

Appendix 13.3

Corporate Profits

Pretax book profits
+ Inventory valuation adjustment (IVA)
+ Capital consumption adjustment (CCAdj)
= Pretax profits from current production
- Taxes on corporate income
= After-tax profits from current production
Net dividends
Undistributed profits with IVA & CCAdj

Addenda for corporate cash flow:

Undistributed profits with IVA & CCAdj
+ Consumption of fixed capital
- Capital transfers paid (net)
= Net cash flow with IVA

Addenda for industries:

Pretax profits with IVA & CCAdj
Domestic industries =
Financial
+ Nonfinancial
+ Rest of the world =
Receipts from the rest of the world
- Payments to the rest of the world