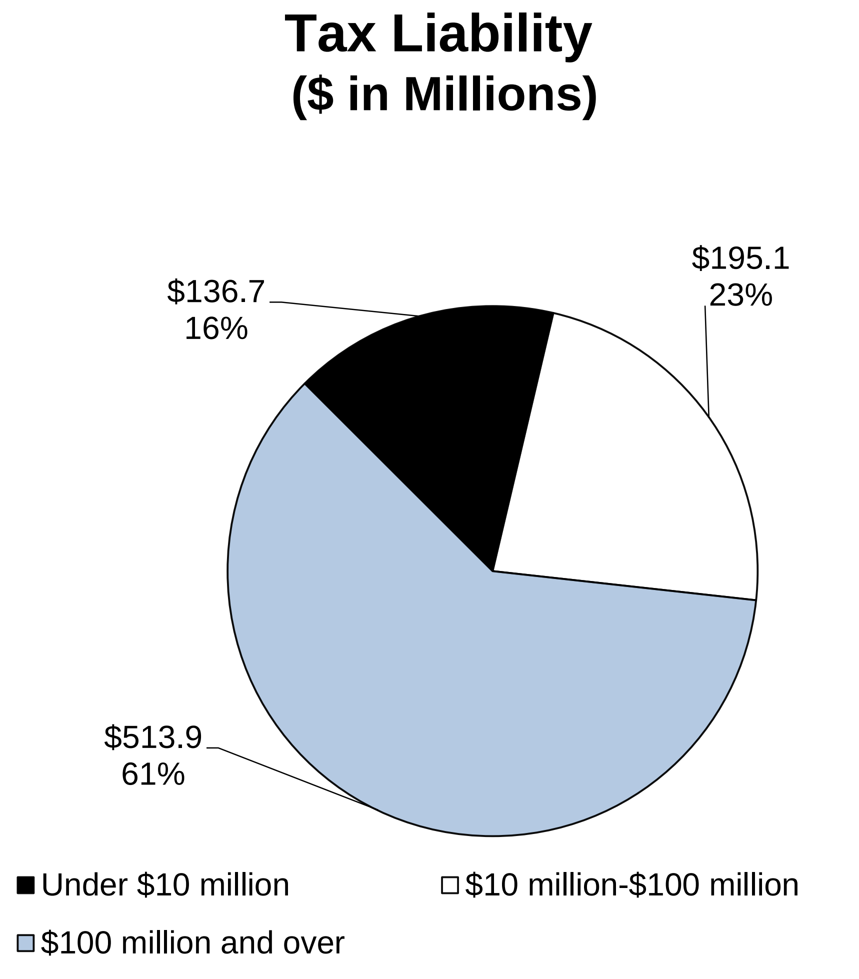
- The ultimate burden of the tax depends on how interactions with the economy and labor markets result in tax shifting

Economic Incidence

- The federal tax burden falls largely on domestic individuals and is shared by business owners (shareholders, bondholders) through lower returns and by workers through lower wages
- The Congressional Budget Office (CBO) estimates that business owners bear 75.0% of the total tax burden and workers bear 25.0%, while the U.S. Department of the Treasury estimates these burdens at 82.0% for business owners and 18.0% for workers
- In the short term, business owners likely bear all of the incidence
  - The U.S. Joint Committee on Taxation assumes that it takes 10 years for corporate tax law changes to reach long-term equilibrium, so business owners bear a higher burden of the tax during that period
- CBO estimates that the federal corporate income tax is highly progressive – the share of the total corporate tax borne by households in the highest income quintile was 78.6%
  - The estimate is 48.7% for the top 1.0% of households
- Nonresidents bear a large share of the State corporate income tax

Tax Returns and Tax Liability by Maryland Modified Income



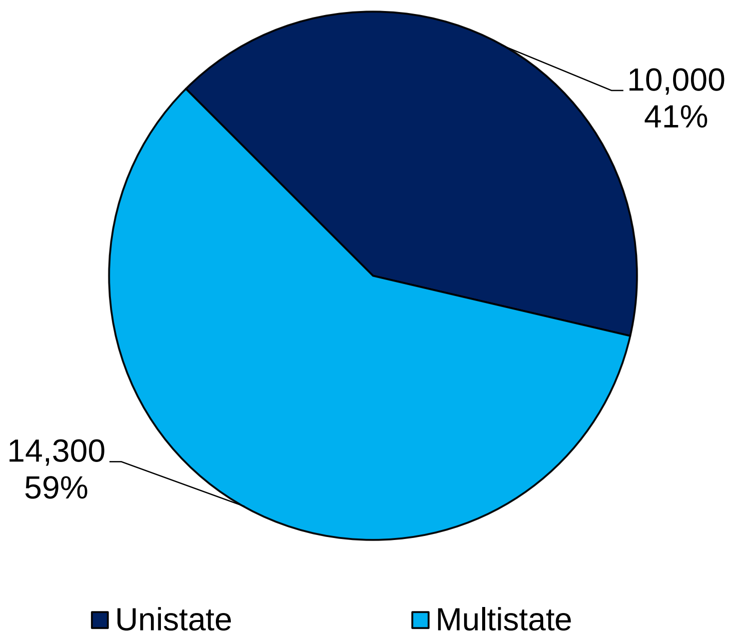


Tax Returns and Tax Liability by Maryland Modified Income (cont.)

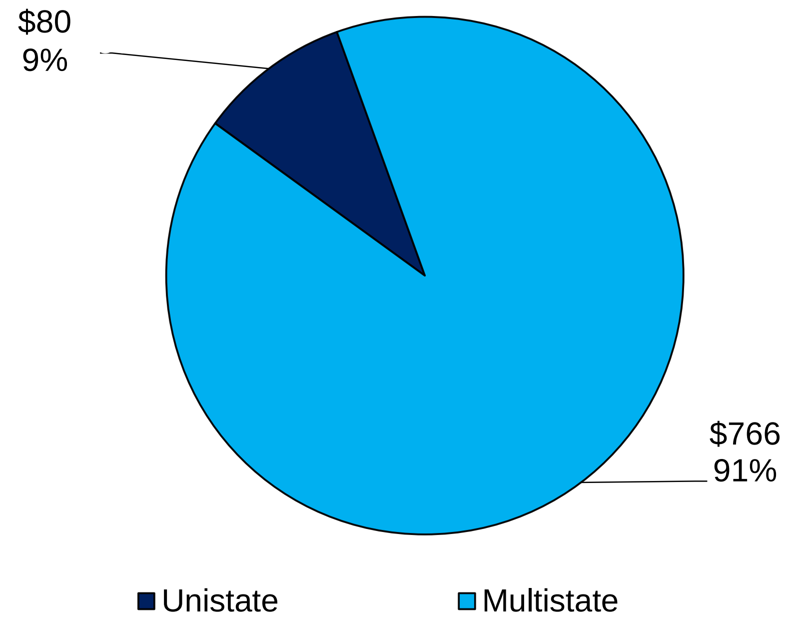
- While there is significant variation in taxes paid among corporate returns, most of the corporate income tax is paid by higher-income taxpayers
- Approximately 7 out of 10 taxable returns have Maryland modified income of less than $1 million
- Nontaxable returns and returns with Maryland modified income of less than $10 million comprise over 90% of all returns but pay about 16% of total taxes
- Conversely, returns with Maryland modified income of $100 million or more, or just 1% of all returns, pay 61% of total taxes

Maryland Returns and Tax Liability
Unistate and Multistate Corporations

Taxable Returns



Tax Liability
($ in Millions)



Maryland Returns and Tax Liability
Unistate and Multistate Corporations (cont.)

- While most corporate returns are from unistate corporations, about 60% of all taxable returns come from multistate corporations

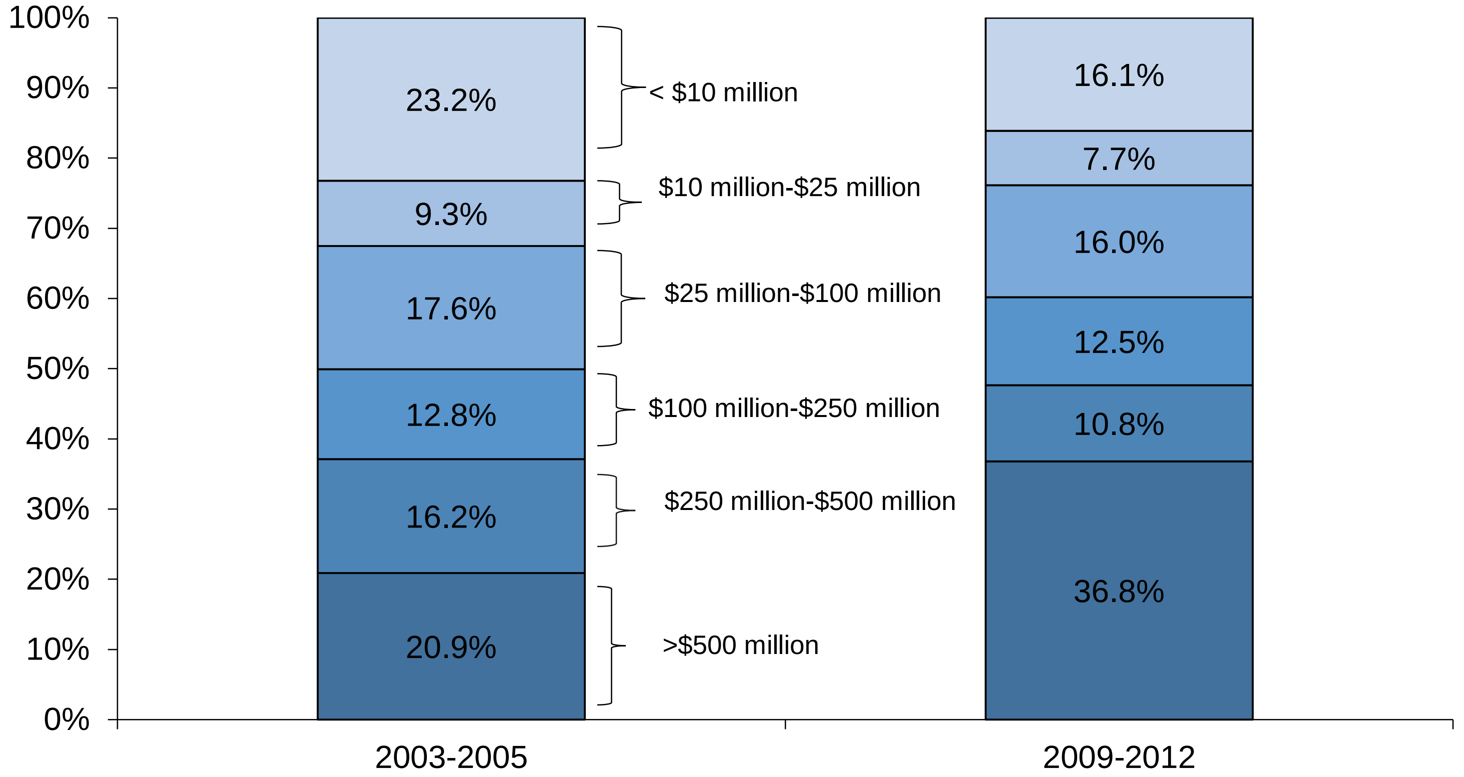
- On average, multistate corporations are more likely to have significantly higher income amounts and tax liability

  – About 10 unistate returns have Maryland modified income of more than $10 million in each year, or 1 out of every 3,000 unistate returns

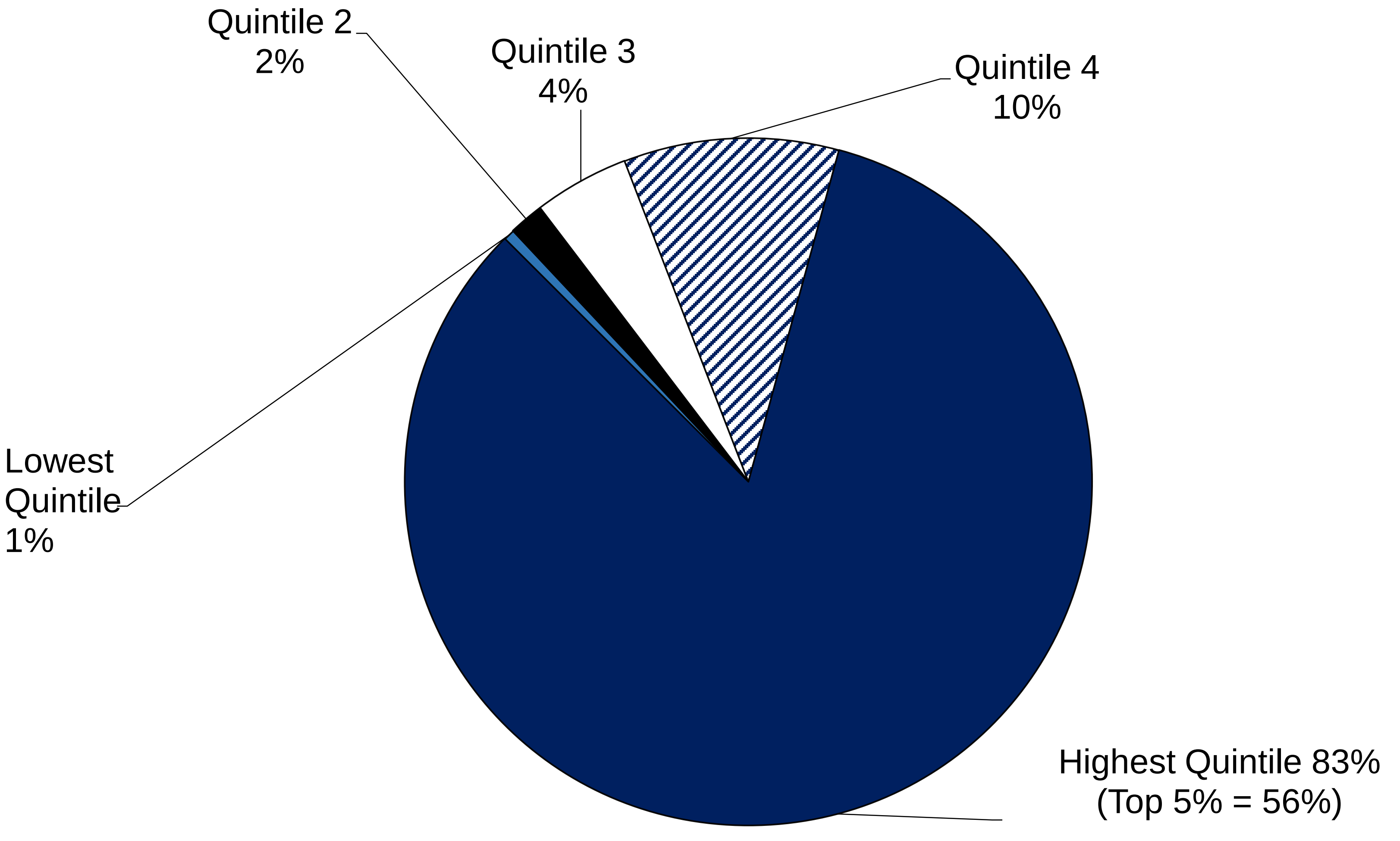
  – About 3,300 multistate returns have Maryland modified income of more than $10 million in each year, or 1 out of every 8 multistate returns

- Because multistate returns report significantly higher amounts of income and are more likely to be taxable, more than 90% of corporate taxes are paid by multistate corporations

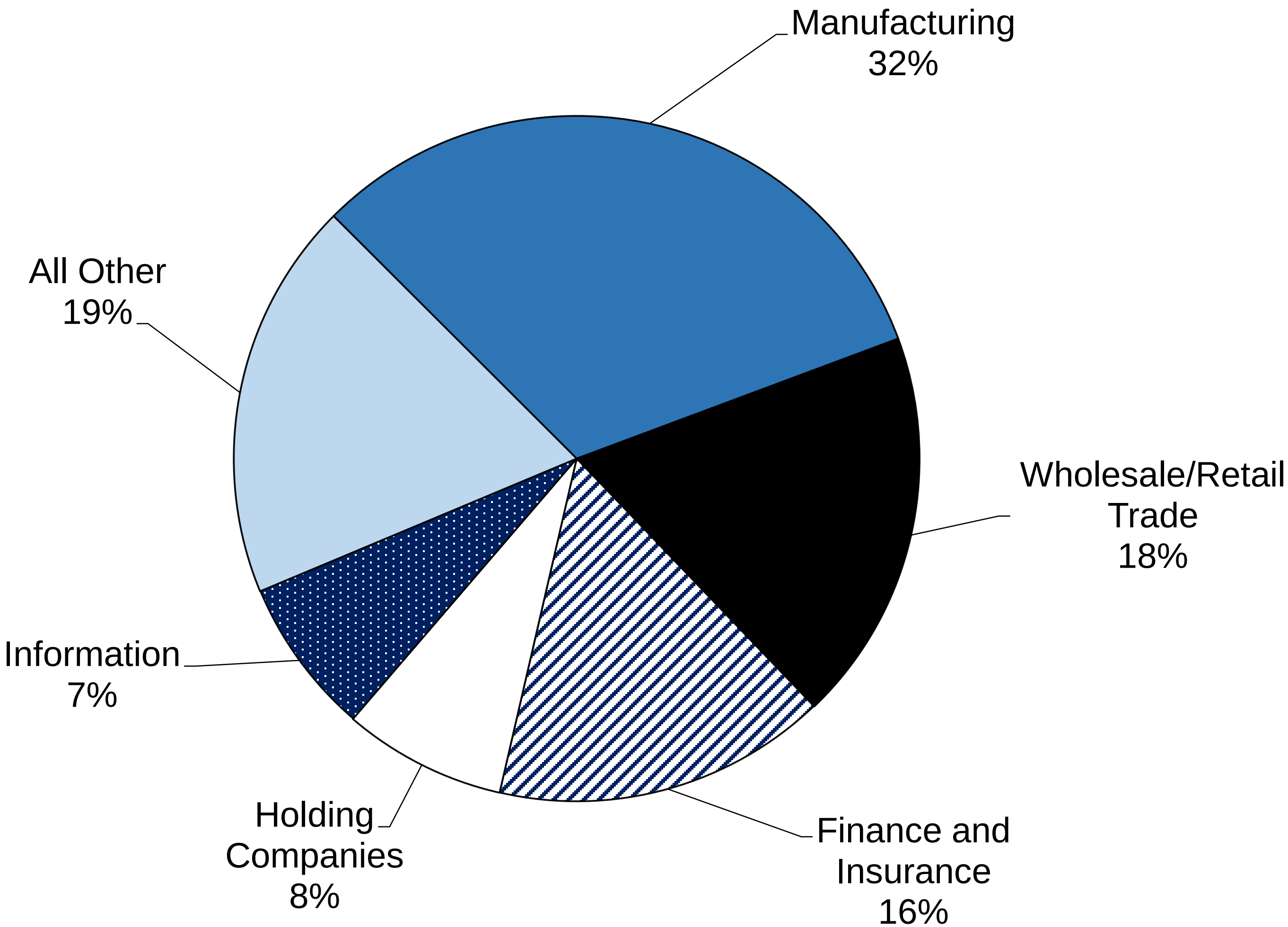
Percent of Total Corporate Income Taxes Paid by Level of Income



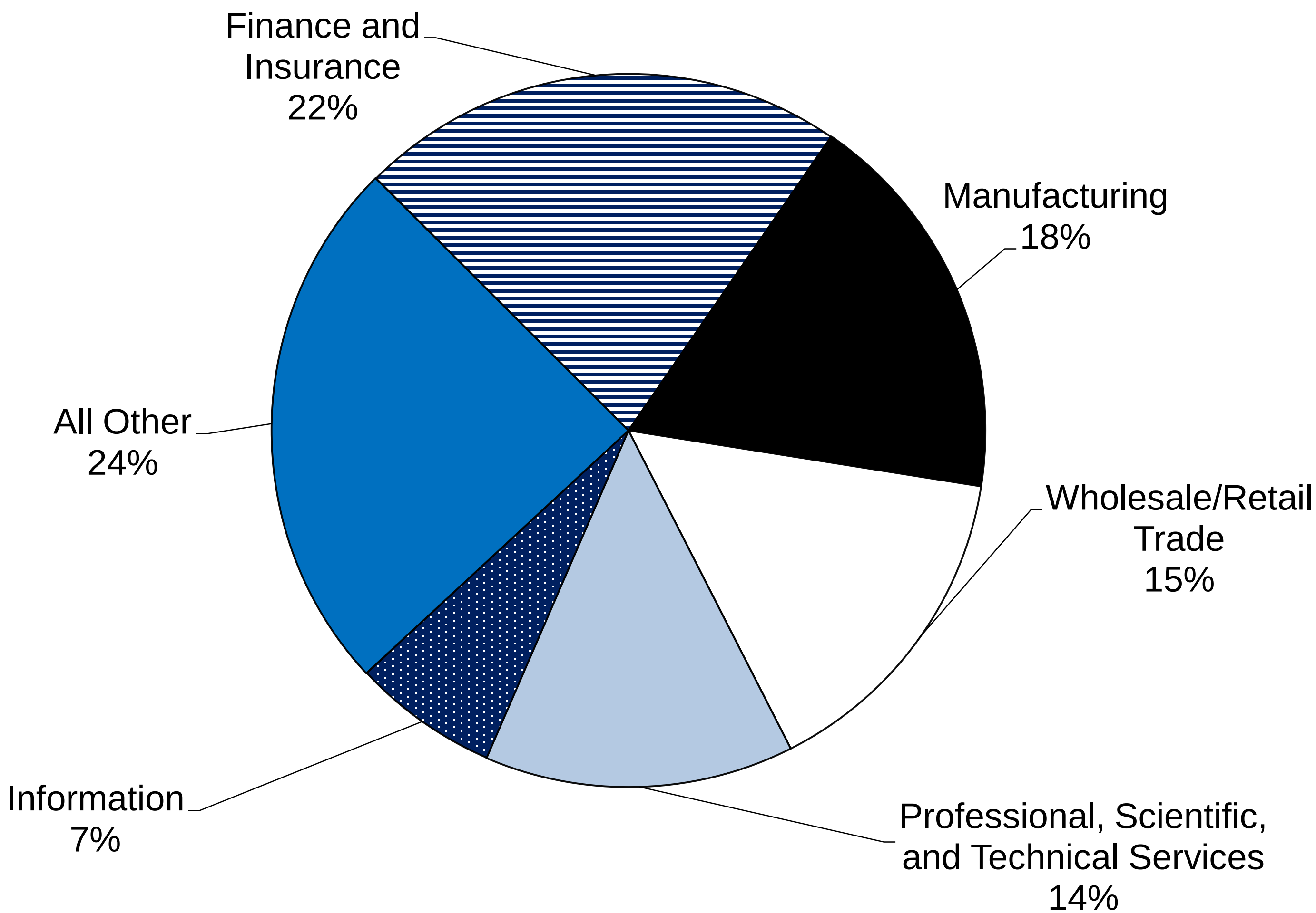
Share of Total Taxes Paid by Gross Receipts – All Multistate Corporations



Share of Federal Corporate Income Taxes Paid by Industry



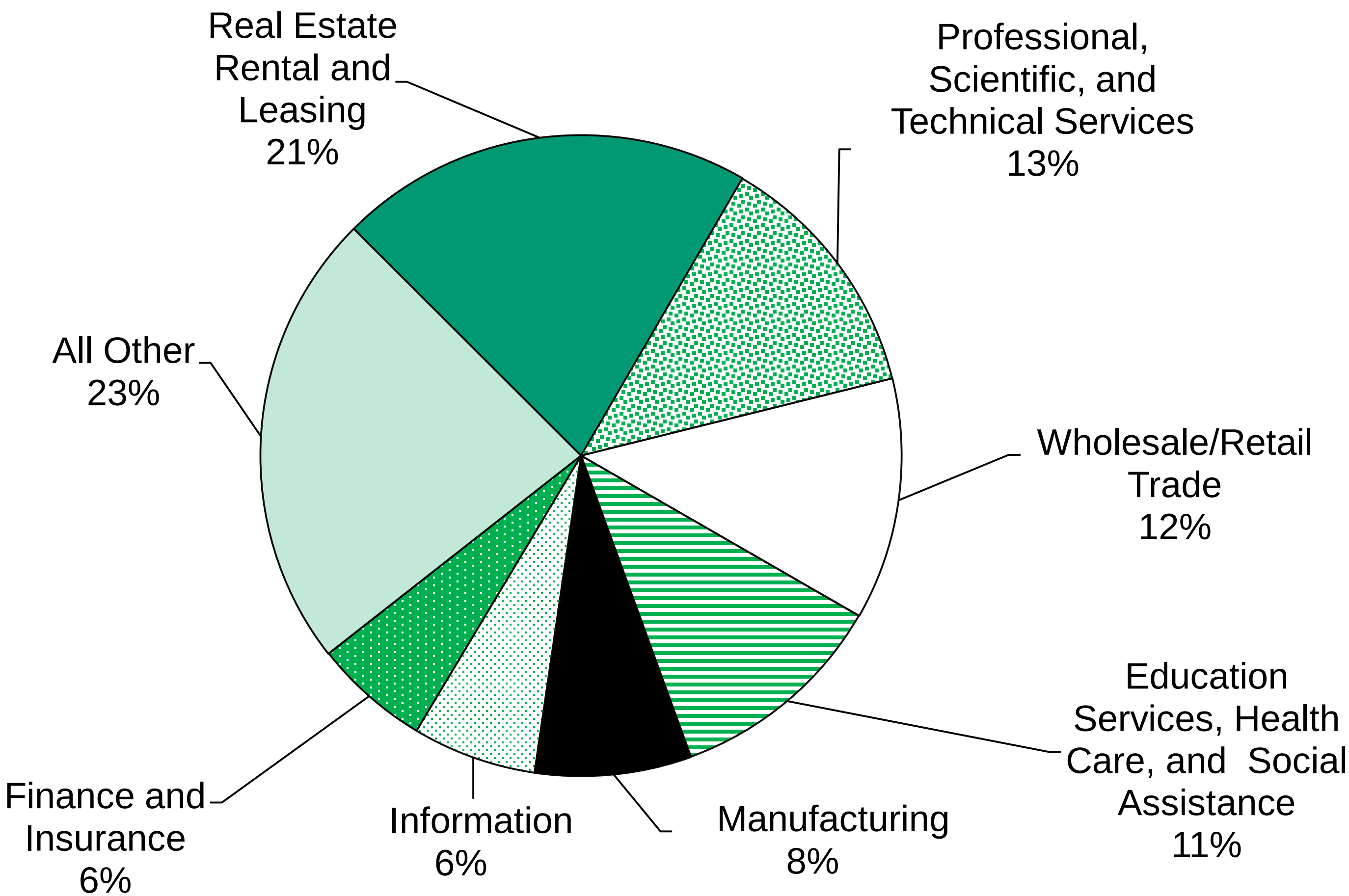
Share of State Corporate Income Taxes Paid by Industry



Federal and State Taxes Paid By Industry

- Corporations within a few industries pay most of the federal corporate income tax
  - Manufacturers pay the largest share of federal corporate income taxes (32%), followed by wholesale/retail trade (18%) and finance and insurance (16%)
  - The top five industries pay about 80% of all federal corporate income taxes
- Four out of the five industries that pay most of the federal corporate income tax also pay most of the State corporate income tax
  - Finance and insurance companies pay the largest share of State corporate income taxes (22%); followed by manufacturing (18%); wholesale/retail trade (15%); and professional, scientific, and technical services (14%)
  - The top five industries pay about 75% of all State corporate income taxes

Share of Maryland Economy By Industry



State Corporate Income Taxes Paid Relative to Share of the State Economy

- Of the State's major industries, the share of corporate income taxes paid relative to the industry's share of the private sector economy is

  - Disproportionately low for the real estate and education/health care industries

  - Roughly proportionate for the wholesale/retail trade; professional, scientific, and technical services; and information industries

  - Disproportionately high for the manufacturing and finance and insurance industries

- Much of the disparity in the corporate income taxes paid by industry results from the concentration of net income for corporations within a few industries and is not illustrative of whether an industry does or does not pay its "fair share" of taxes

Corporate Shares of Net Income Explain Much of the Industry Variation

	Corporation Share within Industry of:			
	Businesses	**Gross Receipts**	**Net Income**	**Corporate Share of Total Business Net Income**
Finance and Insurance	7.1%	81.5%	53.7%	14.9%
Manufacturing	16.6%	79.0%	78.4%	14.9%
Wholesale/Retail Trade	8.7%	56.7%	51.3%	4.4%
Information	8.6%	72.6%	58.3%	2.6%
Holding Companies	33.0%	85.4%	64.2%	2.5%
Real Estate	5.4%	31.8%	16.0%	1.1%
Professional, Scientific, Technical Services	5.1%	38.3%	11.2%	0.9%
Utilities	15.6%	77.9%	67.5%	0.7%
Construction	5.2%	27.7%	11.4%	0.5%
All Other (Unweighted Average)	5.1%	36.7%	19.9%	0.4%
Health Care and Social Assistance	5.0%	40.8%	8.6%	0.3%
Educational Services	2.2%	46.7%	23.9%	0.1%
Industry Average (Unweighted)	**8.1%**	**49.0%**	**31.8%**	**2.4%**

Industry Variations in Shares of the Federal Corporate Income Tax

- A higher than average number of companies within the finance and insurance, manufacturing, holding company, information, and wholesale/retail trade industries are organized as corporations, and these corporations report a significant portion of each industry's gross receipts and/or net income
  - These industries pay a significant portion of federal corporate income taxes
- A lower than average number of companies within the real estate, health care, construction, and educational services industries are organized as corporations and have a smaller share of each industry's total gross receipts/and or net income
  - These industries do not pay a significant portion of federal corporate income taxes
- In addition to the share of an industry's business activity that is reported by corporations, an additional factor is the total size/profitability of the industry
  - Corporations within the manufacturing and finance and insurance industries report $1 out of every $3 of net income reported by ***all*** businesses in the United States

State Tax Liability by Industry

		Taxes Paid		% of Returns	
	# of Corporations	Total ($ in Millions)	Median	Nontaxable	Multistate
Finance and Insurance	5,045	$186.4	$350	55%	63%
Manufacturing	4,746	150.2	2,965	51%	73%
Professional, Scientific, and Technical Services	9,131	115.9	540	56%	53%
Retail Trade	4,213	84.3	1,710	65%	29%
Information	1,859	55.3	1,260	58%	70%
Wholesale Trade	2,625	41.6	1,740	47%	66%
Holding Companies	1,352	34.1	735	61%	73%
Real Estate and Rental and Leasing	8,614	33.4	260	67%	20%
Transportation and Warehousing	1,770	27.6	825	59%	46%
Utilities	1,108	22.8	2,125	67%	34%
Health Care and Social Assistance	2,855	20.7	800	66%	22%
Construction	4,917	16.2	520	62%	42%
All Others	11,618	52.2	n/a	65%	41%
Total	**59,853**	**$840.9**	**$658**	**61%**	**42%**

Shifts in Corporate Income Tax Liabilities

- In recent years, corporate tax liabilities have shifted by industry, and larger multistate corporations now pay a greater share of total taxes
- The share of total taxes paid by multistate corporations has increased from 80% to 90%, reflecting a tripling of income among multistate corporations
- Net income decreased among unistate corporations as the number of nontaxable corporations increased and, the amount of net losses increased significantly
- Shift of taxes paid across industries:

	Tax Year 2003-05	Tax Year 2009-11
Professional, Scientific, and Technical Services	7%	14%
Manufacturing	13%	18%
Finance and Insurance	20%	22%
Retail/Wholesale Trade	15%	15%
Information	12%	7%
Top Five Industries	67%	75%
All Others	34%	25%

State Tax Liability by Industry

- Most of the industries that are a significant source of corporate income tax revenues have a tax burden that is higher than the median tax burden

  – A greater share of the corporations within these industries are multistate and are more likely to be taxable

- The typical tax burden of a taxable corporation within the finance and insurance industry is less than average, even though this industry pays the largest share of corporate income taxes

Distribution of Taxes and Receipts

- DLS requested from the Comptroller's Office any additional information about the distribution of corporate income taxes paid relative to the size of the corporation (gross receipts, number of employees)

- The analysis of this data shows that a small percentage of corporations with the largest gross receipts report a significant majority of the gross receipts and taxes paid

- The top 5% of multistate manufacturers reported 80% of industry gross receipts and paid 61% of all taxes paid by the industries, with a similar distribution for the top 5% of other multistate corporations

- The largest multistate manufacturers reported an average of $20.1 billion in gross receipts ($6.6 billion in all other industries) and average taxes paid of $611,800 ($318,500 in all other industries)

Distribution of Taxes and Receipts – Multistate Manufacturers

		Average Per Return		Percent of Total	
	Corporations	Gross Receipts	Taxes Paid	Receipts	Taxes
Highest 5%	158	$20,100,000,000	$611,800	78.900%	60.6%
Quintile 5	631	6,000,000,000	210,300	93.700%	83.3%
Quintile 4	630	288,000,000	22,600	4.500%	8.9%
Quintile 3	630	84,000,000	12,500	1.300%	4.9%
Quintile 2	630	24,000,000	6,000	0.400%	2.4%
Quintile 1	630	4,000,000	1,300	0.100%	0.5%
Lowest 5%	157	$471,300	200	0.002%	0.02%
Total	**3,151**	**$1,200,000,000**	**$50,600**		

Note: Gross receipts is total gross receipts of corporation before apportionment to Maryland.

Distribution of Taxes and Receipts – All Other Multistate Corporations

		Average Per Return		Percent of Total	
	Corporations	Gross Receipts	Taxes Paid	Receipts	Taxes
Highest 5%	1,082	$6,600,000,000	$318,500	82.4000%	56.7%
Quintile 5	4,327	1,900,000,000	117,800	95.8000%	83.8%
Quintile 4	4,327	64,000,000	13,400	3.2000%	9.5%
Quintile 3	4,327	16,000,000	6,200	0.8000%	4.4%
Quintile 2	4,327	4,000,000	2,400	0.2000%	1.7%
Quintile 1	4,326	550,900	750	0.0300%	0.5%
Lowest 5%	1,079	34,400	650	0.0004%	0.1%
Total	**21,634**	**$401,000,000**	**$28,100**		