

**Strategic Disclosure for Political Gain:
the Case of the Corporate Alternative Minimum Tax[†]**

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This study provides evidence on the characteristics associated with the completeness of corporate tax reporting by firms subject to the AMT. We find disclosure of tax status is contingent upon the potential costs and benefits of the disclosure. In particular, the variables significant in explaining the disclosure decision are consistent with the argument that firms use disclosure to pursue political and competitive goals.

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I. Introduction

The disclosure of accounting information has become an increasingly important part of accounting standards and raised numerous questions for accounting researchers.¹ Previous research has addressed both the purpose and effect of corporate disclosure in a number of areas, most notably corporation's pension obligations and the value of financial instruments.² In this paper, we examine the factors that influenced the disclosure of tax information in firms' financial statements. Specifically, we examine the decisions of firms to disclose information about their Alternative Minimum Tax (AMT) liability after the Tax Reform Act of 1986.

We explore the factors likely to influence a firm to self-disclose specific tax information and provide evidence on the characteristics associated with the completeness of corporate tax reporting. With the exception of evidence reported in Dworin (1985) little is known regarding factors that might cause or be associated with differences between actual and reported tax status. Nevertheless, much empirical tax research assumes transparent self-disclosure of tax status. Factors likely to affect a firm's decision to self-disclose AMT status include political pressures and opportunities, competitive concerns, the level of AMT obligation relative to the regular tax, and consolidation differences between tax and financial reporting entities.

In the next section we provide a brief description of the AMT. In section III we review the completeness of financial statement disclosure of AMT status, and describe and estimate a model of the decision to self-disclose AMT status. Section IV compares the results of using self-disclosed versus an actual AMT liability in an earnings management equation. Section V examines the effect of non-disclosure on models that use self-disclosure to classify firms, and

¹Johnson (1992).

²See Barth and Murphy (1994) for an overview.

explores the efficacy of methods traditionally used to minimize any bias. The final section provides a brief summary and suggestions for future research.

II. A brief history of the AMT

The Tax Reform Act of 1986 (TRA86) created a corporate AMT that, for the first time, included financial statement income as a component of taxable income. This provision has been the focus of a number of earnings management studies that examined its effect on financial statement income.

The corporate AMT is a tax system that parallels the regular corporate tax. Alternative Minimum Taxable Income (AMTI) begins with regular taxable income before net operating losses (NOLs). Taxpayers then add back amounts to adjust for differences in accounting methods used for regular tax purposes and the AMT (e.g., less accelerated depreciation may be required under the AMT). In addition, various tax preferences are added, such as percentage depletion in excess of original cost. The sum of regular taxable income before NOLs and these adjustments and preferences is AMTI before the book income adjustment.

Book income for the AMT is defined as the pretax book income of the consolidated financial entity associated with the consolidated tax entity. However, AMTI before the book income adjustment will generally differ from pretax book income for financial purposes. The reasons for these differences, which are economically large (Dworin, 1985) may be as simple as differences in depreciation under each system, or to differences in consolidation between financial and tax reporting.

For the years 1987 - 1989, one-half of the excess of book over taxable income (if positive)

was included in the calculation of AMTI. AMTI in excess of a (phased-out) \$40,000 exemption level was taxed at a 20 percent rate,³ compared to 40 percent under the regular tax in 1987, and 34 percent thereafter. The use of NOLs and foreign tax credits can reduce the AMT by up to 90 percent, greatly reducing the amount of additional tax that might be paid under the AMT. Firms are required to pay the greater of the regular tax or the AMT. If the firm is required to pay the minimum tax, timing differences (such as depreciation or the book income preference) generate a credit that can be carried forward to offset future regular tax liability. Permanent differences, such as tax-exempt interest, generate no AMT credit.

Gill and Treubert (1993) report that 17,370 firms paid the AMT in 1987, rising to 25,237 in 1989⁴ with manufacturing firms responsible for the largest share of AMT payments. In 1987 direct additional tax paid due to the AMT was \$2.2 billion out of approximately \$87.0 billion in corporate tax liability, and \$9.1 billion for the period 1987 - 1989.⁵ Table I provides a distribution of all returns with an AMT liability by asset size. Gerardi et al. (1993) analyzed a panel of 10,000 large-corporation tax returns (assets in excess of \$50 million) and found these firms paid 73 percent of the total AMT liability for all firms from 1987 - 1990, compared to 64 percent of the regular tax liability. Nearly one-half of all corporations in their sample paid the AMT in at least one year. Of those firms paying the AMT, the AMT increased total taxes paid

³In addition, the Environmental Tax (0.12 percent) is levied on AMTI before NOLs in excess of \$2,000,000.

⁴While more than 32,000 firms paid the AMT in 1990 the number is not strictly comparable to earlier years as book income was replaced by adjusted current earnings in the calculation of alternative taxable income.

⁵The distinction of direct payment of the AMT is an important one. If firms took actions which increased their regular tax to avoid the AMT the Treasury would gain revenue from the imposition of the AMT even if no AMT were actually paid. As a result, the revenue figures for the AMT are lower-bounds for the total amount of revenue generated by the AMT. To date, no studies have analyzed the extent of this activity.

more than 30 percent for firms on the AMT one or two years, and more than doubled taxes paid for the 11 percent of firms on the AMT for three or four years.⁶

III. AMT disclosure

Disclosure of AMT status (and the amount of AMT payment and preference items) is likely an important factor in an external assessment of the firm's total tax burden. Because the AMT entails payment of additional taxes (currently, and potentially permanently) it represents, at a minimum, an increase in the present value of firms' total tax liability, and a reduction in cash flows to investors. The extent to which the present value of a firm's tax liability increases as a result of the AMT is a function of the level of AMT payment and the length of time until the use of any resulting AMT credits against the regular tax. The amount of information disclosed in the financial statement could allow investors to determine how much the AMT affected total tax burden.

In 1987, firms following the guidance of APB-11 or SFAS-96 were required to disclose all significant differences between taxable income and pretax accounting income as well as identify causes of differences between the statutory rate and the firm's effective tax rate. As with many disclosure decisions, however, firms face conflicting incentives, depending upon how the news in the disclosure is expected to be viewed by the various users of the financial statement information.⁷ An AMT liability is likely to be viewed differently from other federal taxes,

⁶Gerardi et al. (1993) point out that their results probably understate the effect of the AMT since their panel did not include 1,473 firms with assets exceeding \$50 million.

⁷Gibbons et al. (1990) provide a framework for disclosure decisions which considers both rules and a firm's strategic goals. Barth and Murphy (1994) provide an overview of required financial statement disclosures along with an analysis of their purposes. Elliott and Jacobson (1994) describe the costs and benefits of disclosures made by for-

because the intent of the AMT was to increase the tax on firms perceived as too aggressive in using the tax code to reduce their liability. Given the political debate surrounding the AMT, disclosing payment of the AMT might be viewed by some critics as an admission of past abuses of the federal tax code.⁸

If being subject to the AMT exposes a firm to additional economic costs, firms will find it disadvantageous to reveal their AMT payment to either competitors or to financial markets. Dworin (1987a, 1987b) has suggested the AMT may reduce firms' leverage, investment, and growth rates. Lyon (1990) has shown the AMT may increase firms' cost of capital, depending upon the length of time they pay the AMT, and that debt is relatively more expensive for AMT firms. Thus, disclosing an AMT liability signals an increased probability the firm will experience higher operating costs than non-AMT firms.

In contrast to incentives to conceal an AMT liability, some firms could benefit from disclosing an AMT liability because of potential gains from future policy decisions targeted at reducing or mitigating the perceived negative effects of the AMT.⁹

At least two authors¹⁰ have relied on self-disclosure in order to identify AMT firms, citing, for example, Accounting Series Release (ASR) 149 which requires disclosures of certain timing differences. Under ASR 149, companies are required to:

profit enterprises, and discuss the interests of the various users of disclosed information.

⁸Wong (1988) provides evidence that political costs were important in explaining the method used by New Zealand firms to account for export tax credits.

⁹In the Spring of 1995, Mobil Corporation devoted two of their "Sensible Solutions" advertisements, which appear in major national publications (e.g., *Time*) to advocating the repeal or modification of the corporate AMT.

¹⁰Manzon (1992) and Wang (1994), for example.

Provide a reconciliation between the amount of reported total tax expense and the amount computed by multiplying the income before tax by the applicable statutory Federal income tax rate, showing the estimated dollar amount of each of the underlying causes for the difference. If no individual reconciling item amounts to more than five percent ... and the total difference to be reconciled is less than five percent ... no reconciliation need be provided unless it would be significant in appraising the trend of earnings. Reconciling items that are individually less than five percent of the computed amount may be aggregated in the reconciliation.

To determine the extent to which self-disclosure reflects firms' AMT position, we undertook a search of the text of annual reports following the procedure outlined in Wang (1994). First, 153 firms that self-disclosed they paid the AMT in 1987 were identified by a word search of NAARS using the search term "AMT or minimum tax." Data were then drawn for these and all other firms in the Compustat file. This file was then matched to the 1987 Statistics of Income Corporate Source Book File, a stratified sample of approximately 80,000 income tax returns,¹¹ and unmatched firms were deleted. Our final sample contained 1,180 firms, including 53 of the 153 originally identified as self-disclosing their AMT liability. Sample firms were then placed into one of four groups depending upon two states: firms reporting (or not reporting) they were on the AMT in their annual statements, and whether the firm had (or did not have) an AMT liability on their tax return. Of the 197 firms in the sample which reported AMT liability on their tax return for 1987, only 42 disclosed this information in their tax footnotes.¹² Also, of the 53 firms that reported AMT liability in their financial statement footnotes, the matched tax returns of 11 showed no AMT liability. This cross-tabulation, and summary statistics for each cell, are

¹¹A complete description of the 1987 SOI corporate sample can be found in IRS (1990).

¹²The tax footnotes of the 166 firms which differed in reporting their exposure to the AMT were reviewed to ensure the search technique used in NAARS did not result in a misclassification.

presented in Table 2.

Firms subject to the AMT which did not disclose an AMT obligation in their financial statements are on average larger than other firms in the sample and have the highest average pretax income. In contrast, firms that disclosed an AMT liability but showed no AMT liability on their tax return have the smallest mean assets and pretax income. For firms paying the AMT, the mean liability was \$3.5 million dollars, accounting for seven to ten percent of their statutory tax liability. Of disclosing firms paying the AMT, 45 percent had an AMT liability in excess of five percent of their statutory tax liability compared to 32 percent for non-disclosing firms.

We use the following equation, and two variants, to test for the significance of regulatory requirements, political costs, and strategic behavior in firms' decisions to self-disclose AMT status in 1987:

$$\begin{aligned} \text{disclose}_i = & \beta_0 + \beta_1 \text{AMTPCT}_i + \beta_2 \log(\text{assets}_i) + \beta_3 \log(\text{pretax}_i) \\ & + \beta_4 \text{ETR}_i + \beta_5 \text{NOL}_i + \beta_6 \text{IndProb}_i + \sum_{j=7}^8 \beta_j \text{Consol}_{ij} + \varepsilon_i \end{aligned} \quad (1)$$

where:

disclose = 1 if the firm reported an AMT liability, 0 otherwise

AMTPCT = AMT liability (reported on the federal tax return) as a share of the statutory tax liability (pretax income * statutory tax rate)

assets = book assets (Compustat data item 6)

pretax = pretax income¹³ (Compustat data item 170)

¹³The pretax income of firms with negative income were set to one dollar prior to taking the log.

- ETR = effective tax rate¹⁴ (ratio of current federal taxes payable (Compustat data item 63) divided by pretax income)
- NOL - equal to 1 if the firm has a positive federal tax expense and NOL carryforwards (Compustat data item 52), 0 otherwise
- IndProb - probability of a firm in an industry being on the AMT, measured as the number of firms on the AMT in each industry divided by the total number of returns in that industry (excluding entities unaffected by the AMT)
- Consol - consolidation variables, measured as the difference between assets reported on the tax return and assets reported on the financial statement, divided by financial statement assets.

The primary targets of the AMT were firms that reported low ETRs. We expect firms with low ETRs are likely to have relatively significant AMT liabilities and thus be more likely to self disclose AMT status, as suggested by Gramlich (1991). A related variable that captures the relative significance of the AMT liability is AMTPCT, which reflects the estimated magnitude of the AMT liability as a share of the statutory tax liability. Disclosure of AMT liability was not required under APB-11, SFAS-96, or ASR-149 if the obligation was not material. Under ASR149, if the AMT of the firm is greater than 5 percent of their (financial) pretax book income multiplied by the maximum statutory rate (40 percent in 1987) they should separately disclose their AMT liability as part of their financial reporting. We expect firms that disclose AMT liability will have significantly higher ratios of AMT liability than non-disclosing firms.

¹⁴We follow Omer, Molloy, and Ziebart (1991) in bounding ETR to the interval (-1, 1).

The variables $\log(\text{assets})$ and $\log(\text{pretax})$ are expected to reflect differences in firms' sensitivity to political scrutiny with respect to reporting their AMT status. We expect larger firms to be more inclined to report AMT status than smaller firms. Specifically, by acknowledging AMT status, larger firms could blunt critic's arguments that they had not paid their "fair share" of taxes and dampen calls for additional taxation. Higher levels of pretax income are expected to decrease the perceived need to disclose. High pretax income firms are expected to be reluctant to reveal that, were it not for the AMT, they would have had a smaller federal tax liability. Such disclosure could be used by proponents of the AMT as evidence of the AMT's efficacy and a *prima facie* argument for its continuation.

In contrast to disclosing an AMT liability to mitigate adverse political scrutiny is disclosing an AMT liability to obtain favorable treatment via the political process.¹⁵ Typically, these will be firms paying the AMT that would otherwise pay no tax, or firms precluded from fully utilizing other tax shields. To test for this we include a dummy variable, NOL, which is equal to one for any firm with a positive federal tax expense possessing NOL carryforwards.

The percentage of firms in an industry paying the minimum tax (IndProb) is expected to be positively related to the probability of disclosure because disclosure is less likely to result in a competitive disadvantage. This variable is also related to the political cost variables described above, as industries targeted by the AMT, or which feel they are being unfairly penalized by the AMT, could use disclosure as part of a strategy to effect legislative change.

¹⁵The airline industry, for example, has used its exposure to the AMT to lobby for changes in the AMT depreciation preference (Aviation Daily, 1993). In 1989, when hearings were held on modification to the AMT, a broad group of industries testified in favor of changes in the AMT, particularly the treatment of depreciation. These industries included petroleum, utilities, mining, computer lessors, and manufacturers.

We include two variables to measure consolidation differences between financial reporting and tax entities: $A_{\text{tax}} - A_{\text{book}}$ is the amount tax return assets exceed financial statement assets, if positive, and zero otherwise; $A_{\text{book}} - A_{\text{tax}}$ is the amount financial statement assets exceed tax return assets, if positive, and zero otherwise. Both are scaled by financial statement assets. As $A_{\text{tax}} - A_{\text{book}}$ increases, differences in the tax status of the entities are expected to increase, decreasing the likelihood that the reported tax status and the actual tax status will be the same. As discussed in Dworin (1985), differences in entity are a critical factor in reconciling reported tax status with actual tax status. With respect to the AMT, tax-consolidated entities that include finance subsidiaries and generate significant preference items are more likely to be subject to the AMT while the reporting entities that do not include finance subsidiaries might not be subject to the AMT.¹⁶ Higher values of these variables are expected to be negatively related to the probability of disclosure.

The results of estimating equation (1) using probit are reported in the first column of Table 3. The coefficient on AMTPCT is positive and significant suggesting that the underlying amount of AMT paid as a percent of total federal tax liability does influence the decision to disclose.¹⁷

The next three variables represent the political costs and benefits of disclosure, and are all of the expected sign and statistically significant. The coefficient for assets is positive, and those of pretax income and the ETR are negative. Taken together, these coefficient estimates are consistent with the view that firms alter disclosure to mitigate potentially adverse political

¹⁶See Stickney, Weil, and Wolfson (1983) for a specific example of the complications introduced into the tax reporting problem by the presence of a finance subsidiary.

¹⁷Using a dummy variable equal to one if the ratio exceeds 5 percent yields a statistically insignificant result, supporting the view of Stickney (1979) that ASR149 is generally not binding.

scrutiny. The dummy variable for firms with NOLs is positive and significant, supporting the view that firms use disclosure strategically to pursue their own political goals.¹⁸

The industry probability variable is both positive and significant, implying that the greater an industry is affected the less cost there will be to disclosure. To the extent that particular industries are more affected by the AMT than others, this variable could be related to an industry's political objectives. For example, if the AMT affects cyclical industries more than others, and firms in that industry had NOLs, then a firm's decision to disclose is not only less costly vis a vis its industry counterparts, but also served an industry's goal to lobby for changes in the AMT.

While both of the consolidation variables have the expected sign (greater difference between financial and tax assets decreases the probability of disclosure), only the measure for firms with financial statement assets in excess of tax return assets is statistically significant. As expected, it appears that the greater the consolidation for financial versus tax purposes the less likely a firm will disclose.

The second part of column (1) displays the estimated marginal probabilities of each variable. For continuous variables, the marginal probabilities were based on a one percent change in the value of the variable, calculated at the mean of the independent variables, with dummy variables set equal to zero. Marginal probabilities of dummy variables were calculated as a change from 0 to 1. For ease of interpretation, each estimate was multiplied by 100 so that the listed probability

¹⁸We also tested whether a firm's identification by the Citizens for Tax Justice (CTJ) as a "corporate freeloader" had any effect on disclosure decisions by reestimating equation with a dummy variable equal to one if the firm was on the CTJ list. We had no priors on whether the sign for this coefficient should be positive or negative. The coefficient was positive with a t-statistic of 1.282. Interestingly, the coefficient on assets, while still positive, became significantly insignificant suggesting that the CTJ list may have been biased towards identifying larger corporations.

represents the percent change in the estimated probability a firm would disclose. In the case of assets, a one percent change in the assets of a firm is estimated to increase the probability of disclosure 0.01 percent. Overall, 64 percent of the firms are correctly classified by the equation, with slightly more disclosing firms correctly predicted than non-disclosing firms.

Column (2) of Table 3 reports the results of estimating equation (1) augmented with additional industry variables. The inclusion of industry variables is motivated by the concern that there may be differences in disclosure patterns across industries separate from competitive concerns (captured by AMTPCT). While the inclusion of these additional variables increases the percentage of firms correctly classified as disclosing AMT liability, the percent of non-disclosing firms correctly classified declines, as does the overall percentage of correctly classified firms. Two variables, assets and the industry probability variable, which were significant in equation (1), are now statistically indistinguishable from zero. As a result, the industry dummies appear to capture some of the same information as these variables.

We draw two overall conclusions from Tables 2 and 3. First, self-disclosure identifies only a minority of publicly-traded firms on the AMT, and, by omission, misidentifies a significant portion. In addition, there are significant, and nonrandom, factors that influence the disclosure decision, suggesting that those firms which disclose are not representative of the population of firms subject to the AMT. Any conclusions of AMT firms' behavior, based upon firms which self-disclose AMT liability, should be made cautiously.

Second, the results of Table 3 provide insight into the role of the political process in affecting accounting disclosure. Previous analyses of political effects have focused on the role political considerations play in influencing earnings, with size hypothesized as being positively

related to accounting choices that reduce reported earnings.¹⁹ In contrast, we consider the political implications of disclosing a given set of information. Thus, it is not the level of a financial variable hypothesized to be affected, but rather the disclosure of a set of information. The results presented here suggest it was not the requirement to disclose that had the greatest influence on firms' decisions, but rather the effect the disclosure was likely to have in instances where it might provide support for desired changes in the law.²⁰ In the case of the AMT, disclosure, especially that of larger firms, appears to have been one of the means firms used to try to influence the legislative process to alter the AMT. These results are consistent with the broadest description of the political process - that of a competition for wealth transfers - in which disclosure is an additional tool of the firm.²¹

VI. Conclusions

In this paper we show that self-disclosure of AMT tax status provides an incomplete picture of firms' actual tax status as the decision to disclose certain tax information is based not only on regulatory guidelines, but is also balanced against other potential costs and benefits of the disclosure. In particular, we found evidence that political and competitive considerations played an important role in firms' decision to disclose. The variables which are significant in explaining the disclosure decision are consistent with the view that firms use disclosure to pursue political

¹⁹An overview of the way accounting decisions might be affected by the political process can be found in Watts and Zimmerman (1986), chapters 10 and 11.

²⁰This is consistent with one of the critiques of the size hypothesis described by Watts and Zimmerman (1983), that large firms "are also powerful adversaries in the political process" (p. 239).

²¹Also consistent with this view are the results of Jones (1991) who showed that firms may have managed their earnings downwards during periods when they sought regulatory relief from foreign imports.

goals.

Imperfections in disclosure data have implications for tax-related research. In this case, relying solely on self-disclosed AMT liabilities leads to empirical results substantially different from those obtained through the use of proprietary data. Although the tests presented in this paper are limited, they suggest there are significant difficulties in developing measures based upon self-disclosure which overcome the limitations of the data.

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Table 1
Distribution of Corporate Returns with AMT as a Percent of Total Returns, by Asset Class

Asset Size (\$ thousands)	(percent)		
	1987	1988	1989
0 - 1,000	0.2	0.4	0.8
1,000 - 10,000	3.7	5.3	15.1
10,000 - 50,000	12.1	15.2	16.4
50,000 - 100,000	17.3	17.9	16.9
100,000 - 250,000	18.5	18.2	18.1
250,000 - 500,000	17.8	18.4	18.1
500,000 or more	21.2	21.1	19.7
	2077.8		
Number of returns with AMT	17,400	25,200	25,300
AMT returns as a share of all returns	0.7	1.1	1.1

Source: Gerardi, Milner, and Silverstein (1993), Table 3.

Table 2
Actual versus Reported AMT Exposure[#]

	Tax Return: On the AMT	Tax Return: Not on the AMT	Total
Financial: On the AMT	42	11	53
Financial: Not on AMT	155	972	1127
Total	197	983	1180

(dollar amounts in millions, standard deviations in parentheses)

	Cell(1,1)	Cell(1,2)	Cell(2,1)	Cell(2,2)
Assets	2,200 (3,300)	2,000 (3,500)	2,900 (9,800)	2,050 (7,900)
Pretax Income	140 (240)	70 (140)	200 (800)	160 (600)
ETR	0.07 (0.35)	0.12 (0.31)	0.14 (0.26)	0.21 (0.26)
AMT	3.53 (6.40)		3.36 (12.27)	
AMTPCT	0.10 (0.11)		0.06 (0.09)	
AMT/Total Tax > 5%	0.45		0.32	
$(A_{tax} - A_{book}) / A_{book} > 0$	0.259 (0.52)	0.189 (0.26)	0.734 (4.60)	0.655 (6.08)
$(A_{book} - A_{tax}) / A_{book} > 0$	0.025 (0.08)	0.016 (0.04)	0.070 (0.17)	0.070 (0.17)

[#]To protect the identities of individual firms from disclosure the underlying firm-level data was blurred prior to the calculation of the summary statistics. While this will have the effect of changing the means and standard deviations from their true values, relative magnitudes are preserved.

Table 3
Determinants of Disclosure

Dependent variable = 1 if firm disclosed, 0 otherwise. Asymptotic standard errors in parentheses. Marginal probabilities (multiplied by 100 to yield percent change) are listed in the second column of each equation. For continuous variables, the marginal probabilities represent the change in the probability a firm would disclose if the variable was increased by one percent from its mean value, calculated at the mean of the explanatory variables with dummy variables equal to zero. Marginal probabilities for share variables were calculated by increasing the share 1 percentage point. The marginal probability of a dummy variable was estimated as a change from 0 to 1. Number of observations: 208, 53 disclosing (25.5%). Significance levels: *** 1 percent, ** 5 percent, *10 percent.

		(1)		(2)
intercept	-2.342***		-2.235***	
		(0.699)		(0.753)
AMTPCT	1.813**	0.227	1.511*	0.057
		(1.019)		(1.068)
log(assets)	0.087*	0.011	0.075	0.003
		(0.063)		(0.064)
log(pretax income)	-0.043**	-0.005	-0.040**	-0.001
		(0.021)		(0.021)
ETR	-0.788**	-0.097	-0.603*	-0.022
		(0.370)		(0.376)
NOL	0.882***	19.503	0.904***	8.617
		(0.228)		(0.233)
Industry probability	83.934**	18.160	35.506	1.933
		(43.31)		(51.78)
Tax Assets - Financial	-0.185	-0.023	-0.233	-0.009
		(0.186)		(0.197)
Financial Assets - Tax	-2.520**	-0.305	-2.831**	-0.101
		(1.317)		(1.352)
Mining			0.906**	8.655
				(0.435)
Manufacturing			0.666**	5.032
				(0.307)
Transportation, Communication & Utilities			1.144***	13.526
				(0.469)
log likelihood	-102.416		-98.294	
χ^2	31.271***		39.515***	
predictions				
correct disclose	0.70		0.75	
correct non-disclose	0.62		0.56	
correct overall	0.64		0.61	