OMB No. 0608-0067: Approval Expires 11/30/2015	**BEA USE ONLY**	Control number										

FORM **BE-125** (rev 3/2015)

U.S. DEPARTMENT OF COMMERCE
BUREAU OF ECONOMIC ANALYSIS

QUARTERLY SURVEY OF TRANSACTIONS IN SELECTED SERVICES AND INTELLECTUAL PROPERTY WITH FOREIGN PERSONS

(This report is mandatory and confidential. See General Instructions.)

Name and address of U.S. Reporter –
Enter or correct as necessary

10001	1
10002	1
10003	1
10004	1

Complete and file this form or file electronically at http://www.bea.gov/efile

Assistance is available via phone (202) 606-5588, M–F 8:30 A.M.–5:00 P.M., eastern time or via e-mail at BE125help@bea.gov. Please include the form name and number in all correspondence.

How to file:

Step 1. Verify or correct name and address of the U.S. Reporter named in the mailing label and complete Part 1.

Step 2. Complete Part 2 and Schedules A, B, and C based on the instructions given in Part 2.

Step 3. File the completed form within 45 days after the close of each fiscal quarter (or within 90 days after the close of the final quarter of your fiscal year).

File electronically at:	http://www.bea.gov/efile
Mail to:	U.S. Department of Commerce Bureau of Economic Analysis BE-50 (SSB) Washington, DC 20230
Deliver to:	U.S. Department of Commerce Bureau of Economic Analysis BE-50 (SSB) Shipping and Receiving Section M-100 1441 L Street, NW Washington, DC 20005
Fax to:	(202) 606-5318
E-mail to:	BE125submission@bea.gov

PART 1 – U.S. REPORTER INFORMATION

1. Person to consult concerning questions about this report

10005	1 Name
10006	1 Title
10007	1 Telephone number ( )
10008	1 FAX number ( )
10009	1 E-mail address

2. May we use e-mail to correspond with you to discuss questions relating to this form, including questions that may contain information about your company that you may consider confidential? (Note: Electronic mail is not inherently confidential. We will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)

10010 1
1 ◯ Yes
2 ◯ No

3. Certification — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with IV.F of the General Instructions, estimates may have been prepared where the data are not available from customary accounting records or precise data could not be obtained without undue burden.

Authorized official's signature

Print or type name and title	Date

Part 1 – U.S. REPORTER INFORMATION — Continued

4. What period does this quarterly report cover?

Beginning date..... 11001

Month	Day	Year
1		

Ending date 11002

Month	Day	Year
1		

5. Check the box that best describes the operating status of your company during the reporting period identified in question 4.

11003

1 ☐ In existence the entire reporting period – *Continue filling out this form.*

2 ☐ In existence during only part of the reporting period – *Continue filling out this form for the portion of the reporting period in which your company was in existence and, in the comments section below, explain why your company did not exist for a part of the period.*

3 ☐ Not in existence during the reporting period – *Please return form according to instructions on page 1.*

6. Was your company owned to the extent of more than 50 percent by another U.S. person (a U.S. person is any individual, branch, partnership, associated group, association, estate, trust, corporation, other organization, and any government residing in the United States or subject to the jurisdiction of the United States) at any point during the reporting period identified in question 4?

11004

1 ☐ No – *Continue filling out this form.*

2 ☐ Yes – *Check A or B:*

A ☐ Owned by another U.S. person for part of the reporting period – *Enter the name and address of the controlling U.S. person below and continue filling out this form, but only report transactions for the period during which you were NOT owned by another U.S. person.*

B ☐ Owned by another U.S. person for the entire reporting period – *Enter the name and address of the controlling U.S. person below, and return form according to instructions on page 1.*

11005	1 Name		
11006	1 Address — *Number and street*		
11007	1 City	2 State	3 ZIP Code

Comments

Part 2 — DETERMINATION OF REPORTING STATUS

1. Table 1. Receipts from Foreign Persons

If receipts from foreign persons of an individual type of intellectual property or service exceeded $6 million last fiscal year or are expected to exceed $6 million in this fiscal year, then for that type of transaction, you **must** (a) mark (X) "Yes" on the appropriate row(s) of column 1 of Table 1; **and** (b) report transactions for the most recent quarter by individual foreign country on Schedule A and/or C, as appropriate.

If receipts for an individual type of intellectual property or service were $6 million or less in the last fiscal year and are expected to be $6 million or less this fiscal year, then for that type of transaction, you **must** mark (X) "No." You are encouraged to voluntarily report more detailed information on Schedule A and/or C, as appropriate.

NOTE: Reporting status is based on annual transactions (actual and/or expected), but amounts reported on the schedules are for the most recent quarter.

Table 1. RECEIPTS FROM FOREIGN PERSONS

Transaction code	Types of transactions	Had total transactions exceeding $6 million during the last fiscal year or expected to exceed $6 million this fiscal year? *Mark (X)* Yes	No	If "Yes", *report country detail for quarterly transactions on:*
	Receipts for intellectual property			
1.	Rights related to industrial processes and products			Schedule A
2.	Rights related to books, compact discs, audio tapes, etc.			Schedule A
3.	Rights related to trademarks, etc.			Schedule A
4.	Rights related to performances and events pre-recorded on motion picture film and TV tape			Schedule A
5.	Rights related to broadcasting and recording of live performances and events			Schedule A
6.	Rights related to general use computer software			Schedule A
7.	Business format franchising fees			Schedule A
8.	Other intellectual property			Schedule A
	Receipts for selected services			
9.	Accounting, auditing, and bookkeeping services			Schedule A
10.	Advertising services			Schedule A
11.	Auxiliary insurance services			Schedule A
12.	Computer and data processing services			Schedule A
13.	Construction services			Schedule C
14.	Database and other information services			Schedule A
15.	Educational and training services			Schedule A
16.	Engineering, architectural, and surveying services			Schedule C
17.	Financial services			
18.	Industrial engineering services			Schedule A
19.	Industrial-type maintenance, installation, alteration, and training services			Schedule A
20.	Legal services			Schedule A
21.	Management, consulting, and public relations services (including expenses allocated by a U.S. parent to its foreign affiliates)			Schedule A
22.	Merchanting services			Schedule A
23.	Mining services			Schedule C
24.	Operational leasing services			Schedule A
25.	Trade-related services, other than merchanting services			Schedule A
26.	Performing arts, sports, and other live performances, presentations, and events			Schedule A
27.	Premiums paid on primary insurance			
28.	Losses recovered on primary insurance			
29.	Research, development, and testing services			Schedule A
30.	Telecommunications services			Schedule A
31.	Other selected services *			Schedule A

*Receipts for other selected services **include** all services transactions and miscellaneous disbursements that are not separately listed above and are not specifically excluded (*see page 18 of the General Instructions*). Receipts for other selected services **exclude** receipts for financial services (which are covered on a separate BEA survey); income on financial instruments (including interest, dividends, capital gains, etc.); taxes, penalties and fines, gifts or grants; transportation of freight or passengers; and travel-related services provided to individual travelers (including hotel accommodation and restaurant meals). See instructions for a definition of services and a fuller discussion of the coverage of this survey.

Part 2 — DETERMINATION OF REPORTING STATUS — Continued

2. Table 2. Payments to Foreign Persons

If payments to foreign persons of an individual type of intellectual property or service exceeded $4 million last fiscal year or are expected to exceed $4 million this fiscal year, then for that type of transaction, you **must** (a) mark (X) "Yes" on the appropriate row(s) of column 1 of Table 2; **and** (b) report transactions for the most recent quarter by individual foreign country on Schedule B.

If payments for an individual type of intellectual property or service were $4 million or less the last fiscal year and are expected to be $4 million or less this fiscal year, then for that type of transaction, you **must** mark (X) "No." You are encouraged to voluntarily report more detailed information on Schedule B.

NOTE: Reporting status is based on annual transactions (actual and/or expected), but amounts reported on the schedules are for the most recent quarter.

Table 2. PAYMENTS TO FOREIGN PERSONS

Transaction code	Types of transactions	Had total transactions exceeding $4 million during the last fiscal year or expected to exceed $4 million this fiscal year? Yes	No	If "Yes", *report country detail for quarterly transactions on:*
	Payments for intellectual property			
1.	Rights related to industrial processes and products			Schedule B
2.	Rights related to books, compact discs, audio tapes, etc.			Schedule B
3.	Rights related to trademarks, etc.			Schedule B
4.	Rights related to performances and events pre-recorded on motion picture film and TV tape			Schedule B
5.	Rights related to broadcasting and recording of live performances and events			Schedule B
6.	Rights related to general use computer software			Schedule B
7.	Business format franchising fees			Schedule B
8.	Other intellectual property			Schedule B
	Payments for selected services			
9.	Accounting, auditing, and bookkeeping services			Schedule B
10.	Advertising services			Schedule B
11.	Auxiliary insurance services			Schedule B
12.	Computer and data processing services			Schedule B
13.	Construction services			Schedule B
14.	Database and other information services			Schedule B
15.	Educational and training services			Schedule B
16.	Engineering, architectural, and surveying services			Schedule B
17.	Financial services			Schedule B
18.	Industrial engineering services			Schedule B
19.	Industrial-type maintenance, installation, alteration, and training services			Schedule B
20.	Legal services			Schedule B
21.	Management, consulting, and public relations services (including expenses allocated by a foreign parent to its foreign affiliates)			Schedule B
22.	Merchanting services			
23.	Mining services			Schedule B
24.	Operational leasing services			Schedule B
25.	Trade-related services, other than merchanting services			Schedule B
26.	Performing arts, sports, and other live performances, presentations, and events			Schedule B
27.	Premiums paid on primary insurance			Schedule B
28.	Losses recovered on primary insurance			Schedule B
29.	Research, development, and testing services			Schedule B
30.	Telecommunications services			Schedule B
31.	Other selected services *			Schedule B

*Payments for other selected services **include** all services transactions and miscellaneous disbursements that are not separately listed above and are not specifically excluded *(see page 18 of the General Instructions)*. Payments for other selected services **exclude** payments for financial services by financial services firms (which are covered on a separate BEA survey); income on financial instruments (including interest, dividends, capital gains, etc.); taxes, penalties and fines, gifts or grants; transportation of freight or passengers; and travel-related services provided to individual travelers (including hotel accommodation and restaurant meals). See instructions for a definition of services and a fuller discussion of the coverage of this survey.

PART 2 – DETERMINATION OF REPORTING STATUS — Continued

3. Enter the 4-digit code that best describes the major activity of the U.S. reporter from the Summary of Industry Classifications found on pages 19 and 20 of the General Instructions.

11008 1 [ ][ ][ ][ ]

4. What is the primary Employer Identification Number (EIN) used by the U.S. reporter to file U.S. income or payroll taxes?

11009 1 [ ][ ] — [ ][ ][ ][ ][ ][ ][ ]

5. Did you have any transactions of the types listed in Table 1, page 3, and Table 2, page 4 (consider all transactions, regardless of size)?

11010

1 ◯ Yes – *Continue with completion of form.*

2 ◯ No – *Do not continue with completion of form; please return form according to instructions on page 1.*

6. Will you be reporting <u>ALL</u> of your transactions on Schedules A, B, and C either on a mandatory or voluntary basis?

11011

1 ◯ Yes – *Skip question 7 and continue to schedules.*

2 ◯ No, the U.S. Reporter will not be voluntarily reporting some transactions below the reporting threshold on Schedules A–C – *Continue to question 7.*

7. If you had transactions below the reporting threshold, and you choose not to report these transactions on Schedules A–C voluntarily, provide an estimate of the total amount of receipts and/or payments that you elected not to report voluntarily.

	Report in thousands of U.S. dollars	
	1 Receipts	2 Payments
11012	$	$

Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). **EXAMPLE** – If the amount is $1,000,000, report as $1,000. Amounts less than $500.00 round to “0” and should, therefore, be omitted.

Comments

Schedule A — INSTRUCTIONS FOR U.S. REPORTER'S RECEIPTS (FROM FOREIGN PERSONS) FOR SELECTED SERVICES AND INTELLECTUAL PROPERTY

- If receipts from foreign persons of a particular type of service or intellectual property or service covered by Schedule A exceeded $6 million last fiscal year or are expected to exceed $6 million in the current fiscal year, then you are **required** to report transactions by country for the most recent quarter for that type of transaction on Schedule A. The "all countries total" should be reported on line 33 with the country detail reported on lines 1 through 32. If you need additional pages to report the country detail, please use the overflow sheets or make additional copies of this schedule.

- If receipts from foreign persons of a particular type of intellectual property or service were $6 million or less last fiscal year and are expected to be $6 million or less in the current fiscal year, then you are **requested** to report transactions by country for the most recent quarter for that type of transaction on Schedule A. The "all countries total" may be reported on line 33 with the country detail reported on lines 1 through 32, or you may report only the "all countries total" on line 34.

Enter the transaction code associated with the type of transaction, instead of the complete title of the transaction, in the column heading on Schedule A. See V. of the General Instructions for complete descriptions of the transactions covered. If you are reporting transactions for more than two types of intellectual property or services, please use the overflow sheets or make additional copies of this schedule.

Transactions for a type of service or intellectual property are reportable based on your relationship with the purchaser. For example, if you provided advertising services to a foreign affiliate and to an unaffiliated foreign person, then you would enter "10" for advertising services under the heading "Transaction code" and enter the appropriate dollar amounts in the columns under "Foreign affiliates" and "Unaffiliated foreign persons."

If you report data under transaction code 8, other intellectual property, or transaction code 31, other selected services, then specify the major type of intellectual property or service on line 35.

Note that sales of transaction code 13, construction services; transaction code 16, engineering, architectural, and surveying services; and transaction code 23, mining services should be reported on Schedule C.

Transaction code	Types of transactions
	Receipts for intellectual property
1.	Rights related to industrial processes and products
2.	Rights related to books, compact discs, audio tapes, etc.
3.	Rights related to trademarks, etc.
4.	Rights related to performances and events pre-recorded on motion picture film and TV tape
5.	Rights related to broadcast and recording of live performances and events
6.	Rights related to general use computer software
7.	Business format franchising fees
8.	Other intellectual property
	Receipts for selected services
9.	Accounting, auditing, and bookkeeping services
10.	Advertising services
11.	Auxiliary insurance services
12.	Computer and data processing services
14.	Database and other information services
15.	Educational and training services
18.	Industrial engineering services
19.	Industrial-type maintenance, installation, alteration, and training services
20.	Legal services
21.	Management, consulting, and public relations services (including expenses allocated by a U.S. parent to its foreign affiliates)
22.	Merchanting services
24.	Operational leasing services
25.	Trade-related services, other than merchanting services
26.	Performing arts, sports, and other live performances, presentations, and events
29.	Research, development, and testing services
30.	Telecommunications services
31.	Other selected services

SCHEDULE A — U.S. REPORTER'S RECEIPTS (FROM FOREIGN PERSONS) FOR SELECTED SERVICES AND INTELLECTUAL PROPERTY MANDATORY REPORTING FOR EACH TYPE OR TRANSACTION EXCEEDING $6 MILLION

REPORT IN THOUSANDS OF U.S. DOLLARS (i.e. report $1,000,000.00 = $1,000)

RECEIPTS FROM	BEA USE ONLY (1)	BEA USE ONLY (2)	-- Select Transaction Code -- Foreign affiliates (3)	Foreign parent(s) and foreign affiliates of foreign parent(s) (4)	Unaffiliated foreign persons (5)	-- Select Transaction Code -- Foreign affiliates (6)	Foreign parent(s) and foreign affiliates of foreign parent(s) (7)	Unaffiliated foreign persons (8)
BEA USE ONLY A1000	1	2	3	4	5	6	7	8
Mandatory data —								
1. Australia 002	1 **601**	2	3	4	5	6	7	8
2. Belgium 003	1 **302**	2	3	4	5	6	7	8
3. Brazil 004	1 **202**	2	3	4	5	6	7	8
4. Canada 005	1 **100**	2	3	4	5	6	7	8
5. China 006	1 **650**	2	3	4	5	6	7	8
6. France 007	1 **307**	2	3	4	5	6	7	8
7. Germany 008	1 **308**	2	3	4	5	6	7	8
8. Hong Kong 009	1 **611**	2	3	4	5	6	7	8
9. India 010	1 **612**	2	3	4	5	6	7	8
10. Israel 011	1 **504**	2	3	4	5	6	7	8
11. Italy 012	1 **314**	2	3	4	5	6	7	8
12. Japan 013	1 **614**	2	3	4	5	6	7	8
13. Luxembourg 014	1 **316**	2	3	4	5	6	7	8
14. Mexico 015	1 **213**	2	3	4	5	6	7	8
15. Netherlands 016	1 **319**	2	3	4	5	6	7	8
16. Philippines 017	1 **623**	2	3	4	5	6	7	8
17. Saudi Arabia 018	1 **511**	2	3	4	5	6	7	8
18. South Korea 019	1 **626**	2	3	4	5	6	7	8
19. Spain 020	1 **323**	2	3	4	5	6	7	8
20. Sweden 021	1 **324**	2	3	4	5	6	7	8
21. Switzerland 022	1 **325**	2	3	4	5	6	7	8
22. Taiwan 023	1 **628**	2	3	4	5	6	7	8
23. United Kingdom 024	1 **327**	2	3	4	5	6	7	8
24. Venezuela 025	1 **219**	2	3	4	5	6	7	8
Other – *Specify country* **25.** --Select Country--	1	2	3	4	5	6	7	8
26. --Select Country--	1	2	3	4	5	6	7	8
27. --Select Country--	1	2	3	4	5	6	7	8
28. --Select Country--	1	2	3	4	5	6	7	8
29. --Select Country--	1	2	3	4	5	6	7	8
30. --Select Country--	1	2	3	4	5	6	7	8
31. --Select Country--	1	2	3	4	5	6	7	8
32. --Select Country--	1	2	3	4	5	6	7	8
33. All countries, total 001	1	2	3	4	5	6	7	8
34. Voluntary data –*Complete if total receipts for any type of transaction are $6 million or less annually. (See I.A.2. of Instructions.)* 034	1 **709**	2	3	4	5	6	7	8

35. If you reported data under transaction code 8, other intellectual property, or transaction code 31, other selected services – *specify the major type of intellectual property or service:* 035

Schedule B — INSTRUCTIONS FOR U.S. REPORTER'S PAYMENTS (TO FOREIGN PERSONS) FOR SELECTED SERVICES AND INTELLECTUAL PROPERTY

- If payments to foreign persons of a particular type of service or intellectual property exceeded $4 million last fiscal year or are expected to exceed $4 million in the current fiscal year, then you are **required** to report transactions by country for the most recent quarter for that type of transaction on Schedule B. The "all countries total" should be reported on line 33 with the country detail reported on lines 1 through 32. If you need additional pages to report the country detail, please use the overflow sheets or make additional copies of this schedule.
- If purchases from (payments to) foreign persons of a particular type of intellectual property or service were $4 million or less last fiscal year and are expected to be $4 million or less in the current fiscal year, then you are **requested** to report transactions by country for the most recent quarter for that type of transaction on Schedule B. The all countries total may be reported on line 33 with the country detail reported on lines 1 through 32, or you may report only the "all countries total" on line 34.

Enter the transaction code associated with the type of transaction, instead of the complete title of the transaction, in the column heading on Schedule B. See V. of the General Instructions for complete descriptions of the transactions covered. If you are reporting transactions for more than two types of intellectual property or services, please use the overflow sheets or make additional copies of this schedule.

Transactions for a type of service or intellectual property are reportable based on your relationship with the seller. For example, if you purchased advertising services from a foreign affiliate and from an unaffiliated foreign person, then you would enter "10" for advertising services under the heading "Transaction code" and enter the appropriate dollar amounts in the columns under "Foreign affiliates" and "Unaffiliated foreign persons."

If you report data under transaction code 8, other intellectual property, or transaction code 31, other selected services, then specify the major type of intellectual property or service on line 35.

Transaction code	Types of transactions
	Payments for intellectual property
1.	Rights related to industrial processes and products
2.	Rights related to books, compact discs, audio tapes, etc.
3.	Rights related to trademarks, etc.
4.	Rights related to performances and events pre-recorded on motion picture film and TV tape
5.	Rights related to broadcast and recording of live performances and events
6.	Rights related to general use computer software
7.	Business format franchising fees
8.	Other intellectual property
	Payments for selected services
9.	Accounting, auditing, and bookkeeping services
10.	Advertising services
11.	Auxiliary insurance services
12.	Computer and data processing services
13.	Construction services
14.	Database and other information services
15.	Educational and training services
16.	Engineering, architectural, and surveying services
17.	Financial services
18.	Industrial engineering services
19.	Industrial-type maintenance, installation, alteration, and training services
20.	Legal services
21.	Management, consulting, and public relations services (including expenses allocated by a foreign parent to its U.S. affiliates)
22.	Merchanting services
24.	Operational leasing services
25.	Trade-related services, other than merchanting services
26.	Performing arts, sports, and other live performances, presentations, and events
27.	Premiums paid on primary insurance
28.	Losses recovered on primary insurance
29.	Research, development, and testing services
30.	Telecommunications services
31.	Other selected services

SCHEDULE B — U.S. REPORTER'S PAYMENTS (TO FOREIGN PERSONS) FOR SELECTED SERVICES AND INTELLECTUAL PROPERTY

PAYMENTS TO	BEA USE ONLY		REPORT IN THOUSANDS OF U.S. DOLLARS (i.e. report $1,000,000.00 = $1,000)					
			-- Select Transaction Code --			-- Select Transaction Code --		
	(1)	(2)	Foreign affiliates (3)	Foreign parent(s) and foreign affiliates of foreign parent(s) (4)	Unaffiliated foreign persons (5)	Foreign affiliates (6)	Foreign parent(s) and foreign affiliates of foreign parent(s) (7)	Unaffiliated foreign persons (8)
BEA USE ONLY B1000	1	2	3	4	5	6	7	8
Mandatory data —								
1. Australia 002	1 **601**	2	3	4	5	6	7	8
2. Belgium 003	1 **302**	2	3	4	5	6	7	8
3. Brazil 004	1 **202**	2	3	4	5	6	7	8
4. Canada 005	1 **100**	2	3	4	5	6	7	8
5. China 006	1 **650**	2	3	4	5	6	7	8
6. France 007	1 **307**	2	3	4	5	6	7	8
7. Germany 008	1 **308**	2	3	4	5	6	7	8
8. Hong Kong 009	1 **611**	2	3	4	5	6	7	8
9. India 010	1 **612**	2	3	4	5	6	7	8
10. Israel 011	1 **504**	2	3	4	5	6	7	8
11. Italy 012	1 **314**	2	3	4	5	6	7	8
12. Japan 013	1 **614**	2	3	4	5	6	7	8
13. Luxembourg 014	1 **316**	2	3	4	5	6	7	8
14. Mexico 015	1 **213**	2	3	4	5	6	7	8
15. Netherlands 016	1 **319**	2	3	4	5	6	7	8
16. Philippines 017	1 **623**	2	3	4	5	6	7	8
17. Saudi Arabia 018	1 **511**	2	3	4	5	6	7	8
18. South Korea 019	1 **626**	2	3	4	5	6	7	8
19. Spain 020	1 **323**	2	3	4	5	6	7	8
20. Sweden 021	1 **324**	2	3	4	5	6	7	8
21. Switzerland 022	1 **325**	2	3	4	5	6	7	8
22. Taiwan 023	1 **628**	2	3	4	5	6	7	8
23. United Kingdom 024	1 **327**	2	3	4	5	6	7	8
24. Venezuela 025	1 **219**	2	3	4	5	6	7	8
Other – *Specify country* **25.** --Select Country--	1	2	3	4	5	6	7	8
26. --Select Country--	1	2	3	4	5	6	7	8
27. --Select Country--	1	2	3	4	5	6	7	8
28. --Select Country--	1	2	3	4	5	6	7	8
29. --Select Country--	1	2	3	4	5	6	7	8
30. --Select Country--	1	2	3	4	5	6	7	8
31. --Select Country--	1	2	3	4	5	6	7	8
32. --Select Country--	1	2	3	4	5	6	7	8
33. All countries, total 001	1	2	3	4	5	6	7	8
34. Voluntary data –*Complete if total payments for any type of transaction are $4 million or less annually. (See I.A.2. of Instructions.)* 034	1 **709**	2	3	4	5	6	7	8

35. If you reported data under transaction code 8, other intellectual property, or transaction code 31, other selected services – *specify the major type of intellectual property or service:*
035

Schedule C — INSTRUCTIONS FOR U.S. REPORTER'S RECEIPTS (FROM FOREIGN PERSONS) FOR CONSTRUCTION SERVICES; ENGINEERING, ARCHITECTURAL, AND SURVEYING SERVICES; AND MINING SERVICES AND ASSOCIATED EXPORTS OF GOODS AND FOREIGN EXPENSES OR DISBURSEMENTS

- If receipts from foreign persons (gross operating revenues) of a particular type of service covered by Schedule C exceeded $6 million last fiscal year or are expected to exceed $6 million in the current fiscal year, then you are **required** to report transactions by country for the most recent quarter for that type of transaction on Schedule C. The "all countries total" should be reported on line 33 with the country detail reported on lines 1 through 32. If you need additional pages to report the country detail, please use the overflow sheets to make additional copies of this schedule.

- If receipts from foreign persons (gross operating revenues) of a particular type of service were $6 million or less last fiscal year and are expected to be $6 million or less in the current fiscal year, then you are **requested** to report transactions by country for the most recent quarter for that type of transaction on Schedule C. The "all countries total" may be reported on line 33 with the country detail reported on lines 1 through 32, or you may report the all countries total only on line 34.

Enter the transaction code associated with the type of transaction, instead of the complete title of the transaction, in the column heading on Schedule C. See V. of the General Instructions for complete descriptions of the transactions covered. If you are reporting transactions for more than one type of service, please use the overflow sheet or make additional copies of this schedule.

Transactions for a given type of service are reportable based on your relationship with the purchaser. For example, if you provided construction services to a foreign affiliate and to an unaffiliated foreign person, then you would enter "13" for construction services under the heading "Transaction code" and enter the dollar amounts in the appropriate columns (covering gross operating revenues, exports of goods, and/or foreign expenses or disbursements) under "Foreign affiliates" and "Unaffiliated foreign persons."

Gross operating revenues – Report revenues (sales) as recorded on your books for the value of services provided and/or construction completed during the reporting period (not when actual payment is received).

Goods exports – Report the value of goods exported from the United States during the reporting period in connection with services covered on this schedule. Exports should include the value of equipment, supplies, materials, etc., and should equal the amounts reported on the Shippers Export Declarations. Exclude temporary exports of equipment or other goods that are intended to be returned to the United States in substantially the same condition as when exported.

Foreign expenses or disbursements – Report salaries and wages transmitted or disbursed abroad; expenses or outlays for services (including purchases from foreign subcontractors), materials, and equipment purchases abroad; and other foreign expenses (e.g., local taxes and fees for permits). (Do not report purchases of material and equipment for import into the United States.)

Transaction code	Types of transactions
13.	Construction services
16.	Engineering, architectural, and surveying services
23.	Mining services

SCHEDULE C — U.S. REPORTER'S RECEIPTS (FROM FOREIGN PERSONS) FOR CONSTRUCTION SERVICES; ENGINEERING, ARCHITECTURAL, AND SURVEYING SERVICES; AND MINING SERVICES AND ASSOCIATED EXPORTS OF GOODS AND FOREIGN EXPENSES OR DISBURSEMENTS

(Only transaction codes 13, 16, and 23 are to be reported on this schedule. Do not combine transaction types.)

REPORT IN THOUSANDS OF U.S. DOLLARS (i.e. report $1,000,000.00 = $1,000)

-- Select Transaction Code --

RECEIPTS FROM	BEA USE ONLY		Foreign affiliates			Foreign parent(s) and foreign affiliates of foreign parent(s)			Unaffiliated foreign persons		
			Gross operating revenues (sales)	Exports of goods	Foreign expenses or disbursements	Gross operating revenues (sales)	Exports of goods	Foreign expenses or disbursements	Gross operating revenues (sales)	Exports of goods	Foreign expenses or disbursements
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
BEA USE ONLY C1000	1	2	3	4	5	6	7	8	9	10	11
Mandatory data —											
1. Australia 002	1 **601**	2	3	4	5	6	7	8	9	10	11
2. Belgium 003	1 **302**	2	3	4	5	6	7	8	9	10	11
3. Brazil 004	1 **202**	2	3	4	5	6	7	8	9	10	11
4. Canada 005	1 **100**	2	3	4	5	6	7	8	9	10	11
5. China 006	1 **650**	2	3	4	5	6	7	8	9	10	11
6. France 007	1 **307**	2	3	4	5	6	7	8	9	10	11
7. Germany 008	1 **308**	2	3	4	5	6	7	8	9	10	11
8. Hong Kong 009	1 **611**	2	3	4	5	6	7	8	9	10	11
9. India 010	1 **612**	2	3	4	5	6	7	8	9	10	11
10. Israel 011	1 **504**	2	3	4	5	6	7	8	9	10	11
11. Italy 012	1 **314**	2	3	4	5	6	7	8	9	10	11
12. Japan 013	1 **614**	2	3	4	5	6	7	8	9	10	11
13. Luxembourg 014	1 **316**	2	3	4	5	6	7	8	9	10	11
14. Mexico 015	1 **213**	2	3	4	5	6	7	8	9	10	11
15. Netherlands 016	1 **319**	2	3	4	5	6	7	8	9	10	11
16. Philippines 017	1 **623**	2	3	4	5	6	7	8	9	10	11
17. Saudi Arabia 018	1 **511**	2	3	4	5	6	7	8	9	10	11
18. South Korea 019	1 **626**	2	3	4	5	6	7	8	9	10	11
19. Spain 020	1 **323**	2	3	4	5	6	7	8	9	10	11
20. Sweden 021	1 **324**	2	3	4	5	6	7	8	9	10	11
21. Switzerland 022	1 **325**	2	3	4	5	6	7	8	9	10	11
22. Taiwan 023	1 **628**	2	3	4	5	6	7	8	9	10	11
23. United Kingdom 024	1 **327**	2	3	4	5	6	7	8	9	10	11
24. Venezuela 025	1 **219**	2	3	4	5	6	7	8	9	10	11
Other – *Specify country* **25.** --Select Country-- 026	1	2	3	4	5	6	7	8	9	10	11
26. --Select Country-- 027	1	2	3	4	5	6	7	8	9	10	11
27. --Select Country-- 028	1	2	3	4	5	6	7	8	9	10	11
28. --Select Country-- 029	1	2	3	4	5	6	7	8	9	10	11
29. --Select Country-- 030	1	2	3	4	5	6	7	8	9	10	11
30. --Select Country-- 031	1	2	3	4	5	6	7	8	9	10	11
31. --Select Country-- 032	1	2	3	4	5	6	7	8	9	10	11
32. --Select Country-- 033	1	2	3	4	5	6	7	8	9	10	11
33. All countries, total 001	1	2	3	4	5	6	7	8	9	10	11
34. Voluntary data – *Complete if total sales for type of transaction are $6 million or less annually. (See I.A.2. of Instructions.)* 034	1 **709**	2	3	4	5	6	7	8	9	10	11

OVERFLOW FOR SCHEDULES A OR B OF FORM BE-125, QUARTERLY SURVEY OF TRANSACTIONS IN SELECTED SERVICES AND INTELLECTUAL PROPERTY WITH FOREIGN PERSONS

Company Name _____

Control Number _____

BE-125 Schedule _____ (Enter "A" or "B")

Overflow # _____ of _____

COUNTRY		BEA USE ONLY		TRANSACTION CODE_____			TRANSACTION CODE_____		
				FOREIGN AFFILIATES	FOREIGN PARENT(s) AND FOREIGN AFFILIATES OF FOREIGN PARENT(S)	UNAFFILIATED FOREIGN PERSONS	FOREIGN AFFILIATES	FOREIGN PARENT(s) AND FOREIGN AFFILIATES OF FOREIGN PARENT(S)	UNAFFILIATED FOREIGN PERSONS
BEA USE ONLY	**000**	1	2 0	3	4	5	6	7	8
COUNTRY TOTAL FOR THIS PAGE (SUM ROWS 39-65)	**001**	1	2 0	3	4	5	6	7	8
--Select Country--	39	1	2 0	3	4	5	6	7	8
--Select Country--	40	1	2	3	4	5	6	7	8
--Select Country--	41	1	2	3	4	5	6	7	8
--Select Country--	42	1	2	3	4	5	6	7	8
--Select Country--	43	1	2	3	4	5	6	7	8
--Select Country--	44	1	2	3	4	5	6	7	8
--Select Country--	45	1	2	3	4	5	6	7	8
--Select Country--	46	1	2	3	4	5	6	7	8
--Select Country--	47	1	2	3	4	5	6	7	8
--Select Country--	48	1	2	3	4	5	6	7	8
--Select Country--	49	1	2	3	4	5	6	7	8
--Select Country--	50	1	2	3	4	5	6	7	8
--Select Country--	51	1	2	3	4	5	6	7	8
--Select Country--	52	1	2	3	4	5	6	7	8
--Select Country--	53	1	2	3	4	5	6	7	8
--Select Country--	54	1	2	3	4	5	6	7	8
--Select Country--	55	1	2	3	4	5	6	7	8
--Select Country--	56	1	2	3	4	5	6	7	8
--Select Country--	57	1	2	3	4	5	6	7	8
--Select Country--	58	1	2	3	4	5	6	7	8
--Select Country--	59	1	2	3	4	5	6	7	8
--Select Country--	60	1	2	3	4	5	6	7	8
--Select Country--	61	1	2	3	4	5	6	7	8
--Select Country--	62	1	2	3	4	5	6	7	8
--Select Country--	63	1	2	3	4	5	6	7	8
--Select Country--	64	1	2	3	4	5	6	7	8
--Select Country--	65	1	2	3	4	5	6	7	8

Note: You may use this overflow sheet if there is insufficient space on Form BE-125, Schedules A or B, to list every individual foreign country with which you had transactions. However, if you prefer, you may instead reproduce a copy of the appropriate schedule(s), and enter the data for the additional foreign countries on lines 25 through 32 of the schedule (s). The overflow sheet is also available in Microsoft Excel format. If you wish to receive a copy of the Excel file, send an email message to be-125@bea.gov with your request and we will reply to you with the file attached to our message.

OVERFLOW FOR SCHEDULE C OF FORM BE-125, QUARTERLY SURVEY OF TRANSACTIONS IN SELECTED SERVICES AND INTELLECTUAL PROPERTY WITH FOREIGN PERSONS

Company Name _____ Control Number _____

Overflow # _____ of _____

COUNTRY	BEA USE ONLY		TRANSACTION CODE_____								
			FOREIGN AFFILIATES			FOREIGN PARENT(s) AND FOREIGN AFFILIATES OF FOREIGN PARENT(S)			UNAFFILIATED FOREIGN PERSONS		
			Gross Operating Revenues	Exports of Goods	Foreign Expenses or Disbursements	Gross Operating Revenues	Exports of Goods	Foreign Expenses or Disbursements	Gross Operating Revenues	Exports of Goods	Foreign Expenses or Disbursements
BEA USE ONLY 000	1	2	3	4	5	6	7	8	9	10	11
COUNTRY TOTAL FOR THIS PAGE (SUM OF ROWS 39-59) 001	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 39	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 40	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 41	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 42	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 43	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 44	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 45	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 46	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 47	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 48	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 49	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 50	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 51	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 52	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 53	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 54	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 55	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 56	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 57	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 58	1	2	3	4	5	6	7	8	9	10	11
--Select Country-- 59	1	2	3	4	5	6	7	8	9	10	11

Note: You may use this overflow sheet if there is insufficient space on Form BE-125, Schedule C, to list every individual foreign country with which you had transactions. However, if you prefer, you may instead reproduce a copy of the appropriate schedule (s), and enter the data for the additional foreign countries on lines 25 through 32 of the schedule (s). The overflow sheet is also available in Microsoft Excel format. If you wish to receive a copy of the Excel file, send an email message to be-125@bea.gov with your request and we will reply to you with the file attached to our message.

GENERAL INSTRUCTIONS

Public reporting burden for this BE-125 report is estimated to average 16 hours per response. This burden includes time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate to Director, Bureau of Economic Analysis (BE-1), U.S. Department of Commerce, Washington, DC 20230; and to the Office of Management and Budget, Paperwork Reduction Project 0608-0067, Washington, DC 20503.

Purpose – The Quarterly Survey of Transactions in Selected Services and Intellectual Property with Foreign Persons is conducted by the Department of Commerce to obtain data on the size and economic significance of these transactions. The information collected will be used to help support U.S. international economic policy and to analyze the impact of that policy and the policies of foreign countries on international trade in services. The data will also be used to compile the U.S. international transactions and national income and product accounts.

Authority – This survey is being conducted under the authority of the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended – hereinafter "the Act"), and the filing of reports is mandatory under Section 5(b)(2) of the Act (22 U.S.C. 3104). Regulations for the survey may be found in 15 CFR Part 801.

Penalties – Whoever fails to report may be subject to a civil penalty of not less than $2,500, and not more than $32,500, and to injunctive relief commanding such person to comply, or both. These civil penalties are subject to inflationary adjustments. Those adjustments are found in 15 CFR 6.4. Whoever willfully fails to report shall be fined not more than $10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment, or both. (See 22 U.S.C. 3105.) Notwithstanding the above, a U.S. person is not subject to any penalty for failure to report if a valid Office of Management and Budget (OMB) control number is not displayed on the form; such a number (0608-0067) is displayed at the top of the first page of this form.

Confidentiality – The Act provides that your report to this Bureau is CONFIDENTIAL and may be used only for analytical or statistical purposes. Without your prior written permission, the information filed in your report CANNOT be presented in a manner that allows it to be individually identified. Your report CANNOT be used for purposes of taxation, investigation, or regulation. Copies retained in your files are immune from legal process.

NOTES —

1. A single original copy of this report must be filed with the Bureau of Economic Analysis (BEA); please use the copy with the address label if such a labeled copy has been provided.
2. Currency amounts should be reported in U.S. dollars rounded to thousands (omitting 000). EXAMPLE – If the amount is $1,000,000, report as $1,000. Amounts less than $500.00 round to "0" and should, therefore, be omitted.

I. WHO IS TO REPORT AND GENERAL COVERAGE

A. Who is to report and transactions to be reported

1. **Mandatory reporting –** A BE-125 report is required from each U.S. person (see General Instruction II. G. for definition of person) that had receipts in excess of $6,000,000 or payments in excess of $4,000,000 with foreign persons in any of the services or intellectual property listed in V. of these General Instructions during the U.S. person's prior fiscal year or for which receipts or payments are expected to exceed that amount during the current fiscal year. The determination of whether a U.S. person is subject to this mandatory reporting requirement may be judgmental, that is, based on the judgment of knowledgeable persons in a company who can identify reportable transactions on a recall basis, with a reasonable degree of certainty without conducting a detailed records search. Reporters who must report receipts pursuant to this mandatory requirement must complete Table 1 and Schedules A and/or C of this form, and reporters who must report payments pursuant to this mandatory requirement must complete Table 2 and Schedule B of this form. The total amounts of transactions applicable to a particular schedule are to be entered in the appropriate column(s) on line 33 of the schedule. In addition, these amounts must be distributed above line 33 to the country(ies) involved in the transaction(s).
2. **Voluntary reporting –** If, during the U.S. person's fiscal year, the U.S. person's total receipts were $6,000,000 or less or total payments were $4,000,000 or less in any of the types of services or intellectual property in V. of these General Instructions, the U.S. person is requested to provide an estimate of the total for each type of service or intellectual property on the appropriate schedule(s). Provision of this information is voluntary. The estimates may be judgmental, that is, based on recall, without conducting a detailed records search. Voluntary data should be entered onto line 34 of Schedules A or C for receipts and Schedule B for payments for the type of service or intellectual property transaction that you are reporting. (If information on the countries of the transactions is available, it would be helpful if the transactions were reported on lines 1 through 33 on Schedules A, B, or C; however, disaggregation by country is not required.) Reporters who elect to file pursuant to the voluntary reporting option must complete Parts 1 and 2 of the form.
3. **Exemption –** A U.S. person that receives this form from BEA but is not required to report data on a mandatory basis, and that has no transactions of the type covered or that elects not to report some or all data on a voluntary basis, must complete Parts 1 and 2.

B. BE-125 definition of services – Services transactions consist of receipts and payments for services as commonly defined and understood (examples are given below) as well as transactions in certain other intellectual property, including transactions in patents and copyrights, and charges that may be recorded in business accounting records under a variety of names, such as allocated expenses, headquarter expenses, or miscellaneous charges. (However, not all services transactions are covered by the BE-125 survey – see below for a list of exclusions.) For example, services transactions include receipts and payments for the following categories of services:

1. Remote education, financial, construction, telecommunications, and other private services, including rents under operating leases.
2. Rights to use or acquire or sell intellectual property such as patents, trademarks, copyrights, formulae, etc.
3. Charges that companies assess against their foreign units for overhead, management services, R&D, advertising, and other support activities.

Types of services transactions excluded from coverage of this survey:

1. Payments or receipts for goods. Trade in goods involves products that have a physical form, and includes payments or receipts for electricity.
2. Payments or receipts for financial instruments, including stocks, bonds, financial derivatives, loans, mutual fund shares, and negotiable CDs. (However, securities brokerage is a service.)
3. Income on financial instruments (interest, dividends, capital gain distributions, etc).
4. Compensation paid to, or received by, employees.
5. Taxes, penalties and fines, gifts or grants (sometimes called "unilateral transfers").

For additional clarifications of reporting requirements, please read the BE-125 survey instructions, call (202) 606-5588, or send an email to BE125help@bea.gov.

C. BE-125 definition of receipts or payments – It should be noted that an item other than receipts or payments may be used as the measure of a given service for purposes of determining whether the threshold for mandatory reporting of the service is exceeded. Note that in several cases – advertising; telecommunications; performing arts, etc.; merchanting; miscellaneous disbursements (included in transaction number 31 in V. of these General Instructions) – measures other than, or in addition to, receipts or payments of services should be used. See V. of these General Instructions for an explanation of what measure should be applied in determining whether you are subject to the BE-125 survey's mandatory reporting requirements for a given service.

D. Clarification of coverage and special situations

1. **Reporting period –** Form BE-125 is a quarterly report; one report is to be filed for each fiscal quarter of the year.
2. **Date of recording transactions –** Transactions are to be reported on an accrual basis. However, telecommunications services should be reported on a settlement basis.
3. **Withholding taxes –** Data should be reported gross (before deduction) of U.S. and foreign withholding taxes.
4. **Services covered regardless of where performed –** Receipts from or payments to foreign persons for services should be reported regardless of whether the services were performed in the United States or abroad.
5. **Services or intellectual property bundled with goods or with other services and not separately valued –** When a receipt or payment is for both goods and services or intellectual property, or of several services or intellectual property, that cannot be unbundled (i.e., the goods and/or services/intellectual property are not separately valued), it should be classified based on whichever accounts for a majority of the value or on the basis of the reporter's customary practice.
6. **Accounting for payments –** Payments for services or intellectual property should be included without regard to whether they are charged as an expense on the income statement, capitalized, or charged to inventories.
7. **Partnerships –** A partnership is a business enterprise and must report if it has transactions covered by this survey. The report must be for, and the data and information must cover, the partnership as a whole, not just the activities of an individual partner.
8. **Projects with U.S. Government nonmilitary agencies –** Report information on services that are provided abroad for U.S. Government nonmilitary agencies, such as the United States Agency for International Development (USAID) and the United States Information Agency, or that are part of an aid or technical cooperation program of the Government with foreign persons. However, do not report services provided to the U.S. Department of Defense or any of its agencies, such as the Army Corps of Engineers.
9. **International organizations –** Report transactions with international organizations, which, according to balance of payments conventions, are considered foreign persons even if they are headquartered in the United States. Enter the abbreviated designation, "Int'l Org." as the name of the country of the foreign party to the transaction.
10. **Reciprocal exchanges –** Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your receipts from the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your payments to the foreign participant at the same amount as the sale reported on Schedule A.

E. Consolidation

If the U.S. Reporter is a corporation, please complete Form BE-125 to cover reportable transactions for the fully consolidated U.S. domestic enterprise consisting of (i) the U.S. corporation whose voting securities are not owned more than 50 percent by another U.S. corporation, and, proceeding down each ownership chain from that U.S. corporation, (ii) any U.S. corporation whose voting securities are more than 50-percent owned by the U.S. corporation above it.

The fully consolidated U.S. domestic enterprise excludes foreign branches and other foreign affiliates.

Conditions may exist that would lead a U.S. corporation to exclude certain majority-owned (more than 50-percent owned) domestic subsidiaries from financial statements used in reports to shareholders. If such a subsidiary has covered transactions, it must file a report under its own name, and the subsidiary will be considered the U.S. reporter for purposes of this survey.

II. DEFINITIONS

A. Services are economic activities whose outputs are other than tangible goods. This term includes, but is not limited to, banking, other financial services, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design, engineering, management consulting, real estate, professional services, entertainment, remote education, and health care.

B. Financial services include trading, issuing, dealing, underwriting, lending, custody, etc., of financial instruments; financial advisory or management services; credit-related services (including establishing, maintaining, or arranging credits, letters of credit, lines of credit, mortgages, etc.); financial rating services; electronic funds transfer services; insurance services; etc. These services typically are performed by firms classified in Sector 52 – Finance and Insurance – of the North American Industry Classification System United States, 2007 (see II.C. below).

C. Financial services provider – Except for Monetary Authorities (e.g., Central Banks) the definition of financial services providers used for this survey is identical in coverage to Sector 52 – Finance and Insurance, and holding companies from Sector 55 of the North American Industry Classification System United States, 2007.

D. U.S. Reporter is the U.S. person filing a report in this survey (see I.E. for further clarification).

E. United States, when used in a geographic sense, means the 50 states, the District of Columbia, the Commonwealth of Puerto Rico, and all territories and possessions of the United States.

F. Foreign, when used in a geographic sense, means that which is situated outside the United States or which belongs to or is characteristic of a country other than the United States.

G. Person means any individual, branch, partnership, associated group, association, estate, trust, corporation, or other organization (whether or not organized under the laws of any State), and any government (including a foreign government, the United States Government, a State or local government, and any agency, corporation, financial institution, or other entity or instrumentality thereof, including a government sponsored agency).

1. **United States person** means any person resident in the United States or subject to the jurisdiction of the United States.
2. **Foreign person** means any person resident outside the United States or subject to the jurisdiction of a country other than the United States.

H. Business enterprise means any organization, association, branch, or venture which exists for profit making purposes or to otherwise secure economic advantage, and any ownership of any real estate. (A business enterprise is a "person" within the definition in paragraph G above.)

I. Direct investment means the ownership or control, directly or indirectly, by one person of 10 percent or more of the voting securities of an incorporated business enterprise or an equivalent interest in an unincorporated business enterprise.

J. Parent means a person of one country who, directly or indirectly, owns or controls 10 percent or more of the voting stock of an incorporated business enterprise, or an equivalent ownership interest in an unincorporated business enterprise, which is located outside that country.

1. **U.S. parent** means the U.S. person that has direct investment in a foreign business enterprise.
2. **Foreign parent** means the foreign person, or the first person outside the United States in a foreign chain of ownership, which has direct investment in a U.S. business enterprise, including a branch.

K. Affiliated foreign group means (i) the foreign parent, (ii) any foreign person, proceeding up the foreign parent's ownership chain, which owns more than 50 percent of the person below it up to and including that person which is not owned more than 50 percent by another foreign person, and (iii) any foreign person, proceeding down the ownership chain(s) of each of these members, which is owned more than 50 percent by the person above it.

L. Affiliate means a business enterprise located in one country that is directly or indirectly owned or controlled by a person of another country to the extent of 10 percent or more of its voting stock for an incorporated business or an equivalent interest for an unincorporated business, including a branch.

1. **Foreign affiliate** means an affiliate located outside the United States in which a U.S. person has direct investment.
2. **U.S. affiliate** means an affiliate located in the United States in which a foreign person has direct investment.
3. **Foreign affiliate of a foreign parent** means, with reference to a given U.S. affiliate, any member of the affiliated foreign group owning the U.S. affiliate that is not a foreign parent of the U.S. affiliate.

M. Affiliated foreign person means, with respect to a given U.S. person, (i) a foreign affiliate of which the U.S. person is a U.S. parent, or (ii) the foreign parent or other member of the affiliated foreign group of which the U.S. person is a U.S. affiliate.

N. Unaffiliated foreign person means, with respect to a given U.S. person, any foreign person that is not an affiliated foreign person as defined in paragraph M above.

O. Country means, for purposes of this survey, the country of location of the foreign person with whom a transaction has occurred.

III. GUIDELINES FOR CATEGORIZING ACTIVITIES

A. Distinguishing between unaffiliated and affiliated transactions

This survey covers U.S. persons' direct transactions, both receipts (sales) and payments (purchases), with affiliated and unaffiliated foreign persons.

Examples of affiliated transactions are:

1. A transaction between a U.S. person (U.S. parent) and its foreign affiliate.
2. A transaction between a U.S. person (U.S. affiliate) and its foreign parent(s) or member(s) of the affiliated foreign group(s).

Examples of unaffiliated transactions are:

1. A transaction between a U.S. person and an unaffiliated foreign person.
2. A transaction between one U.S. person and another U.S. person's foreign affiliate. Such a transaction is reportable by the first U.S. person.

Examples of transactions that are not reportable are:

1. A transaction between a U.S. affiliate of a foreign parent and another U.S. person.
2. A transaction between a U.S. parent's foreign affiliate and another foreign person.

B. Foreign activities of a U.S. person that do not constitute a foreign affiliate

Although the definitions of direct investment and foreign affiliate in II. above, together with the discussion in III.A. above, should be sufficient to determine whether a given foreign activity is or is not a foreign affiliate, in a number of cases the determination may be difficult. Several factors to be considered are given below. If you still cannot determine if the activity or operation is an affiliate, call (202) 606-5588 or send an email to BE125help@bea.gov for additional guidance.

If a U.S. person's foreign activity or operation is incorporated abroad, it is a foreign affiliate.

If a U.S. person's foreign activity or operation is not incorporated abroad, its status is based on the weight of the evidence when the factors listed below are considered.

An unincorporated foreign activity or operation generally would be considered a foreign affiliate if it: (i) is subject to foreign income taxes; (ii) has a substantial physical presence abroad (e.g., plant and equipment or employees); (iii) maintains separate financial records that would permit the preparation of financial statements, including an income statement and balance sheet (not just a record of disbursements and receipts); (iv) takes title to the goods it sells and receives revenues therefrom; or (v) receives funds for its own account from customers for services it performs. Transactions with this type of entity should be reported under "Foreign affiliates."

An unincorporated foreign activity or operation generally would not be considered a foreign affiliate if it: (i) conducts business abroad only for the U.S. person's account and not for its own account (e.g., sales promotion or public relations type of activities); (ii) has no separate financial statements; (iii) receives funds to cover its expenses only from the U.S. person; (iv) is not subject to foreign income taxes; and (v) has limited physical assets, or employees, permanently located abroad. Transactions with this type of entity should be reported under "Unaffiliated foreign persons."

C. U.S. activities of a foreign person that do not constitute a U.S. affiliate Criteria for determining which U.S. activities do or do not constitute a U.S. affiliate of a foreign person are parallel to those in III.B. above.

D. Determining who must report a transaction when an intermediary is involved At times, transactions between a U.S. person and a foreign person may be arranged by, billed through, or otherwise facilitated by, an intermediary. The intermediary may be U.S. or foreign, and may be affiliated or unaffiliated with the U.S. or the foreign person.

A determination of whom a sale is to, or whom a purchase is from, should be made on the basis of whom the U.S. person considers itself to have a claim on for payment, in the case of a sale, or whom it has a liability to, in the case of a purchase. For a sale, if the U.S. person looks to the foreign person for payment, then the transaction is between the U.S. person and the foreign person, and is to be reported by the U.S. person. If the U.S. person looks to the intermediary for payment, and the intermediary, in turn, looks to the foreign person for payment, then whether either transaction is reportable, and who it is to be reported by, depends on the location of the intermediary and the relationship between the U.S. person and the intermediary.

If the intermediary is a foreign person, then the U.S. person would report the transaction as a transaction with a foreign person.

If the intermediary is a U.S. person, then the initial transaction between the original U.S. person and the intermediary is domestic-to-domestic and not reportable in this survey. However, the intermediary must report the transaction with the foreign person.

The reportability of a purchase would be determined in a similar manner.

IV. REPORTING PROCEDURES

A. Due date – A completed BE-125 report, consisting of Parts 1 and 2 and, as appropriate, the applicable schedule(s), are due 45 days after the close of each fiscal quarter (or within 90 days after the close of the final quarter of your fiscal year).

B. For assistance or additional copies of the forms – Phone (202) 606–5588 between 8:30 a.m. and 5:00 p.m. eastern time or send an email to BE125help@bea.gov. A copy of the form may be downloaded from www.bea.gov/bea/surveys/iussurv.htm, or obtained by sending an email to BE125@bea.gov. To receive a copy of frequently asked questions (FAQ's) send an E-mail to BE125faq@bea.gov or go to the above web address to view the BE-125 FAQ's.

IV. REPORTING PROCEDURES – Continued

C. Extension – Requests for an extension of the reporting deadline will not normally be granted. However, in a hardship case, a written request for an extension will be considered if it is received at least 15 days before the due date. BEA will provide a written response to such a request. Requests for extensions may be sent via E-mail to BE125extension@bea.gov.

D. Original and file copies – A single original copy of the form must be filed with BEA. Please use the copy with the address label if such a labeled copy has been provided. In addition, each U.S. reporter must retain a copy of its form for three years to facilitate resolution of problems.

E. How to submit the report –

File electronically at: http://www.bea.gov/efile

Mail to:	U.S. Department of Commerce Bureau of Economic Analysis BE-50 (SSB) Washington, DC 20230
Deliver to:	U.S. Department of Commerce Bureau of Economic Analysis BE-50 (SSB) Shipping and Receiving Section M-100 1441 L Street, NW Washington, DC 20005
Fax to:	(202) 606-5318
E-mail to:	BE125submission@bea.gov

F. Estimates – If actual figures are not available, report estimates and label them as such.

V. SERVICES COVERED

A. Transactions in Intellectual Property

Report receipts on Schedule A and payments on Schedule B.

1. **Rights related to industrial processes and products –** Include license fees, royalties, and other fees received or paid for the use, sale, or purchase of intellectual property, including patents, trade secrets, and other proprietary rights, that are used in connection with, or related to, the production of goods. Include "maintenance" fees paid to foreign governments for the continuation of patent rights. If the charge for the process, design, etc., is subsumed in a contract for technical or professional services, the receipt or payment generally should be reported under the proper transaction number for that service.

2. **Rights related to books, compact discs, audio tapes, etc. –** Include royalties and other fees received or paid for the rights to perform, broadcast, reproduce, and sell as books (include books and magazines downloaded from the Internet), CDs, digital music, etc., or otherwise use copyrighted material and other intellectual property. Exclude fees for the right to display, reproduce, or distribute pre-recorded television tape or motion picture film; such charges should be reported under transaction code 4.

3. **Rights related to trademarks –** Include receipts and payments for the rights to sell products under a particular trademark, brand name, or signature. Include the initial fee and annual fees for the domain name registration for the Internet and the receipt and payment from the sale of a previously registered name. Include fees for sponsorship of other events if the fee is for the right to use the logo or trademark of the payee.

   A sponsor of an international sporting event, such as the Olympics, should include payments of sponsorship fees if the right to use a trademark, such as the Olympic logo, in advertising, or to place such a trademark on merchandise is conveyed. Fees paid for the display of the payer's logo or trademark are reported under transaction code 10 as advertising payments. Exclude fees received or paid under a business format franchise, which are reportable under transaction code 7.

4. **Rights related to performances and events pre-recorded on motion picture film and TV tape –** Include royalties, license fees, and other funds received or paid, including those from outright sales and purchases, for the rights to display, reproduce, or distribute material pre-recorded on motion picture film or television tape (include digital recordings and video streaming). Include payments and receipts for all uses, including theatrical, cable, broadcast television, and non-theatrical. Production costs associated with pre-recorded content should be reported under transaction code 31, other selected services.

5. **Rights related to broadcasting and recording of live performances and events –** Include receipts and payments for rights to record and/or broadcast "live" artistic performances, sports events, and other live performances or events. Payments or receipts for the acquisition (or sale) of rights to broadcast a major live performance or event, such as the Olympics, often extend over several years prior to the event. The cumulative amount of payments over all the years is to be reported on this form as an acquisition or sale of broadcast rights only in a single year or single period in which the event is actually held. The prior year payments are considered to be deposits with the organization (such as the International Olympic Committee) selling the broadcast rights, and should be reported on the Department of Treasury's TIC C-form. Inquiries about the TIC C-form survey should be directed to the Federal Reserve Bank of New York (as contractor for the Department of Treasury) at (212) 720-8001.

6. **Rights to general use computer software –** Include receipts and payments for rights to distribute general use software, and rights to reproduce or use general use computer software that was made from a master copy. This item includes licensing fees for reproducing copies of general use software for local area network (LAN) computer systems.

   The item excludes the value of prepackaged general use software not intended for use on a server in a LAN environment that was physically shipped to or from the United States and non-customized (prepackaged) computer software on physical media for perpetual use shipped to or from the United States and reported on import or export declarations filed with the U.S. Customs and Border Protection.

   In addition, exclude fees for custom software and programming services, which are reportable under transaction code 12. Fees received or paid for the development of general use software should be reported under transaction code 29. Software downloaded or otherwise electronically delivered should be reported under transaction code 12.

7. **Business format franchising fees –** Fees received and paid by the U.S. reporter under business format franchising agreements with foreign persons. Business format franchising is characterized by an ongoing business relationship between franchisor and franchisee that includes not only the product, service, and trademark, but the entire business format itself. This may include a marketing strategy and plan, operating manuals and standards, quality control, and continuing two-way communications. Exclude receipts and payments for the use of trademarks (reportable under transaction code 3), except where such trademarks are part of a business format franchise, even if the fees are nominally considered to be "franchising" fees.

   Receipts and payments should be reported net of advertising allowances and other deductions retained by franchisees from gross franchise fees. Include receipts and payments for one-time "up front" charges to new franchisees as well as ongoing fees based upon sales or other measures.

   On Schedule A, U.S. franchisors should report receipts from both foreign outlets and foreign master licensees. In the case of fees received from a foreign master licensee, report only the net fees received from foreign outlets. Include receipts from "company-owned" outlets abroad. Include receipts from jointly owned outlets.

   On Schedule B, U.S. outlets and master licensees should report payments made directly to foreign franchisors. U.S. outlets should not report payments to U.S. master licensees, as these are domestic (U.S.-to-U.S.) transactions. Payments by a "company-owned" U.S. outlet to a foreign owner should be reported.

8. **Other intellectual property –** Include receipts and payments involving intellectual property not classified in one of the preceding categories. Include receipts or payments by communications carriers to secure capacity by indefeasible right of user (IRU's). For entries in this column, please specify on line 35 of the appropriate schedule the type of intellectual property involved.

B. Transactions in Selected Services

Report receipts on Schedule A (except transaction codes 13, 16, and 23) and payments on Schedule B. Report receipts for transaction codes 13, 16, and 23 on Schedule C.

9. **Accounting, auditing, and bookkeeping services –** Excludes data processing and tabulation services.

10. **Advertising services –** Preparation of advertising and placement of such advertising in media, including charges for media space and time. Include advertising banners on web pages. An advertising agency selling such services should report gross billings to unaffiliated foreigners. Sales by media companies (e.g., broadcasters, publishers, etc.) that are arranged through U.S. advertising agencies are presumed to be reflected in billings of the advertising agencies; thus, in order to avoid duplication, they should not be reported by the media suppliers. U.S. advertising agencies should report only direct transactions with foreign clients. Exclude transactions that are with the U.S. affiliates of foreign clients, rather than directly with foreign clients; such transactions are considered domestic (U.S.-to-U.S.) and, therefore, outside the scope of this survey. Exclude charges for services other than advertising, such as public relations services or market research not directly associated with an advertising campaign; such services should be reported under transaction code 21. U.S. media companies should report only direct sales of advertising services to unaffiliated foreign persons; they should not report advertising arranged by U.S. advertising agencies, including U.S. affiliates of foreign advertising agencies.

    Under **payments** for advertising services, U.S. reporters that are advertising agencies should report only funds paid to foreign advertising agencies and media companies on behalf of their clients. U.S. reporters other than advertising agencies should report only payments made directly to foreign advertising agencies and media companies. Do not report payments made through a U.S. advertising agency. Also, do not report payments made through the U.S. office of a foreign advertising agency if your payment is made to the U.S. office.

    Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your receipts from the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your payments to the foreign participant at the same amount as the receipts reported on Schedule A.

11. **Auxiliary insurance services –** Agent's commissions, insurance brokering and agency services, insurance consulting services, evaluation and adjustment services, actuarial services, salvage administration services, and regulatory and monitoring services on indemnities and recovery services. Non-insurance companies report these transactions on the BE-125. Insurance companies report these transactions on the BE-45, Quarterly Survey of Insurance Transactions by U.S. Insurance Companies with Foreign Persons. A copy of the form can be downloaded from www.bea.gov/bea/surveys/iussurv.htm.

12. **Computer and data processing services –** Customized software (however delivered) and related licenses to use; the development, production, supply, and documentation of customized software, including operating systems, made to order for specific users; noncustomized (mass-produced) software downloaded or otherwise electronically delivered, whether with a periodic license or a single payment; licenses to use noncustomized software provided on a storage device with a periodic license fee; sales or purchases of originals and ownership rights for software systems and applications; hardware and software consultancy and implementation services, including the management of subcontracted computer services; hardware and software installation, including installation of mainframes and central computing units; maintenance and repairs of computers and peripheral equipment; data recovery services; analysis, design, and programming if systems ready to use (including web page development and design), and technical consultancy related to software; systems maintenance and other support services, including training provided as part of consultancy; data processing and hosting services (cloud services or "wiki"), such as data entry, tabulation, and processing on a time-sharing basis; web page hosting services; and provision of applications, hosting clients' applications, and computer facilities management. Software includes general business productivity software, computer game software, and other applications.

    This item includes software downloaded on the Internet, fees and subscriptions for online gaming (includes video games), and licensing agreements and end-user fees associated with downloading applications on to smart phones and PDAs. Fees for developing such applications should be reported under transaction code 29.

    Exclude non-customized (prepackaged) computer software on physical media for perpetual use shipped to or from the United States and reported on import or export declarations filed with the U.S. Customs and Border Protection. Also exclude computer training courses not designed for a specific user (include in transaction code 15), charges for licenses to reproduce or distribute software (include in transaction code 6), and leasing of computers with an operator (include in transaction code 24).

13. **Construction services –** Services of general contractors in the field of building and heavy construction; construction work by special trade contractors, such as the erection of structural steel for bridges and buildings and on-site electrical work.

14. **Database and other information services –** Business and economic database services, including business news, stock quotation, and financial information services; medical, legal, technical, demographic, bibliographic, and similar database services; general news services, such as those purchased from a news syndicate; direct non-bulk subscriptions (including online) to newspapers and periodicals; and other information services, including reservation systems and credit reporting and authorization systems. For airline reservation systems, include booking fees from foreign carriers for the use of your reservation system, whether accessed directly or by a U.S. or foreign travel agent. Include downloaded content that is not software or audio or visual services.

15. **Educational and training services –** Educational or training services provided or acquired on a contract or fee basis. Includes tuition and fees charged when the institutions provide the educational service through distance learning technologies using the Internet. Includes training provided via U.S. Agency for International Development (USAID) contracts. Report amounts received from USAID as receipts from unaffiliated foreign persons, and any foreign expenses associated with such contracts as payments to foreign persons.

    Excludes tuition and fees charged to U.S. and foreign persons by educational institutions when the students travel to the institution for study. Also excludes training provided by a manufacturer in connection with the sale of a good (report under transaction code 19).

16. **Engineering, architectural, and surveying services –** Includes architectural, engineering, and land-surveying services. Includes those engineering services performed in conjunction with construction and mining services projects. Includes services purchased in connection with proposed projects (e.g., feasibility studies) as well as projects that are actually being carried out. Industrial engineering services, such as product design services, should be reported under transaction code 18.

17. **Financial services (purchases only) –** Includes payment of credit-related fees, fees on securities transactions, and fees for other financial services. This service is to be reported by nonfinancial services companies only. Financial services companies would report these services on form BE-185. A copy of the form can be downloaded from www.bea.gov/bea/surveys/iussurv.htm.

    Credit-related fees include fees for establishing, maintaining, or arranging credits, letters of credit, bankers acceptances, mortgages, factoring services, loan guarantees, etc., that are commonly provided by foreign banking establishments. Include fees paid directly and fees that are withheld or deducted from your proceeds by the foreign person. For example, for factoring services, the fee may be calculated as the difference between the proceeds you received from the sale of your receivables and the face amount of the receivables sold; for arranging credits, letters of credit, etc., it may be calculated as the difference between the proceeds you received from the loan, letter of credit, etc. (after the deduction of the fee) and your liability to the foreign lending establishment. Report credit-related fees in the accounting period in which they are incurred, whether or not expensed in that accounting period. Exclude interest on your obligations, because interest is a payment for the use of the loan proceeds and is not a fee for the establishment, maintenance, or arrangement of credit.

    Fees on securities transactions include commissions and other fees for securities transactions (including transactions in derivatives) or futures trading, such as brokerage, underwriting, private placements, etc. Fees for such services would commonly be paid to foreign investment banks and securities brokers or dealers. Include fees that can be calculated from transactions records or other documentation issued by the investment bank or security broker or dealer. Omit, rather than attempt to estimate, these fees if they cannot be calculated from such documentation. (For example, a dealer's markup on bond purchases and sales cannot be directly estimated from transactions records issued by a securities dealer.)

    Fees for other financial services include fees for asset/liability management, debt renegotiation, and other financial services. Exclude leasing (operational leasing services are included in transaction code 24), and real estate management services (management, consulting, and public relations services are included in transaction code 21).

18. **Industrial engineering services –** Engineering services related to the design of movable products, including product design services. Excludes engineering and architectural services that relate to actual or proposed construction services projects (reportable under transaction code 16). Excludes computer systems engineering (reportable under transaction code 12). Includes, however, services performed with the assistance of computers, such as computer-assisted design work.

19. **Industrial-type maintenance, installation, alteration, and training services –** Maintenance services primarily to machinery and equipment. May also include small maintenance work on buildings, structures, dams, highways, etc., but only to the extent that the work is not reported under transaction code 13. Includes such services as the periodic overhaul of turbines, the extinguishment of natural gas well fires, and refinery maintenance. Excludes computer maintenance (report under transaction code 12). Installation and training services include only installation, startup, and training services provided by a manufacturer in connection with the sale of a good. Do not include such services where the cost is included in the price of the goods and not separately billed, or is declared as a part of the price of the goods on the import or export declaration filed with the U.S. Customs and Border Protection; however, services provided at a price over and above that entered on the declaration should be included. These services would be reported elsewhere if not received in connection with the purchase of goods. For example, installation of machinery and equipment is normally considered a construction activity, and training personnel in the use of new machinery would ordinarily be reported as an educational or training service.

20. Legal services – Legal advice or other legal services.

21. Management, consulting, and public relations services (including allocated expenses) – Management services; consulting services; public relations services; and amounts received by a parent company from its affiliates for general overhead and stewardship. Excludes consulting engineering services related to actual or proposed construction projects (report under transaction code 16); computer consulting (report under transaction code 12); and public relations services that are an integral part of an advertising campaign (report under transaction code 10). Also excludes transactions between parent companies and affiliates that are identifiable as arising from the provision of advertising, accounting, legal, R&D, etc. services, even if these amounts represent reimbursements of sums paid to third parties. That is, transactions between parent companies and affiliates should not be reported in management services if they can instead be reported in another services category.

22. Merchanting services (Receipts only) – Receipts for merchanting services are equal to the **difference** between your cost and the resale price of goods (such as crude oil, grain, and other commodities) that are both purchased and resold abroad; that is, the goods are neither imported to, nor exported from, the United States and they do not undergo significant processing during the time between when they are purchased and resold. Without regard to whether you initially purchased the goods from an affiliated or unaffiliated foreign person, report data for those transactions according to the company's relationship with the foreign entity (foreign affiliate, foreign parent(s) and foreign affiliates of foreign parent(s) group(s), or unaffiliated foreign person) to which the goods were resold. Only the "all countries total" (line 33 of Schedule A) is required to be reported for this service, even if total receipts exceed $6 million. The data that are voluntarily reported by individual foreign country should be reported according to the individual foreign countries to which the goods were resold (and not the foreign countries from which the goods were purchased).

23. Mining services – Includes drilling wells for oil or gas field operations; exploration, including prospecting and taking ore samples; grading and building foundations at well locations; well surveying; and making geological observations. Includes services purchased in connection with proposed projects (e.g. feasibility studies) as well as projects that are actually being carried out.

24. Operational leasing – Rentals for computer and data processing equipment; transportation equipment (such as ships, aircraft, railway cars, containers, rigs automotive fleets, etc.) **without** crew or operators (if crew or operators are provided, the fee is considered to be for transportation services, which may be reportable on BEA forms BE-9, BE-30, or BE-37. Go to www.bea.gov/bea/surveys/iussurv.htm to determine which forms cover your particular transportation services); and rentals of other machinery and equipment. Include fees from rentals of furniture, coin-operated machines, construction equipment (without operators), and electronic equipment except computers. This category excludes rentals under leases that have been capitalized (capital leases) and rentals of any items other than machinery and equipment. (For example, it excludes rentals of office buildings and other real estate, film rentals, and employee leasing.)

25. Trade-related services, other than merchanting services – Auction services (including online), transactions fees for business to business (B2B) exchanges conducted over the Internet, and commissions or "finders' fees" to independent sales agents.

26. Performing arts, sports, and other live performances, presentations, and events – Fees received (net of allowances for foreign expenses) or paid (net of allowances for U.S. expenses) for performing arts, sports, etc. To be reported by (a) U.S. management companies, booking agents, promoters, and presenters who received funds from or paid funds to foreign persons, for performances and events, and (b) U.S. performers who received funds directly from a foreign person rather than through a U.S. management company or similar entity. (As used here "performers" means entertainers, sports teams, orchestras, dance companies, lecturers, athletes who do not play for sports teams, and similar persons or performing groups.)

Note for services numbered 27 and 28: When you report either transaction codes number 27 or 28, also report the other service. If there are transactions in one of these services but not in the other, label a column in Schedule B with the number for the other service and enter "NA" on line 33.

27. Primary insurance premiums (payments only) – Premiums (net of cancellations) paid to foreign insurance carriers. A U.S. reporter that is an insurance company should not report direct transactions with a foreign insurance company. However, a U.S. reporter that is not an insurance company that purchased insurance from an affiliated foreign insurance company (for example, a captive insurance affiliate) should report those purchases here. (See note in opposite column.)

28. Losses recovered on primary insurance (payments only) – Losses recovered on insurance purchased from foreign insurance carriers. A U.S. reporter that is an insurance company should not report losses with a foreign insurance company. However, a U.S. reporter that is not an insurance company that purchased insurance from an affiliated foreign insurance company (for example, a captive insurance affiliate) should report losses recovered here (See note in opposite column.)

29. Research and development services – Research and development is creative work aimed at discovering new knowledge or developing new or significantly improved goods and services. Commercial and noncommercial research and product development services. Includes fees associated with the development of intellectual property protected by patents, trademarks, or copyrights and fees for the development of general use software, such as smart phone and tablet PC applications. Includes fees for the conduct of experiments or performances of research and development activities aboard spacecraft. Include fees for testing related to product and process development. Excludes medical and dental laboratory services and routine product testing. Routine product testing is reported under transaction code 31.

Examples of research and development services are medial research (pharmacology, medical devices, and diagnostic research); computers and information systems; biological research, including biotechnology; nanotechnology; environmental technology; imaging technology; and energy technology.

30. Telecommunications services – Telecommunications services encompass the broadcast or transmission of sound, images, data, or other information by telephone, telex, telegram, radio, and television cable transmission, radio and television satellite electronic mail, facsimile, and so forth, including business network services, teleconferencing, and support services. They do not include the value of the information transported. Includes mobile telecommunications services, Internet backbone services, and online access services, including provision of access to the Internet. Excludes installation services for telephone network equipment (report under transaction code 13) and database services (report under transaction code 14). Includes services of the following types (to be reported in aggregate, rather than as five separate types of services):

Message telephone services, telex, telegram, and other jointly provided basic services – On Schedule A, report receipts from foreign persons (communications companies and postal, telephone, and telegraph agencies) for your share of revenues for transmitting messages originating abroad to U.S. destinations. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for their share of revenues for transmitting messages originating in the United States to foreign destinations. For messages originating in foreign countries and routed through the United States (for example, from Caribbean countries via the United States to Western Europe), report receipts from the foreign person originating the message and payouts to the country of destination. Also report receipts for transmitting messages between foreign points when not offered in connection with enhanced services, call-back services, and other regulated services of the type reportable to the FCC on Report 43.61.

Private leased channel services – On Schedule A, report receipts from foreign persons for circuits and channels terminating in the United States and for circuits and channels between foreign points. On Schedule B, report payouts to foreign persons (communications companies and PTT's) for leased channels and circuits terminating in foreign countries.

Value-added (enhanced) services – Telecommunications services that add value or function above and beyond the telecommunications transport services that deliver the value-added services to end-users. They can include (a) electronic mail, voice mail, code and protocol processing, and management and operation of data networks; (b) facsimile services and video-conferencing; (c) Internet connections (online access service including Internet backbone, router services, and broadband access services); (d) satellite broadcasting business communication and paging services provided by satellite connections; (e) telephony, interactive voice response, virtual private networking, remote access service, and voice over IP; and (f) other value-added (enhanced) services.

Support services – Services related to the maintenance and repair of telecommunications equipment and ground station services. Do not include installation services for telephone network equipment (included in transaction code 13).

Reciprocal exchanges – Include the value of reciprocal exchanges; i.e., transactions involving barter. On Schedule A, value your sales to the foreign participant in the reciprocal exchange at market rates, not at the actual cost of performing the services. On Schedule B, value your purchases from the foreign participant at the same amounts as the sales reported on Schedule A.

31. Other selected services – When reporting data under this transaction code, also identify the specific type of transaction from the list below accounting for the largest share of the reported total on line 35 of Schedule A or B. This category does not include travel, transportation, insurance, financial services, and expenditures by students and medical patients who are studying or seeking treatment in a country different from their country of residence. This category includes, but is not limited to, the following types of services:

Agricultural services – Soil preparation services, crop services, veterinary and other animal services, farm labor and management services, and landscape and horticultural services.

Note for miscellaneous disbursements: Where a set of related expenditures was made in several countries, but your recordkeeping does not permit a precise allocation of expenses among individual countries, estimates are acceptable. If no basis for such estimates exists, then you may record the expenditures against the country in which the activities were centered or headquartered. For example, a news correspondent may conduct news-gathering activities in several countries. Although it would be preferable to report news-gathering expenses in each of the several countries, all of the expenses may, if necessary, be recorded against the country where the foreign news bureau is headquartered, or where the correspondent had the largest outlays.

Disbursements to fund news-gathering costs of broadcasters – U.S. broadcasters' outlays to fund operations of their foreign news bureaus and for support of correspondents in foreign countries, and foreign broadcasters' outlays to fund operations of their U.S. news bureaus and for support of correspondents in the United States. (See note above.)

Disbursements to fund news-gathering costs of print media – Outlays by U.S. newspapers, news syndicates, and news magazines for the operation of their foreign news bureaus, and outlays by foreign newspapers, news syndicates, and news magazines for the operation of their U.S. news bureaus. (See note above.)

Disbursements to fund production costs of broadcast program material other than news – Foreign production costs of U.S. companies engaged in the production of broadcast material other than news, and U.S. production costs of foreign companies engaged in the production of broadcast material other than news. Includes disbursements for broadcasting professional or amateur sporting events, and the disbursements for production of the events themselves. (See note above.)

Disbursements to fund production costs of motion pictures – Foreign production costs of U.S. motion picture companies, and U.S. production costs of foreign motion picture companies. (See note above.)

Disbursements to maintain government tourism and business promotion offices – Funding to maintain State tourism and business promotion offices located abroad, and funding to maintain foreign government sponsored tourism and business promotion offices located in the United States. (See note above.)

Disbursements for sales promotion and representation – Funding to maintain sales promotion and representative offices. Sales promotion offices typically have few assets other than office furniture; to the extent that their employees are compensated by commissions, the commissions arise only from sales or business that the employees generate for their U.S. or foreign parents; they do not produce revenue, other than funds from their parents to cover their expenses; and they are engaged only in sales promotion, representational, and public-relations-type activities. Report the funds to maintain this type of office as a transaction with an unaffiliated entity as opposed to a transaction with an affiliated foreign person. (See note above.)

Disbursements to participate in foreign trade shows (outlays only) – Foreign expenses incurred by U.S. persons participating in foreign trade shows. (See note above.)

Employment agencies and temporary help supply services – Employment services and provision of temporary help and personnel to perform services on a contract or fee basis. Where workers are carried on the payroll of the agency, includes amounts received or paid for the compensation of workers as well as agency fees.

Mailing, reproduction, and commercial art – Direct mail advertising services; mailing services, such as re-mailing services in connection with direct mail advertising; commercial photography, art, and graphic services; address list compilation; and stenographic services.

Medical services – Includes remote diagnostic services, and remote monitoring of surgical procedures provided to patients, practitioners, and medical institutions (telemedicine) and services of medical laboratories that do not deal directly with patients.

Waste treatment and depollution services – Treatment of radioactive and other waste, stripping of contaminated soil, cleaning up of pollution including spills, restoration of mining sites, and de-contamination and sanitation services. Includes all other services that relate to the cleaning or restoring of the environment.

Other private services – Report transactions in the following types of services: language translation services, salvage services, security services, collection services, satellite photography and remote sensing/ satellite imagery services, space transport (includes satellite launches, transport of goods and people for scientific experiments, and space passenger transport), and transcription services. Also include services not elsewhere classified, except travel, transportation, insurance, financial services, and expenditures by students and medical patients who are studying or seeking treatment in a country different from their country of residence. See I.B. for a definition of services covered by the BE-125 survey that – when considered in connection with service categories 9 through 30 above – also helps to describe what transactions are reportable in this category.

SUMMARY OF INDUSTRY CLASSIFICATIONS

AGRICULTURE, FORESTRY, FISHING, AND HUNTING

1110 Crop production
1120 Animal production
1130 Forestry and logging
1140 Fishing, hunting, and trapping
1150 Support activities for agriculture and forestry

MINING, QUARRYING, AND OIL AND GAS EXTRACTION

2111 Oil and gas extraction
2121 Coal
2123 Nonmetallic minerals
2124 Iron ores
2125 Gold and silver ores
2126 Copper, nickel, lead, and zinc ores
2127 Other metal ores
2132 Support activities for oil and gas operations
2133 Support activities for mining, except for oil and gas operations

UTILITIES

2211 Electric power generation, transmission, and distribution
2212 Natural gas distribution
2213 Water, sewage, and other systems

CONSTRUCTION

2360 Construction of buildings
2370 Heavy and civil engineering construction
2380 Specialty trade contractors

MANUFACTURING

3111 Animal foods
3112 Grain and oilseed milling
3113 Sugar and confectionery products
3114 Fruit and vegetable preserving and specialty foods
3115 Dairy products
3116 Meat products
3117 Seafood product preparation and packaging
3118 Bakeries and tortillas
3119 Other food products
3121 Beverages
3122 Tobacco
3130 Textile mills
3140 Textile product mills
3150 Apparel
3160 Leather and allied products
3210 Wood products
3221 Pulp, paper, and paperboard mills
3222 Converted paper products
3231 Printing and related support activities
3242 Integrated petroleum refining and extraction
3243 Petroleum refining without extraction
3244 Asphalt and other petroleum and coal products
3251 Basic chemicals
3252 Resins, synthetic rubbers, and artificial and synthetic fibers and filaments
3253 Pesticides, fertilizers, and other agricultural chemicals
3254 Pharmaceuticals and medicines
3255 Paints, coatings, and adhesives
3256 Soap, cleaning compounds, and toilet preparations
3259 Other chemical products and preparations
3261 Plastics products
3262 Rubber products
3271 Clay products and refractories
3272 Glass and glass products
3273 Cement and concrete products
3274 Lime and gypsum products
3279 Other nonmetallic mineral products
3311 Iron and steel mills and ferroalloys
3312 Steel products from purchased steel
3313 Alumina and aluminum production and processing
3314 Nonferrous metal (except aluminum) production and processing
3315 Foundries
3321 Forging and stamping
3322 Cutlery and handtools
3323 Architectural and structural metals
3324 Boilers, tanks, and shipping containers
3325 Hardware
3326 Spring and wire products
3327 Machine shops; turned products; and screws, nuts, and bolts
3328 Coating, engraving, heat treating, and allied activities
3329 Other fabricated metal products
3331 Agriculture, construction, and mining machinery
3332 Industrial machinery
3333 Commercial and service industry machinery
3334 Ventilation, heating, air-conditioning, and commercial refrigeration equipment
3335 Metalworking machinery
3336 Engines, turbines, and power transmission equipment
3339 Other general purpose machinery
3341 Computer and peripheral equipment
3342 Communications equipment
3343 Audio and video equipment
3344 Semiconductors and other electronic components
3345 Navigational, measuring, electromedical, and control instruments
3346 Manufacturing and reproducing magnetic and optical media
3351 Electric lighting equipment
3352 Household appliances
3353 Electrical equipment
3359 Other electrical equipment and components
3361 Motor vehicles
3362 Motor vehicle bodies and trailers
3363 Motor vehicle parts
3364 Aerospace products and parts
3365 Railroad rolling stock
3366 Ship and boat building
3369 Other transportation equipment
3370 Furniture and related products
3391 Medical equipment and supplies
3399 Other miscellaneous manufacturing

WHOLESALE TRADE

MERCHANT WHOLESALERS, DURABLE GOODS

4231 Motor vehicles and motor vehicle parts and supplies merchant wholesalers
4232 Furniture and home furnishing merchant wholesalers
4233 Lumber and other construction materials merchant wholesalers
4234 Professional and commercial equipment and supplies merchant wholesalers
4235 Metal and mineral (except petroleum) merchant wholesalers
4236 Electrical and electronic goods merchant wholesalers
4237 Hardware, and plumbing and heating equipment and supplies merchant wholesalers
4238 Machinery, equipment, and supplies merchant wholesalers
4239 Miscellaneous durable goods merchant wholesalers

MERCHANT WHOLESALERS, NONDURABLE GOODS

4241 Paper and paper product merchant wholesalers
4242 Drugs and druggists' sundries merchant wholesalers
4243 Apparel, piece goods, and notions merchant wholesalers
4244 Grocery and related product merchant wholesalers
4245 Farm product raw material merchant wholesalers
4246 Chemical and allied products merchant wholesalers
4247 Petroleum and petroleum products merchant wholesalers
4248 Beer, wine, and distilled alcoholic beverage merchant wholesalers
4249 Miscellaneous nondurable goods merchant wholesalers

ELECTRONIC MARKETS AND AGENTS AND BROKERS

4251 Wholesale electronic markets and agents and brokers

RETAIL TRADE

4410 Motor vehicle and parts dealers
4420 Furniture and home furnishings stores
4431 Electronics and appliance stores
4440 Building material and garden equipment and supplies dealers
4450 Food and beverage stores
4461 Health and personal care stores
4471 Gasoline stations
4480 Clothing and clothing accessories stores
4510 Sporting goods, hobby, book, and music stores
4520 General merchandise stores

4530 Miscellaneous store retailers
4540 Nonstore retailers

TRANSPORTATION AND WAREHOUSING

4810 Air transportation
4821 Rail transportation
4833 Petroleum tanker operations
4839 Other water transportation
4840 Truck transportation
4850 Transit and ground passenger transportation
4863 Pipeline transportation of crude oil, refined petroleum products, and natural gas
4868 Other pipeline transportation
4870 Scenic and sightseeing transportation
4880 Support activities for transportation
4920 Couriers and messengers
4932 Petroleum storage for hire
4939 Other warehousing and storage

INFORMATION

5111 Newspaper, periodical, book, and directory publishers
5112 Software publishers
5121 Motion picture and video industries
5122 Sound recording industries
5151 Radio and television broadcasting
5152 Cable and other subscription programming
5171 Wired telecommunications carriers
5172 Wireless telecommunications carriers (except satellite)
5174 Satellite telecommunications
5179 Other telecommunications
5182 Data processing, hosting, and related services
5191 Other information services

FINANCE AND INSURANCE

5221 Depository credit intermediation (Banking)
5223 Activities related to credit intermediation
5224 Nondepository credit intermediation
5229 Nondepository branches and agencies
5231 Securities and commodity contracts intermediation and brokerage
5238 Other financial investment activities and exchanges
5242 Agencies, brokerages, and other insurance related activities
5243 Insurance carriers, except life insurance carriers
5249 Life insurance carriers
5252 Funds, trusts, and other financial vehicles

REAL ESTATE AND RENTAL AND LEASING

5310 Real estate
5321 Automotive equipment rental and leasing
5329 Other rental and leasing services
5331 Lessors of nonfinancial intellectual property (except copyrighted works)

PROFESSIONAL, SCIENTIFIC, AND TECHNICAL SERVICES

5411 Legal services
5412 Accounting, tax preparation, bookkeeping, and payroll services
5413 Architectural, engineering, and related services
5414 Specialized design services
5415 Computer systems design and related services
5416 Management, scientific, and technical consulting services
5417 Scientific research and development services
5418 Advertising, public relations, and related services
5419 Other professional, scientific, and technical services

MANAGEMENT OF COMPANIES AND ENTERPRISES

5512 Holding companies, except bankholding companies
5513 Corporate, subsidiary, and regional management offices

ADMINISTRATIVE AND SUPPORT AND WASTE MANAGEMENT AND REMEDIATION SERVICES

5611 Office administrative services
5612 Facilities support services
5613 Employment services
5614 Business support services
5615 Travel arrangement and reservation services
5616 Investigation and security services
5617 Services to buildings and dwellings
5619 Other support services
5620 Waste management and remediation services

EDUCATIONAL SERVICES

6110 Educational services

HEALTH CARE AND SOCIAL ASSISTANCE

6210 Ambulatory health care services
6220 Hospitals
6230 Nursing and residential care facilities
6240 Social assistance services

ARTS, ENTERTAINMENT, AND RECREATION

7110 Performing arts, spectator sports, and related industries
7121 Museums, historical sites, and similar institutions
7130 Amusement, gambling, and recreation industries

ACCOMMODATION AND FOOD SERVICES

7210 Accommodation
7220 Food services and drinking places

OTHER SERVICES

8110 Repair and maintenance
8120 Personal and laundry services
8130 Religious, grantmaking, civic, professional, and similar organizations

PUBLIC ADMINISTRATION

9200 Public administration

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