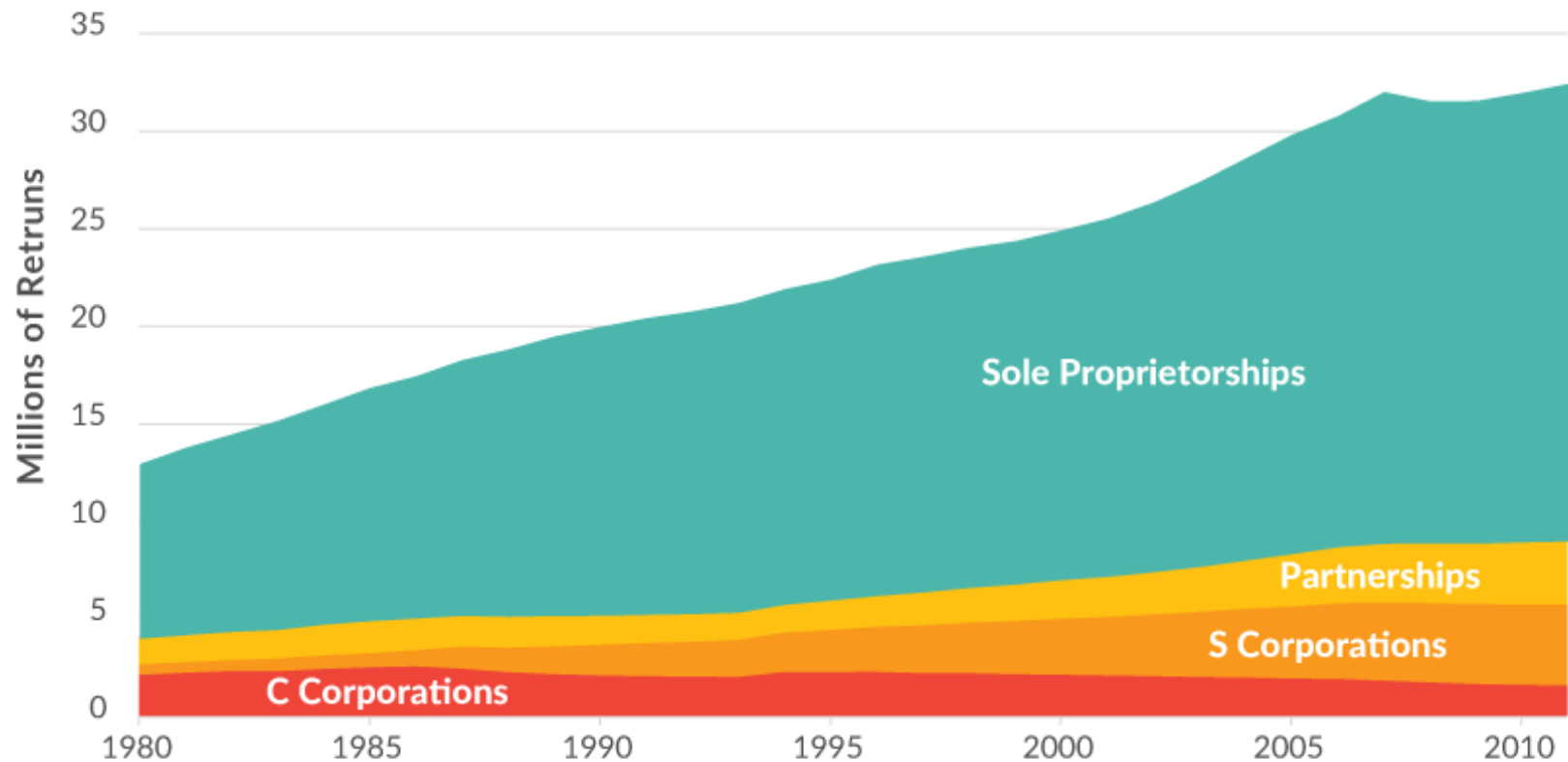


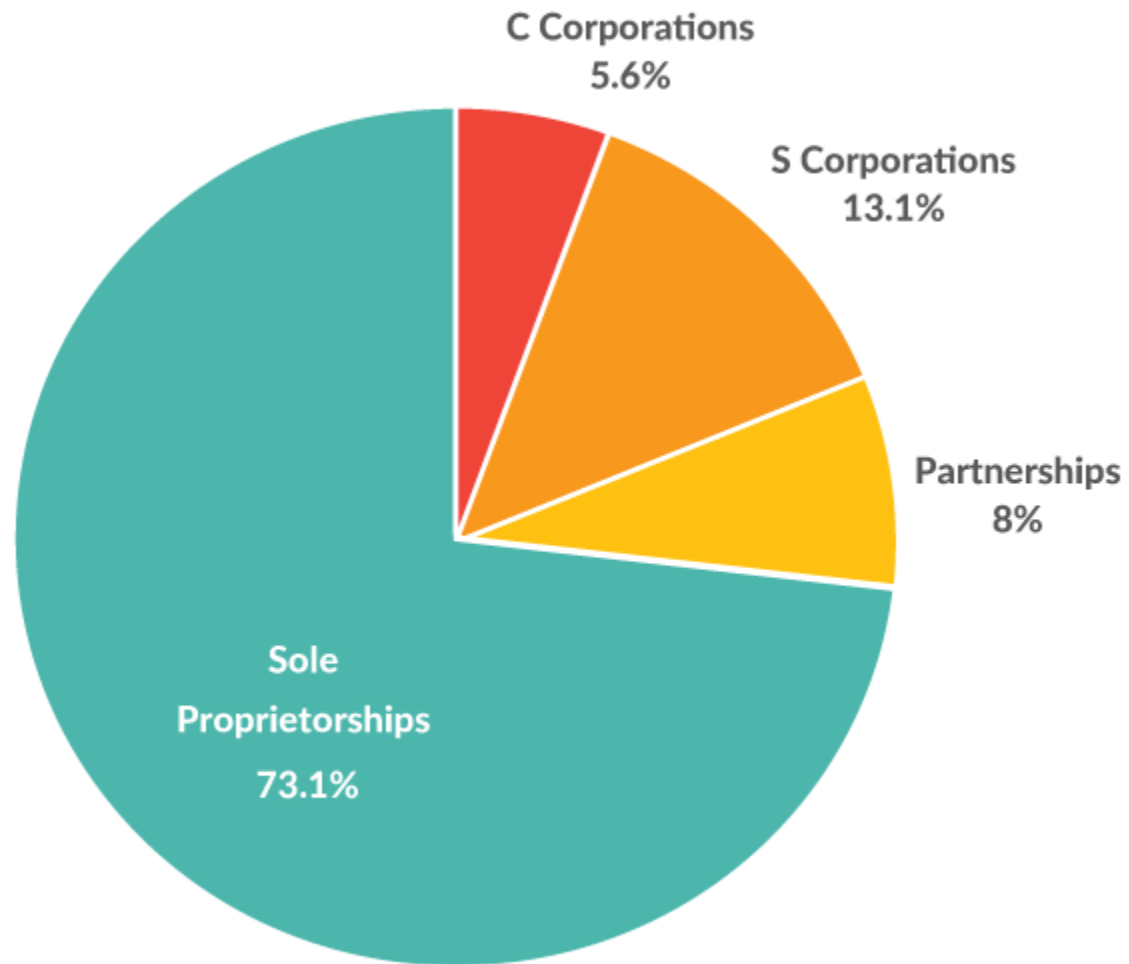
Figure 2. The Number of Pass-through Businesses has Nearly Tripled Since 1980

Number of Business Tax Returns by Business Form, 1980-2011



Source: IRS.

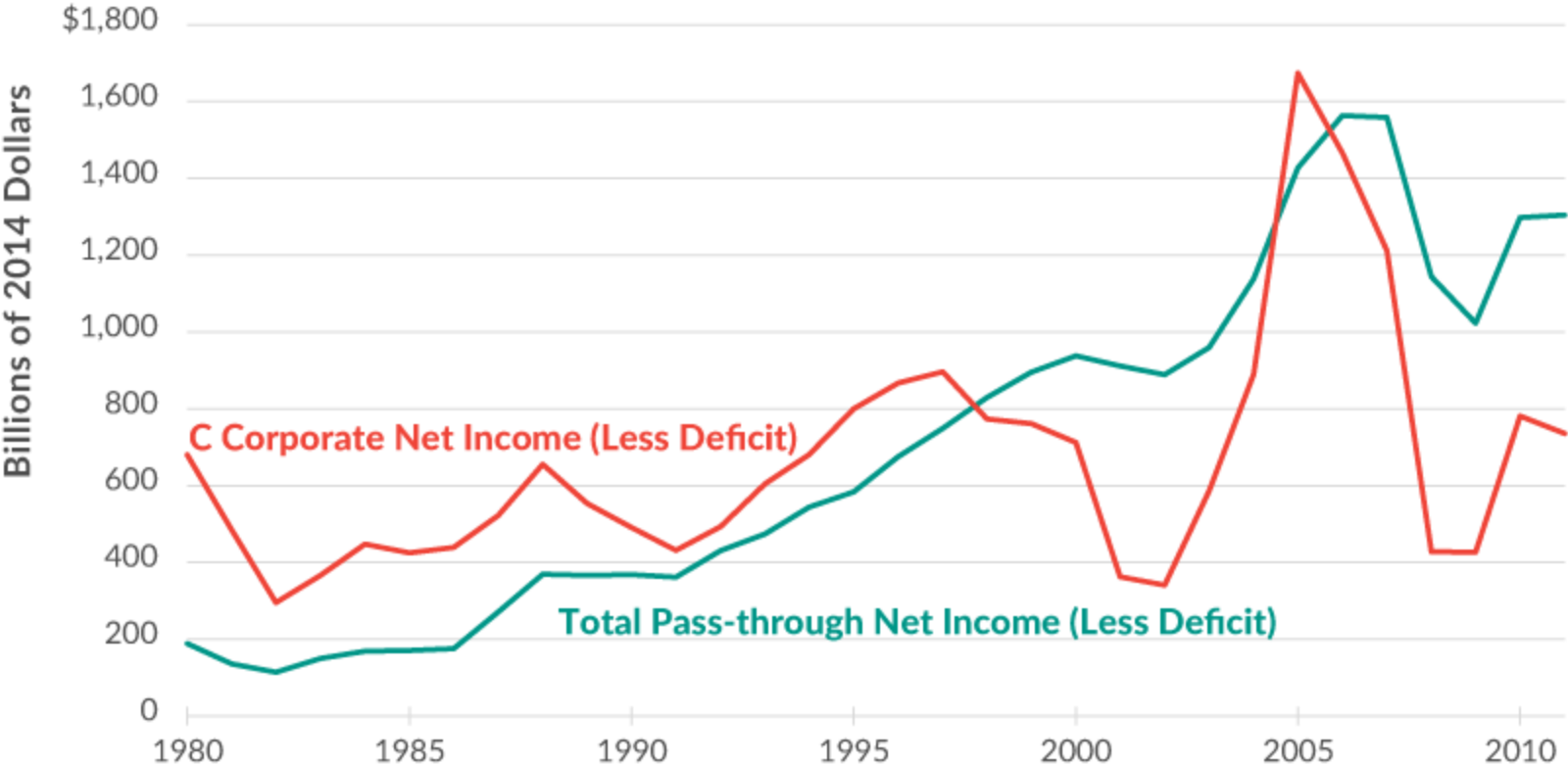
Figure 3. Sole Proprietorships Are a Majority of All Businesses



Source: Census Bureau.

Figure 4. Pass-through Businesses Now Earn More Net Income Than Traditional C Corporations

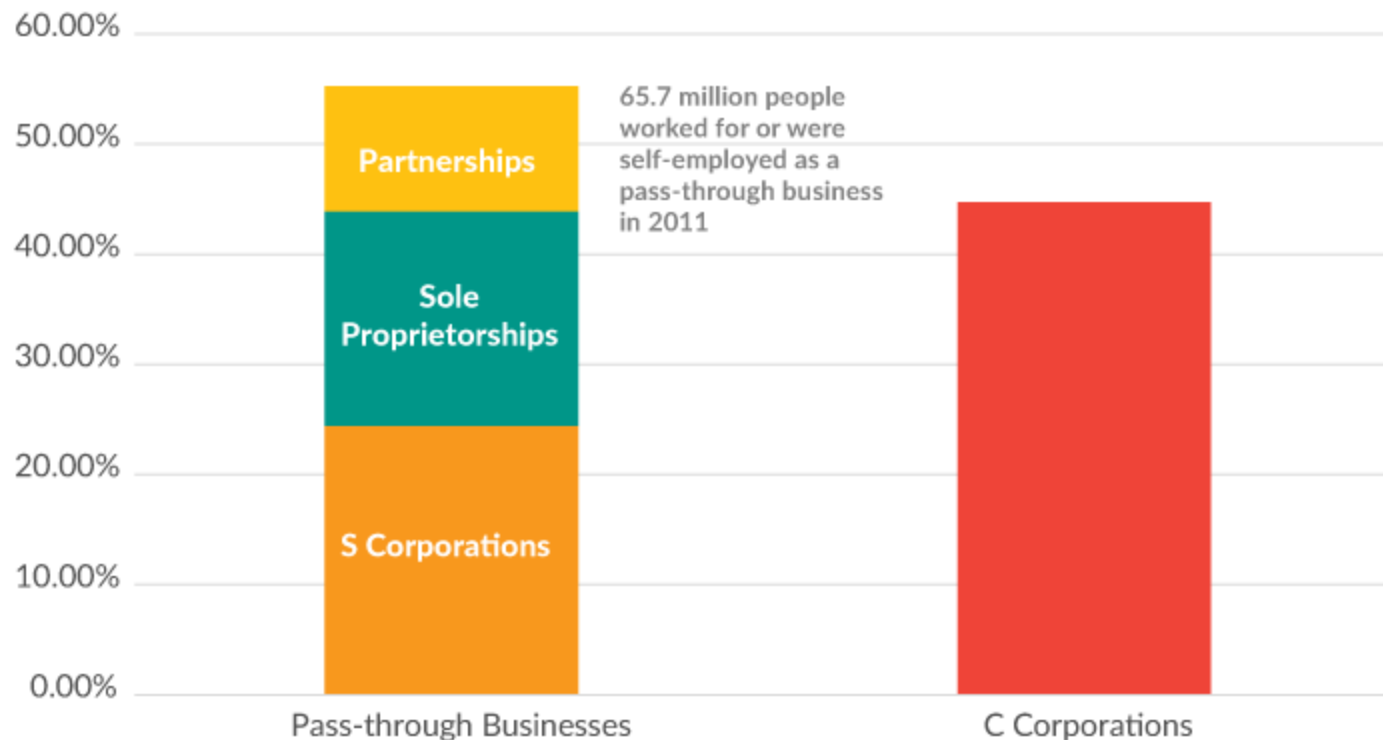
Net Business Income, C Corporations vs. Pass-through Businesses, 1980-2011



Source: IRS.

Figure 5. Pass-through Businesses Employ More Than Half of the Private Sector Workforce

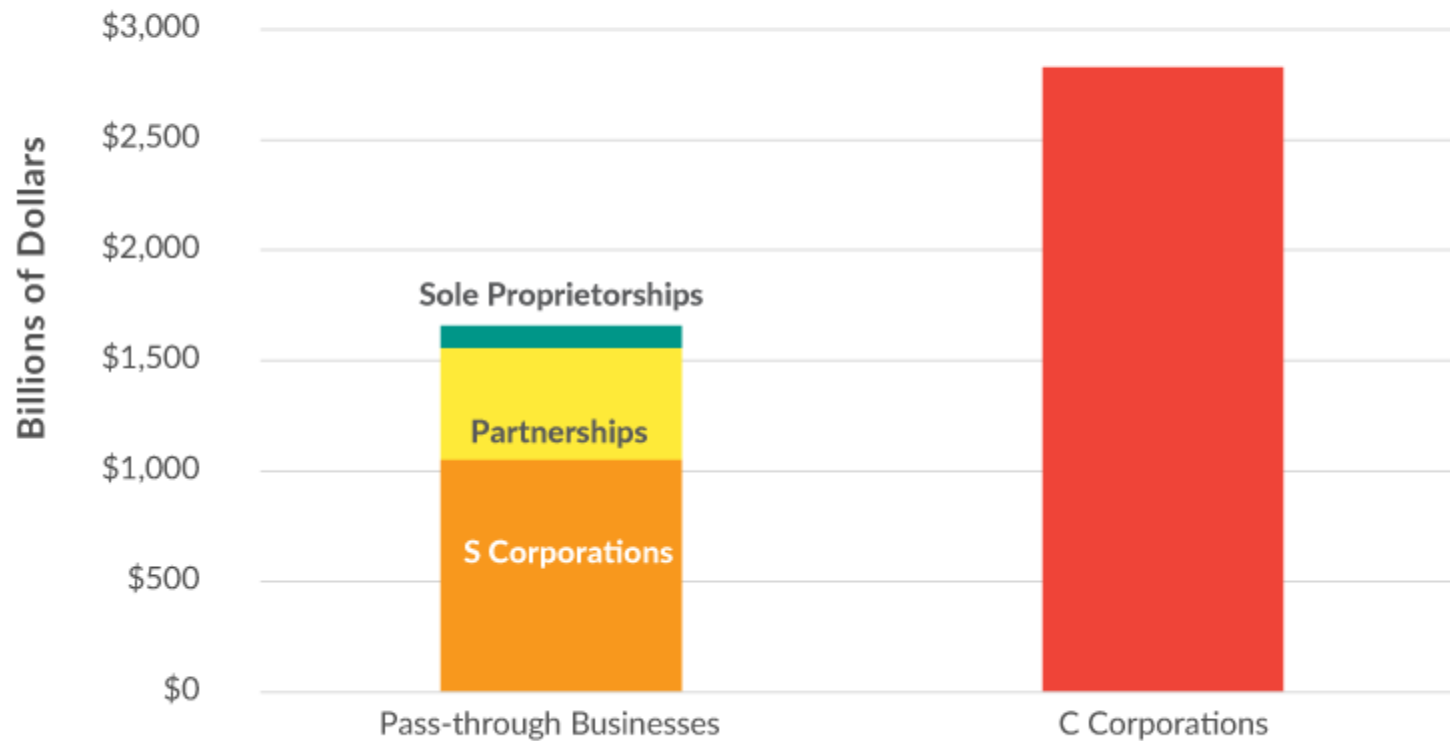
Share of Private Sector Workforce by Business Type, 2011



Source: Census Bureau.

Figure 8. Pass-through Businesses Paid \$1.6 Trillion in Wages and Salaries in 2011

Total Payroll by Business Form, 2011



Source: Census Bureau.