

# 2003 Survey of Small Business Finances

## Annotated Survey Questionnaire with forward and appendices

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# FORWARD

## Overview

The questionnaire provided is an annotated copy of the version that was used with the computer assisted telephone interview (CATI) instrument. It includes all skip patterns, interviewer instructions, range restrictions and question-by-question notes.

The questionnaire has been annotated to reflect the data editing changes and variables that were added, dropped, or moved from the data set. It also includes the expanded code frames for categorical questions where appropriate. ***The annotated text*** is in italics, bold, underlined and highlighted to stand out from the original text. These annotations can be found to the right of most questions. (Two examples are provided below.)

The following classifications of variables are used in the annotations:

CONFIDENTIAL	=	Variable is confidential and is not available on the public use data set.
DROP	=	Variable was removed from the data set.
MOVED	=	Variable was moved to new variable and then “older” variable was removed from the data set.
COPIED	=	Variable was moved to a new variable but the “older” variable is not removed from the data set.
ADD	=	Variable is new and added to the data set.
COLLAPSED	=	Variable was moved to new variable and then “older” variable was removed from the data set.
BACKFILLED	=	Variable was set to a value indicted by the response to another question

This questionnaire is to be used in conjunction with the **technical codebook**.

\*\*\*There are over 1500 variables on the public use data set, including nearly 600 xcode or shadow variables (indicated by XCODE=YES in the data base dictionary found in the **technical codebook**).

Users of this data base should also consult the **technical codebook** (data dictionary), which is available on this site. The **technical codebook** should be used in conjunction with the questionnaire. It provides important information about the survey, discusses editing and imputation procedures, and gives examples of how to use the data base. For each variable on the data set, the **technical codebook** provides the variable name, a label, a brief explanation of the variable, and whether the variable has a shadow variable, or xcode. The **technical codebook** does not, however, indicate specific range restrictions and values, skip patterns, or other instructions used by the interviewers. These are available only in the annotated questionnaire.

For convenience, Appendices A-C of this document contain some of the major changes to variable names, which are reflected in the marked up questionnaire, as well as detailed information on sections E, F, G, MRL and H. Appendix D contains the expanded code frames for selected questions from the questionnaire. Other modified code frames are contained in the body of the annotated questionnaire.

## Variable Naming Convention

Most variables' names have a letter prefix indicating the section of the questionnaire from which they were obtained or derived. Exceptions are variables prefixed with prefixes A1\_, A0\_, C\_, CF\_, T, I, or X. Variables preceded by A0\_ are public use variables that were derived either from preloaded information – available from the frame – or from other sources (e.g., the most important problem variable A0\_FIRMPROB was obtained from the screener, sampling strata information from the frame, etc.). An A1\_ prefix is similar to A0\_, but indicates information not publicly available. The prefix C\_ indicates the question was derived from section C and pertains to an individual owner. The prefix CF\_ indicates the variable was derived from section C and pertains to the firm. Variables beginning with I are financial sources' characteristics derived from section H and other sources, whereas variables beginning with T (T-flags) identify the institutions used for specific services. An X prefix signifies an “xcode” which is used to determine imputation status.

## Xcodes

The xcodes are shadow variables that indicate whether or not the variable was imputed. Generally, the xcode is the original variable name with an "X" prefix. For example, F27's xcode would be XF27. The xcode variable contains information on whether a variable was reported, legitimately skipped, reported as a range (and the value of that range), or missing. See the **technical codebook** for a more detailed discussion of xcodes.

NOTE: Not every variable has an xcode. However, all variables that have been imputed do have xcodes. The **technical codebook** indicates if the variable is accompanied by an xcode.

## Added, Moved, Collapsed, and Derived Variables

The questionnaire that follows has been annotated to reflect how variables were collapsed, moved/added, derived, or dropped.

It is important to understand that a variable was first collapsed and then moved. For example, the first loop of the question about owner experience (C\_EXPER\_1) asks “how many years of experience has owner #1 had managing or owning a business, including this business?”

If the respondent answered "Don't know" or "Refuse" to C8\_1, then the respondent was asked C8\_1\_1, which asks the respondent to provide a range. During our editing, we first collapsed C8\_1\_1 to C8\_1 by taking the mid-point of the reported range and placing it in C8\_1 (and setting XC8\_1 equal to a value from 41 to 49 to indicate the specific range reported). C8\_1\_1 was then dropped.

Then the interim value of C8\_1 was moved to C\_EXPER\_1 (and XC8\_1 moved to XC\_EXPER\_1) and C8\_1 was also dropped. C\_EXPER\_1 remains on the final data set, C8\_1 does not. During imputation, C\_EXPER\_1 for this observation was restricted to fall within the reported range.

**Example of Collapsed and Moved Variable:**

To illustrate the above points, an example (C8) is extracted from the annotated questionnaire:

C8\_(1-2) How many years of experience (have you/has [OWNER\_(1-2)]) had managing or owning a business, including this business?

**MOVED TO C EXPER (1-2)**

YEARS \_\_\_\_\_ GO TO C9  
 EX..... EX GO TO C9  
 DK or RF.....DK or RF

C8.1\_(1-2) Can you please tell me the approximate number of years of business experience (you have/ [OWNER\_(1-2)] has) had? Is it...

**COLLAPSED TO C8 (1-2)**

Less than 1 year ..... 1  
 1-3 ..... 2  
 4-6 ..... 3  
 7-9 ..... 4  
 10-15 ..... 5  
 More than 15 years ..... 6  
 DK or RF ..... DK or RF

**Example of Derived Variable:**

There are several instances where information has been combined from several variables to facilitate data analysis. Most of these derivations occur in section C where characteristics of individuals are combined to obtain estimates for the firm as a whole. For example, up to three owners are asked about their racial background. A question about whether the firm is more than 50 percent owned by individuals of certain characteristics is never asked in the interview but can be derived from the responses of the individual owners to the race question and to the share of ownership question. An example of such a variable is CF\_BLACK and its **technical codebook** data base dictionary entry is given as:

CF CF\_BLACK XCF\_BLACK WGTED % OF OSHP THAT IS BLACK  
 PERCENTAGE : \_\_\_\_\_ %  
 .S : Legitimate Skip  
 NOTE: CF\_BLACK is the 100\*{sum of (2 - C\_BLACK\_i \* C\_SHARE\_i) divided by the sum of C\_SHARE\_i} (where i goes from 1 to 3). Include the ith term in both sums only if C\_INDIV\_i = 1.

**Example of Check-All-That-Apply Variables:**

Another class of derived variables is check-all-that-apply categorical questions. These questions are converted to a set of dummy variables, one dummy variable for each response. For example question

F14\_1\_1 asks about the type of collateral used for the first line of credit. There are seven possible responses and the respondent was asked to check all that applied.

These variables are converted to a set of dummy variables, one dummy variable for each response. In this example, the variable F14\_1\_1 would be converted to seven yes/no dummies which would be named F14\_1T1\_1-F14\_1T7\_1. This information is contained in the annotated questionnaire, as shown in the following excerpt:

F14.1\_(1-3) What collateral was required? Was it...(CODE ALL THAT APPLY).

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED.

inventory or accounts receivable .....	1	<b><u>F14 1T1 (1-3)</u></b>
business equipment or vehicles.....	2	<b><u>F14 1T2 (1-3)</u></b>
business securities or deposits .....	3	<b><u>F14 1T3 (1-3)</u></b>
business real estate.....	4	<b><u>F14 1T4 (1-3)</u></b>
personal real estate.....	5	<b><u>F14 1T5 (1-3)</u></b>
other personal assets .....	6	<b><u>F14 1T6 (1-3)</u></b>
or something else .....	7	<b><u>F14 1T7 (1-3)</u></b>

READ: Please specify: \_\_\_\_\_

DK or RF.....DK or RF

**Example of T-flags and Section E and F loops:**

In sections E and F, it is possible that certain respondents were asked the same question up to 3 different times (for different institutions). The questionnaire notes this by having the question name followed by "\_ (1-3)". For example, this would occur if the respondent answered yes to F27 (Did the firm have any loans on motor vehicles used primarily for business purposes...?) and the respondent had motor vehicle loans at more than one institution.

Variables beginning with T (T-flags) identify the institutions used for specific services. The value in F29\_1 would refer to the number of loans that the firm had at the institution whose flag was set to 1. For instance, TMV3=1, means the firm had a motor vehicle loan at institution 3 and the information regarding that loan is in the first loop of the motor vehicle loan section in Section F. F29\_2 would refer to the number of vehicle loans that the firm had at the institution whose flag was set to 2. For example, if the loans were at institution 5, then TMV5 would equal 2, etc. A more detailed explanation of the flags is provided in Appendix C of this document and in the **technical codebook**.

**Sections P, R, and S:**

PROFIT is calculated as P2 + P4 - P5.

Partial Year: If the firm is not reporting values for the full fiscal year, A0\_ADJUST is used to inflate the following variables: P2, P4, P5, P5\_4, P5\_5, PROFIT and P12. A0\_ADJUST is constructed by dividing 365 by the number of days between the firm's fiscal year start date (P1\_1

variables) and end date (B2\_1 variables). P2, P4, P5, P5\_4, P5\_5, P12, and PROFIT are each multiplied by A0\_ADJUST to convert to full year equivalents. Only 85 firms reported balance sheet information for a partial year (P1=2 for the partial year firms).

S\_EQUITY is calculated as R12 - S8.

### **Other Notes:**

There are some variables that were not asked in the questionnaire, but do provide additional information about the firm or the interview. These are listed below:

TABLE 1: Variables derived from sources other than main questionnaire

NAME	LABEL
SU_ID	Case ID (character variable length 10)
FIN_WGT	Final Sample Weight
A0_ADJUST	Fiscal year adjustment factor
A0_CENSDIV	Sampling strata - census division
A0_CURRDAY	Current Day
A0_CURRMO	Current Month
A0_CURRYR	Current 4-Digit Year
A0_DB_CREDRK	D&B credit score : 1=0-10, 2=11-25, 3=26-50, 4=51-75, 5=76-90, 6=91-100, .=NA
A0_DIVISION	Census division - updated
A0_FIRMPROB	Most important problem facing business, RECODED
A0_FYENDYR	Fiscal year end year
A0_HHI0	Banking Market Concentration 2003 - 100% Bank Deposits
A0_HHI100	Banking Market Concentration 2003 - 100% Bank Deposits 100% Thrift Deposits
A0_HHI50	Banking Market Concentration 2003 - 100% Bank Deposits 50% Thrift Deposits
A0_IMPLICAT	Implicate number 1-5
A0_INCENTIVE	Incentive received by the firm
A0_INCEN_LG	Largest incentive offered to the firm
A0_IWBEGDT	Interview Date Began
A0_IWBEGTM	Time Interview Began
A0_IWENDD2	Interview end date for most recent case recovery
A0_IWENDDT	Interview end date
A0_IWENDTM	Interview end time
A0_IWENDTM2	Interview end time for most recent case recovery
A0_MSA	Sampling strata – MSA or rural county
A0_SCRELIG	Eligibility flag from screener
A0_SIC2_FIN	SIC code-2 digit
A0_SIZECLSS	Sampling strata - firm size class
A0_STRATUM	Stratum 1-72 based on size class (4), urban/rural (2), division (9)
A0_URBAN	MSA or rural county - updated values
A0_WKSHT_FLG	Received financial worksheet flag
A0_WKSHT_REV	Reviewed financial worksheet flag

### **Missing Values:**

Nearly all missing values on the public data set have been imputed. Consequently, there are few missing values other than those designated by a ".S" (not in quotes). The code ".S" indicates a legitimate skip or an inapplicable question. Other missing values that occur in a very few instances include: ".D" = don't know; ".R" = refused; ".N" = not asked (because of some error); and "." = missing. (Note: missing values on the ASCII data sets are coded differently than the SAS data set. Please consult the ASCII instructions.)



## APPENDIX A: Demographic Variables

Section C of the questionnaire asks questions differently for proprietorships, partnerships, and corporations. Within each of these subsections, up to three owners are interviewed. The three major sections of three loops each have been collapsed into one major section with three loops. For example, the question “How old are you?” is asked of proprietorships at C6\_(1-2)<sup>1</sup>; of partnerships at C16\_(1-3); of corporations at C26\_(1-3). These variables have been remapped into C\_AGE\_(1-3).

Generally, variables prefixed with C\_ are at the individual owner level, whereas variables prefixed with CF\_ are at the firm level. The final C\_ variables, together with their original questionnaire variables, are listed below

C_AGE_(1-3)	Owner Age	C6_(1-2), C16_(1-3), or C26_(1-3)
C_EDUC_(1-3)	Owner Education	C7_(1-2), C17_(1-3), or C27_(1-3)
C_EXPER_(1-3)	Owner Experience	C8_(1-2), C18_(1-3), or C28_(1-3)
C_FEMALE_(1-3)	Owner Female	C5_(1-2), C15_(1-3), or C25_(1-3)
C_INDIV_(1-3)	Owner Individual	C12_3_(1-3), C22_3_1 or set to 1 if b3=1 or 9
C_MANAGE_(1-3)	Owner Manager	C9_(1-2), C19_(1-3), or C29_(1-3)
C_NAME_(1-3)	Owner Name	C2_(1-2), C12_(1-3), or C22_(1-3)
C_SHARE_(1-3)	Owner Share	C2_1_1, C12_1_(1-3), C22_1_(1-3), or calculated as (100 - reported share totals)
C_HISP_(1-3)	Owner Hispanic	C3_(1-2), C13_(1-3), or C23_(1-3)
C_WHITE_(1-3)	Owner White	C4T1_(1-2), C14T1_(1-3), or C24T1_(1-3)
C_BLACK_(1-3)	Owner Black/African American	C4T2_(1-2), C14T2_(1-3), or C24T2_(1-3)
C_ASIAN_(1-3)	Owner Asian	C4T3_(1-2), C14T3_(1-3), or C24T3_(1-3)
C_HAWAII_(1-3)	Owner Native Hawaii or Other Pacific Islander	C4T4_(1-2), C14T4_(1-3), or C24T4_(1-3)
C_NATIVE_(1-3)	Owner American Indian or Alaskan Native	C4T5_(1-2), C14T5_(1-3), or C24T5_(1-3)
C_W_NH_(1-3)	Owner White and Non-Hispanic	C_WHITE_(1-3), C_HISP_(1-3)
C_AS_HA_(1-3)	Owner Asian or Hawaiian	C_ASIAN_(1-3), C_HAWAII_(1-3)
C_MINHIS_(1-3)	Owner Minority or Hispanic	C_HISP_(1-3), C_BLACK_(1-3), C_ASIAN_(1-3), C_HAWAII_(1-3), C_NATIVE_(1-3)
C_MINOR_(1-3)	Owner Minority	C_BLACK_(1-3), C_ASIAN_(1-3), C_HAWAII_(1-3), C_NATIVE_(1-3)

In addition to the remapping of the three major sections into one common set of variables, some firm-level variables have also been created that aggregate the information from individual owners into a firm-level variable. (For information on the derivation of these variables, see **technical codebook**.)

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<sup>1</sup> For proprietorships, there are at most 2 loops, since there can only be two owners at most: the principal or sole proprietor and the proprietor’s spouse. Both owners must be individuals.

The following firm-level variables are available for analysis:

CF_AGE	Weighted average age of owners
CF_ASIAN	Weighted percent of ownership that is Asian
CF_AS_HA	Weighted percent of ownership that is Asian, Native Hawaiian or Other Pacific Islander
CF_BLACK	Weighted percent of ownership that is black or African-American
CF_EDUC	Weighted average education level of owners
CF_ESTAB	How firm was established
CF_EXPER	Weighted average number of years of experience of owners
CF_FAGE	Age of firm in years
CF_FAMILY	Firm owned by single family in 2003
CF_FEMALE	Weighted percent of ownership that is female
CF_HAWAII	Weighted percent of ownership that is Native Hawaiian or Other Pacific Islander
CF_HISP	Weighted percent of ownership that is Hispanic
CF_MANAGE	At least one owner responsible for day-to-day management
CF_MINHIS	Weighted percent of ownership that is non-white or Hispanic
CF_MINOR	Weighted percent of ownership that is non-white
CF_MORE10	One owner with at least 10% share
CF_NATIVE	Weighted percent of ownership that is American Indian or Alaska Native
CF_OWNERS	Number of owners
CF_WHITE	Weighted percent of ownership that is white
CF_W_NH	Weighted percent of ownership that is white and non-Hispanic

NOTE: Please refer to the **technical codebook** for examples on using these variables.

## APPENDIX B: Source Characteristics- I-Variables

### Definitions and Derivation of Source Characteristics - I-Variables

I-Variable <sup>2</sup>	Label	Source
IH2_(1-20)	Type of Source/Institution	H2_(1-8) or coded from other information (see <b>technical codebook</b> ).
IH3R1_(1-20)	Reason #1 for using source	H3_(1-8)
IH3R2_(1-20)	Reason #2 for using source	H3_(1-8)
IH3R3_(1-20)	Reason #3 for using source	H3_(1-8)
IH4_(1-20)	Months with source	H4_(1-8)
IH4_2_(1-20)	Months with merged institution	H4_2_(1-8)
IH7_(1-20)	Distance between the firm and source	H7_(1-8), or if not asked, calculated <sup>3</sup>
IH8_(1-20)	Most frequent interface	H8_(1-8)
IPRIME_(1-20)	Primary institution/source Number	H1
IBHC_(1-20)	Affiliated with bank holding company	12/31/03 Summary of Deposit file
ICAP_FIN_(1-20)	Affiliated with captive finance company	Institution name and other sources
IGEOTYPE_(1-20)	Geotype source	Reported source for the latitude and longitude of the institution
IDCALC_(1-20)	Calculated distance between firm and institution	Calculated from the latitude and longitude of the location of the firm headquarters and of the branch of the institution

<sup>2</sup>The suffix of the I-variable is the institution or source number.

H1 contains the number of the firm's primary institution and IPRIME\_(1-20) contains a 1 (yes), 2 (no), or .S (legitimate skip). If H1=3 (IPRIME\_3=1), then the firm identified source 3 as its primary institution. Characteristics of the primary institution are stored in variables named IH2\_3, IH4\_3, IH7\_3, IH8\_3, IH3R1\_3, IH3R2\_3, IH3R3\_3, etc. For more information and examples, see technical codebook.

<sup>3</sup> Number of miles is calculated from address information whenever the question h7 was missing. The calculation is based on the latitude and longitude of the address of the firm's headquarters office and the address of the location of the office of the source used most often by the firm. The exact distance in miles can be calculated as:

$$\text{Miles}(\text{add1}-\text{add2}) = 3958.75 * \arcsin [\sin(\text{add1}.\text{lat}/57.2958) * \sin(\text{add2}.\text{lat}/57.2958) + \cos(\text{add1}.\text{lat}/57.2958) * \cos(\text{add2}.\text{lat}/57.2958) * \cos(\text{add2}.\text{lon}/57.2958 - \text{add1}.\text{lon}/57.2958)]$$

Note that in some cases, only partial information was available for the source. In those cases, the geographic centroid of the finest level of geography available was used. For the level of location information available for the distance calculations for a specific source, see IGEOTYPE\_(1-20). See technical codebook.

## APPENDIX C: List of Financial Service Flags: T-Flags

FLAG	DESCRIPTION	POSSIBLE VALUES
<u>Section E</u>		
TCK0	Number of CHECKING sources	0-20
TCK1-TCK20	Have CHECKING at source #	0,1,2,3,30,.S
TSV0	Number of SAVINGS sources	0-20
TSV1-TSV20	Have SAVINGS at source #	0,1,2,3,30,.S
<u>Section F</u>		
TLC0	Number of LINE OF CREDIT sources	0-20
TLC1-TLC20	Have LINE OF CREDIT at source #	0,1,2,3,30,.S
TLE0	Number of LEASE sources	0-20
TLE1-TLE20	Have LEASE at source #	0,1,2,3,30,.S
TMG0	Number of MORTGAGE sources	0-20
TMG1-TMG20	Have MORTGAGE at source #	0,1,2,3,30,.S
TMV0	Number of MOTOR VEHICLE loan sources	0-20
TMV1-TMV20	Have MOTOR VEHICLE loan at source #	0,1,2,3,30,.S
TEQ0	Number of EQUIPMENT loan sources	0-20
TEQ1-TEQ20	Have EQUIPMENT loan at source #	0,1,2,3,30,.S
TOT0	Number of OTHER loan sources	0-20
TOT1-TOT20	Have OTHER loan at source #	0,1,2,3,30,.S
<u>Section MRL</u>		
TMRA0	Number of MOST RECENT APPROVED loan sources	0, 1
TMRA1- TMRA20	Have MOST RECENT APPROVED loan at source #	0,1,.S
TMRD0	Number of MOST RECENT DENIED loan sources	0, 1
TMRD1- TMRD20	Have MOST RECENT APPROVED loan at source #	0,1,.S
<u>Section G</u>		
TTR0	Number of TRANSACTIONS services sources	0-20
TTR1-TTR20	Have TRANSACTIONS SERVICES at source #	0,1,2,3,30,.S
TCA0	Number of CASH MANAGEMENT services sources	0-20
TCA1-TCA20	Have CASH MANAGEMENT services at source #	0,1,2,3,30,.S
TCR0	Number of CREDIT RELATED services sources	0-20
TCR1-TCR20	Have CREDIT RELATED services at source #	0,1,2,3,30,.S
TTRST0	Number of TRUST services sources	0-20
TTRST1- TTRST20	Have TRUST services at source #	0,1,2,3,30,.S

TBK0	Number of BROKERAGE service sources	0-20
TBK1-TBK20	Have BROKERAGE service at source #	0,1,2,3,30,.S
TCCP0	Number of CARD PROCESSING services sources	0-20
TCCP1- TCCP20	Have CARD PROCESSING services at source #	0,1,2,3,30,.S

Each flag is denoted as T???, where ??? indicates the service (e.g., CK, or SV) and # indicates the source number (1-20) or 0 for number of sources.

The T???,0 flags contain the number institutions that the firm used for the service ???. The T???,# (T???,1-T???,20) flag indicates whether or not the firm obtained service ??? from source #, as well as which loop of the Section E, or F variables describes the characteristics of service ??? from source #. Any value larger than zero indicates the firm obtained service ??? from source #. If the number equals 1, 2, or 3 then the characteristics of service ??? are found in loop 1, loop2, or loop3, respectively, of the relevant section E or section F of the questionnaire. The T-flag equals 30 when there are more than three sources for service ???. In that case, the information on the accounts at all sources with a value of 30 are accounted for in the third loop of the relevant section of E or F.

For example, if TCK1=2 TCK2=0 TCK3=1 (and all other TCK flags are 0 or .S) then the value of E6\_1 is associated with the savings account the firm had at institution 3, and the value in E6\_2 is associated with the savings account the firm had at institution 1. For this example, TCK0=2 since the firm used two sources for checking.

If TCK1=30, TCK2=2, TCK3=30, TCK4=1 and TCK5=0, then the value of E3\_1 is associated with checking at source 4, E3\_2 with checking at source 2, and E3\_3 will contain the combined checking balances of sources 1 and 3. For this example, the firm had four checking sources (TCK0=4). TCK5=0 means the firm did not obtain checking from institution 5

For additional information, please consult the **technical codebook**.

## APPENDIX D: Code frames for Selected Questions

### IH3R1\_1-IH3R1\_20, IH3R2\_1-IH3R2\_20, IH3R3\_1-IH3R3\_20

What factors influenced the firm's decision to use this source?

#### Credit policies or experience

- 10=Credit availability
- 11=Previous loan, loan when starting business
- 12=Only institution to grant credit
- 13=Turned down by other institutions
- 14=No or less collateral, no personal guarantees
- 15=SBA loan availability or assistance
- 16=Lending policies or terms
- 17=Credit availability contingent on use of other services
- 18=Large loan capability

#### Institution characteristics and offerings

- 20=Service availability (including credit card processing availability)
- 21=Quality of service or of services
- 22=Location, proximity
- 23=Convenience/ease of use
- 24=Hours
- 25=Reputation, soundness, aggressiveness, progressivity
- 26=Small size of institution
- 27=Large size of institution
- 28=Size of institution (small/large not ascertainable)
- 29=One-stop shopping, able to obtain multiple services at same institution
- 30=Internet, electronic services
- 31=Knowledge of industry
- 32=Local Bank
- 33=Willing to work in/specialize in Small business services
- 34=Availability

#### Account terms

- 40=Good prices/terms
- 41=Low fees or prices
- 42=High interest rate (savings or checking)
- 43=Low interest rate and/or low loan (origination) fees
- 44=Interest rate (high or low not ascertainable)
- 45=Good credit-card processing terms

#### Relationships and referrals

- 50=Captive finance(e.g. used financial institution owned by seller)
- 51=Seller referral (e.g. car dealer suggested loan company)
- 52=Obtained from supplier of equipment &/or automobile company (i.e. had credit card equipment)
- 53=Other referral
- 54=Owner has personal/other business with institution
- 55=Owner knows (an) officer(s) or employee(s), relative, or bank owner(s)
- 56=Friendly, knowledgeable employees or management

57=Long-term relationship/ ongoing relationship/ prior relationship  
58=Reciprocity, institution does business with firm  
59=Primary Bank

Miscellaneous reason

70=Only institution in town, limited choice  
71=Institution or salesman solicited firm  
72=Original institution taken over by current one  
73=Loan assumption, old institution sold loan  
74=Diversification, convenient to have multiple institutions  
75=Minority ownership in institution  
76=Other requirements of institution  
77=Dissatisfaction with previous institution

Special codes

90=No Reason  
91=Gave unfavorable response  
92=Denied loan Institution; do not use institution  
93=No longer use institution  
94=Other encoded  
95=Credit needed, no other response given  
99=Non-ascertainable mentioned.



**MRL9R1, MRL9R2, MRL9R3**

**What factors influenced the firm's decision to apply for credit from (name2)?**

Same codeframe as IH3R1\_1-IH3R1\_20, IH3R2\_1-IH3R2\_20, IH3R3\_1-IH3R3\_20

**MRL27R1, MRL27R2, MRL27R3**

**What factors influenced the firm's decision to apply for credit from (name2)?**

Same codeframe as IH3R1\_1-IH3R1\_20, IH3R2\_1-IH3R2\_20, IH3R3\_1-IH3R3\_20

**MRL13\_1What Collateral was required? Was it ...**

MRL13\_1T1: Inventory or accounts receivable

MRL13\_1T2: Business equipment or vehicles

MRL13\_1T3: Business securities or deposits

MRL13\_1T4: Business real estate

MRL13\_1T5: Personal real estate

MRL13\_1T6: Other personal assets

MRL13\_1T7: Other collateral

.D: Don't know

.R: Refuse

.S: Legitimate skip

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**QUESTION BY QUESTION NOTES**

- A1.** Identifies the owner of the firm for purposes of interviewing that person. For firms with more than one owner, we'd like the owner who has the largest ownership share of the firm.

If the owner has designated a proxy, still make an attempt to talk to the owner for the beginning portion of the interview. These first questions can be quickly and more easily completed by an owner than a proxy, at which point the owner can turn over the rest of the interview to a designated proxy.

Never say you are calling from the Federal Reserve Board - that is not a true statement. Feel free to say you are calling on behalf of the Federal Reserve Board. Sometime it is effective to say you are calling on behalf of the United States Federal Reserve Board, or the United States Federal Reserve Board located in Washington, DC.

- A1.1** Identifies the owner of the firm for purposes of interviewing that person. For firms with more than one owner, we'd like to talk to the owner that has the largest ownership share of the firm.

**SECTION I: CHARACTERISTICS OF THE FIRM**

***Subsection A. SCREENING INFORMATION***

**Screen for Owner**

A1. May I please speak with ([OWNER]/the owner of [FIRM])?

**DROP**

**PROMPT 1:** (My name is \_\_\_\_\_.) I'm calling from the University of Chicago.

**PROMPT 2:** I'm following up on a prior phone conversation. My office recently sent [OWNER] some important documents from the Federal Reserve Board, and now I need to talk to [him/her] about those documents.

**PROMPT 3:** I need to obtain some information about your firm on behalf of the (United States) Federal Reserve Board. Only the owner is capable of providing this information, and he or she may be expecting my call. This is not a sales call or marketing survey.

- OWNER - PROCEED WITH INTERVIEW .....1      ➔      **GO TO READ1**
- OWNER NOT AVAILABLE.....2      ➔      **GO TO A1.2**
- [OWNER] NO LONGER WITH [FIRM] .....3      ➔      **GO TO A1.1**
- NEW OWNER.....4      ➔      **GO TO A1.1**
- [OWNER] NOT AVAILABLE, OTHER OWNER AVAILABLE 5      ➔      **GO TO A1.1**
- OWNER DESIGNATES PROXY; PROXY AVAILABLE .....6      ➔      **GO TO READ1**
- OWNER DESIGNATES PROXY; PROXY NOT AVAILABLE 7      ➔      **GO TO A1.1.1**

A1.1 Who is (currently the/another) owner of [FIRM]?

**DROP**

UPDATE PRELOADED OWNER NAME INFORMATION

NAME: \_\_\_\_\_

➔      **GO BACK TO A1**

**QUESTION BY QUESTION TEXT****A1.1.1**

**A1.2** Identify a time when the owner will be available and reschedule an appointment for that time. The beginning portion (Sections A-C) of the questionnaire should be done with an owner.

If the owner requests that we complete the remaining portion of the questionnaire with a proxy, ask the owner to select a person who is a top executive (the person who has decision-making power for the firm), or someone who can speak knowledgeably about the firm's finances and credit.

The top executive and the person most knowledgeable about the firm's finances may or may not be the same person, depending on the size and structure of the business. Be sure to get past any gatekeepers, who are not familiar with the business' finances.

In larger firms, a knowledgeable proxy may be a comptroller, a CEO, a vice president of finances, or an accountant. In smaller firms, this person may be a bookkeeper or office manager.

**A4.1**

A1.1.1 Could you please tell me (his/her) name and business title?

**DROP**

PROXY NAME: \_\_\_\_\_

PROXY BUSINESS TITLE: \_\_\_\_\_

**PROGRAMMER NOTE FOR A1.2**

IF A1=7 THEN FILL [PROXY], ELSE FILL [OWNER]

A1.2 Please tell me when [OWNER/PROXY] will be available and I'll call back later.

**DROP**

**IF R IS A PROFESSIONAL (LAWYER, PHYSICIAN, ETC.), CONSIDER:** (Rather than keep calling,) I would like to schedule a time on the owner's calendar when I can call back and (he/she) will be expecting my call.

UPDATE TNMS WITH DATE AND TIME FOR CALL BACK

**READ:** Thank you very much. Good-bye.

**READ1:** (Hello, my name is \_\_\_\_\_. I'm calling from the National Opinion Research Center, on behalf of the Federal Reserve Board.) We recently Fedexed the firm materials for the Survey of Small Business Finances. Your firm's participation is critical to the success of this study. This interview takes 30 to 45 minutes to complete, and then you will be finished with the study. Participation is voluntary and, of course, you may skip any question you choose. We will begin by verifying some facts about the firm.

**IWER INFO:** IF YOU HAVE ALREADY INTRODUCED YOURSELF TO R, YOU CAN SKIP THE FIRST TWO SENTENCES OF THE INTRO.

**IF R SEEMS RELUCTANT, SAY:** This study is used by policy makers to help regulate the banking industry and, ultimately, to help American companies compete and prosper. Your firm has been randomly chosen to participate in this national, scientific study. Again, your firm's participation is critical to the study's success.

**SKIPA**

IF A1=6

→ GO TO A4.1

ELSE

→ GO TO A4.2

A4.1 What is your name? **IF PRELOADED INFORMATION ALREADY SHOWS PROXY NAME, SAY:** I have it as [PROXY NAME].

**DROP**

IF PRELOAD IS BLANK, ENTER PROXY NAME PROVIDED BY R.

IF PRELOAD IS NON-BLANK, UPDATE INFORMATION IF NECESSARY.

PROXY NAME: \_\_\_\_\_

**QUESTION BY QUESTION TEXT**

**A4.1.1** Verify proxy's correct title. Prompt respondent for a Yes/No response before accepting a "Don't Know" or "Refused" response. If title of proxy is correct, go to A5. If incorrect, go to A4.1 to update preloaded title for proxy.

**A4.2**

**A5.** Some owners can be different. For example, an owner may have died or sold his or her share to someone else since December 2003. As long as AT LEAST ONE owner is the same, the firm is eligible.



A4.1.1 What is your business title? **IF PRELOADED INFORMATION ALREADY SHOWS PROXY BUSINESS TITLE, SAY: I have it as [PROXY BUSINESS TITLE].** **DROP**

IF PRELOAD IS BLANK, ENTER PROXY BUSINESS TITLE PROVIDED BY R.  
 IF PRELOAD IS NON-BLANK, UPDATE INFORMATION IF NECESSARY.  
 PROXY BUSINESS TITLE: \_\_\_\_\_

**PROGRAMMER NOTE FOR A4.2 AND A4.2.1**

IF A1=6 THEN FILL [OWNER], ELSE FILL [YOU/YOUR]

A4.2 I have (you/[OWNER]) listed as the [OWNER TITLE]. Is that still (your/his/her) correct title? **DROP**

YES.....1	➔	<b>GO TO SKIP0</b>
NO.....2	➔	<b>GO TO A4.2.1</b>
DK or RF.....DK or RF	➔	<b>GO TO SKIP0</b>

A4.2.1 What is (your/[OWNER's]) correct title? **DROP**

UPDATE PRELOADED TITLE INFORMATION  
 TITLE: \_\_\_\_\_

**Screen for Eligibility**

**SKIP0**

IF PRELOAD SCREENER RESULT CODE = (OWNER)	➔	<b>GO TO READ2</b>
IF PRELOAD SCREENER RESULT CODE = (PROXY)	➔	<b>GO TO A5</b>

A5. I have recorded that the business was in operation under the direction of one or more of the current owners during December 2003. Is that correct? **DROP**

**IF R ASKS WHAT “IN OPERATION” MEANS, SAY:** The business was in operation if it was generating expenses or revenue during December 2003.

YES.....1	➔	<b>GO TO CLOSE1</b>
NO.....2	➔	<b>PROMPT FOR YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2</b>
DK or RF.....DK or RF		

**QUESTION BY QUESTION TEXT**

**A5.1**

**A5.1.1**

**A5.2**

**A5.3**

**A5.4**

A5.1 Is the business currently in operation?

**DROP**

IF R ASKS WHAT "IN OPERATION" MEANS, SAY: The business is in operation if it was generating expenses or revenue.

YES.....1  
NO.....2  
DK or RF.....DK or RF

→ GO TO CLOSE1  
→ PROMPT FOR YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2

**SKIP0.5**

IF PRELOAD SCREENER A2.3=DK OR RF	→	GO TO A5.1.1
ELSE	→	GO TO A7

A5.1.1 Is [FIRM] the correct name of (your/this) business?

**DROP**

YES.....1  
NO.....2  
DK OR RF .....DK or RF

→ GO TO A7

A5.2 What is the correct name of (your/this) business?

**MOVED TO A1 BUSNAME**  
**CONFIDENTIAL**

UPDATE PRELOADED BUSINESS INFORMATION

BUSINESS NAME: \_\_\_\_\_

A5.3 INTERVIEWER CHECKPOINT: IS THE BUSINESS NAME SO DIFFERENT FROM THE PRELOADED NAME THAT WE MAY HAVE CALLED THE WRONG BUSINESS?

**DROP**

YES.....1  
NO.....2

→ GO TO A7

A5.4 Was this business ever called [FIRM]?

**DROP**

YES.....1  
NO.....2  
DK OR RF.....DK or RF

→ GO TO CLOSE2  
→ GO TO CLOSE2

**QUESTION BY QUESTION TEXT**

- A7.** This question tries to establish if the firm is an independently-operated business.

A firm would be eligible for the study even if they are a subsidiary of another firm as long as that other firm does not own 50 percent or more of the sampled business.

**FRANCHISES:** A franchise is a right granted by a large business chain (e.g. fast-food company) allowing an investor to operate an outlet for its product or service by using its chain name and management know-how. Being franchised does not necessarily mean over 50 percent ownership by another company. Therefore, franchised firms should be included in the survey if otherwise eligible.

**HOLDING COMPANIES:** A firm is ineligible for the survey if a holding company owns 50 percent or more of the firm. A holding company is a corporation that owns enough stock in another corporation to influence its board of directors, and therefore to control its policies and management.

- A8.** Most businesses are “for-profit” firms. For-profit firms may report either profits (revenues are larger than expenses) or losses (expenses are larger than revenues) in any given year. Even if a firm has losses, it is probably a for-profit enterprise. The key factor is whether profits go to the owners. If so, the firm is for-profit.

In order to be a non-profit or not-for-profit firm, the business must be recognized by the IRS as non-profit. Examples of non-profit firms are membership organizations such as business associations, labor organizations, civic and social organizations, religious groups, political groups, and collective or cooperative organizations. However, do not assume without asking that a firm of one of these types is non-profit. Sometimes these organizations are for-profit and therefore eligible for this study.

A7. Does another company own 50% or more of [FIRM]? **DROP**

**IF R IS NOT SURE, SAY:** That is, is [FIRM] a majority-owned subsidiary of another business?

- YES.....1 → **GO TO CLOSE1**
- NO.....2
- DK or RF.....DK or RF → **PROMPT FOR YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2**

A8. My records show that [FIRM] is a for-profit organization. Is that correct? **DROP**

**IF R IS NOT SURE, SAY:** Not-for-profit firms have a special designation from the IRS. I understand that [FIRM] does not have this special designation or recognition from the IRS as a not-for-profit organization. Is that correct?

- YES, [FIRM] IS FOR-PROFIT .....1 → **GO TO CLOSE1**
- NO, [FIRM] IS NOT-FOR-PROFIT .....2
- DK or RF.....DK or RF → **PROMPT FOR A YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2**

**QUESTION BY QUESTION TEXT**

- A9.** Firms owned by local (city, county), state, or federal governments or by government agencies are to be excluded from the sample. Examples of such firms might include fire departments, police departments, sewage or public utilities such as gas and electric companies. However, be sure that the firm is owned by a government entity. There are firms such as those above that are privately owned (although they may hold a government contract or charter to provide these services), and if privately owned, they are eligible for the study. Furthermore, private firms that do work for or have business contracts with government agencies are also eligible.
- A9.1** This question determines whether the main office of the firm is physically located in a different area than where the firm receives mail. Often businesses have a P.O. Box for mail, or for convenience, may have mail routed to a different address; in this question we want to be certain we've identified the physical place the business is located.
- A9.2** Enter correct address of the physical location of the firm. We want to know the city, state, and ZIP code of the physical location of the firm's headquarters or main office only. This question requires the full city name, two letter state abbreviation, and the complete 5 digit ZIP code.
- A9.3**

A9. Is [FIRM] owned by a local, state, or federal government agency? **DROP**

- YES.....1 → GO TO CLOSE1
- NO.....2
- DK or RF.....DK or RF → PROMPT FOR A YES/NO RESPONSE BEFORE ACCEPTING DK/RF; GO TO CLOSE2

A9.1. I would like to verify the physical location of [FIRM]’s main office. Is the physical location [ADDRESS, CITY, STATE, ZIP]? **MOVED TO AI FIRMADDR**  
**CONFIDENTIAL**

**IF STREET ADDRESS CONTAINS A P.O. BOX OR RURAL ROUTE, SAY:** Just to confirm, is this the correct address for the firm’s physical location?

- YES.....1 → GO TO READ2
- NO.....2
- DK or RF.....DK or RF → PROMPT FOR YES/NO RESPONSE BEFORE ACCEPTING DK OR RF; GO TO READ2

A9.2 What is the street address of the physical location of [FIRM’S] main office? **MOVED TO AI FIRMADDR**  
**CONFIDENTIAL**

**IF STREET ADDRESS CONTAINS A P.O. BOX OR RURAL ROUTE, SAY:** Just to confirm, is this the correct address for the firm’s physical location? **IF R SAYS NO, ASK A9.2 AGAIN.**

UPDATE PRELOADED PHYSICAL ADDRESS INFORMATION

ADDRESS: \_\_\_\_\_

A9.3 What is the zip code of [FIRM’S] physical address? **MOVED TO AI FIRMZIP**  
**CONFIDENTIAL**

- ZIP CODE: \_\_\_\_\_ (CITY & STATE FILL FROM LOOK UP TABLE)
- DK or RF.....DK or RF → GO TO A9.6

<b>ZIP CODE LOOK-UP</b>	
USE ZIP CODE TO LOOK UP CITY & STATE:	
IF NO MATCH	→ GO TO A9.5
IF MATCH	→ GO TO A9.4

**QUESTION BY QUESTION TEXT****A9.4****A9.5** Verify zip code.**A9.6****A9.7**

**A10.1** This question establishes the number of owners actively working at the firm, not the number of people who own the firm. A firm may have multiple owners, only some of which work at the firm. Other businesses are run by hired employees and none of the owners actually work at the firm themselves.

Full-time and part-time actively-working owners are counted in the same way. One full-time and three part-time active owners are equal to four owners (1 + 3). If respondent responds with an answer like “three and a half” (3 1/2), PROBE with “Was that 3 or 4 owners in total?”



A9.4 Is that in [CITY], [STATE]? **DROP**

YES .....1 → GO TO COUNTY/  
MSA UPDATE (1)  
NO .....2

A9.5 I need to verify, was the zip code [A9.3]? **DROP**

YES .....1 → GO TO A9.3  
NO .....2

A9.6 What is the correct city and state for the physical location of [FIRM]? **MOVED TO A1 FIRMCITY &  
MOVED TO A1 FIRMSTATE  
CONFIDENTIAL**

CITY: \_\_\_\_\_ STATE: \_\_\_\_\_

UPDATE PRELOADED PHYSICAL ADDRESS INFORMATION

A9.7 In what [county/borough/parish] is the firm’s main office located? **MOVED TO A1 FIRMCOUNTY  
CONFIDENTIAL**

USE “COUNTY” UNLESS STATE=LA (SUBSTITUTE “PARISH”) OR STATE=AK OR NY  
(SUBSTITUTE “COUNTY OR BOROUGH”)

IF NOT LOCATED IN A COUNTY ENTER “NONE”

COUNTY: \_\_\_\_\_  
DK or RF.....DK or RF

**COUNTY & MSA STATUS UPDATE (1)**

UPDATE COUNTY & MSA STATUS OF PHYSICAL ADDRESS

**Employment**

**READ2:** We would like to confirm the total number of individuals that worked at [FIRM] during a typical pay period in 2003. First, I’m going to ask about the owners:

A10.1 How many owners worked in ([FIRM]) during a typical pay period in 2003?

NUMBER: \_\_\_\_\_  
DK or RF.....DK or RF

**QUESTION BY QUESTION TEXT**

**A10.2** Also, include if taxes and FICA contributions were deducted from gross pay, or if they received profits, sales commissions or payment in the form of other non-monetary goods and services, such as room and board, from the firm. Contractors, leased employees and people provided by a temp agency, even if they work on the premise of the firm, are generally NOT considered employees.

Full-time and part-time workers are counted in the same way. One full-time and three part-time workers are equal to four workers (1 + 3). If the respondent responds with an answer like “three and a half” (3 1/2), PROBE with “Was that 3 or 4 individuals in total?”

A10.2 Other than owners, how many individuals worked for ([FIRM]) during a typical pay period in 2003?

IWER INFO: PART-TIME & FULL-TIME WORKERS ARE EACH COUNTED AS “ONE” INDIVIDUAL WORKER

**IF R ASKS WHICH EMPLOYEES TO INCLUDE, SAY:** Please include foreign offshore employees and dependent children who work without pay. Do not include leased employees. For seasonal employees, please use a typical pay period.

**IF R ASKS ABOUT UNPAID WORKERS, SAY:** Individuals working for the firm should be counted whether or not they were on the payroll, including friends and family.

NUMBER: \_\_\_\_\_ → **GO TO SKIP1**  
 DK or RF.....DK or RF → **GO TO SKIP1**

**RANGE CHECK: A10.1 and A10.2 ≥ 0**

**SKIP1**

**CALCULATE: TOTAL EMPLOYEES = A10.1 + A10.2**

<b>TOTAL EMPLOYEES &lt;500 &amp; &gt;0</b>	→	<b>GO TO A10.5</b>
<b>TOTAL EMPLOYEES = DK OR RF</b>	→	<b>GO TO A10.3</b>
<b>TOTAL EMPLOYEES = 0</b>	→	<b>GO TO A10.4</b>
<b>TOTAL EMPLOYEES ≥500</b>	→	<b>GO TO CLOSE1</b>

**A TOTEMP = A10 1 + A10 2**

**Total owners and workers in firm.**

**ADD**

**QUESTION BY QUESTION TEXT**

**A10.3** If an owner or proxy refuses or doesn't know the exact number of workers, encourage them to report a range. If the respondent will not give a range but indicates that there are less than 500 workers, select "Eligible, other" and record the explanation.

**A10.4** Generally, most firms will have at least one individual working for the firm (owner or employee) during a typical pay period. One possible reason for zero workers could be that the firm was inactive during that time period. Another possibility is that the respondent is thinking of times when the owner might have worked for the firm, but there were no individuals on the payroll who received pay in any form including sales commissions and non-monetary payment in the form of goods and services, such as room and board. Please carefully record the explanation for zero workers provided by the respondent.

**A10.5**

A10.3 I understand that you may not be able to tell me the exact number of employees, however, can you tell me the approximate number of individuals, including owners, that worked for ([FIRM]) during a typical pay period in 2003, was it (READ RANGES)... **COLLAPSED TO A TOTEMP**

IF R ASKS WHICH EMPLOYEES TO INCLUDE, SAY: Please include foreign offshore employees and dependent children who work without pay. Do not include leased employees. For seasonal employees, please use a typical pay period.

IF R ASKS ABOUT UNPAID WORKERS, SAY: Individuals working for the firm should be counted whether or not they were on the payroll, including friends and family.

- Less than 5 .....1           →    **GO TO A10.5**
- Between 5 and 9.....2       →    **GO TO A10.5**
- Between 10 and 19.....3      →    **GO TO A10.5**
- Between 20 and 49.....4      →    **GO TO A10.5**
- Between 50 and 99.....5      →    **GO TO A10.5**
- Between 100 and 499.....6    →    **GO TO A10.5**
- Greater than or equal to 500.....7   →    **GO TO CLOSE1**
- OTHER .....8

READ: Please specify: \_\_\_\_\_ **DROP**

DK or RF.....DK or RF

A10.3.1 During any pay period in 2003, did you ever have 500 or more employees? **DROP**

- YES .....1           →    **GO TO CLOSE1**
- NO.....2           →    **GO TO A10.5**
- DK or RF.....DK or RF       →    **GO TO CLOSE2**

A10.4 You reported that no one worked for [FIRM] during a typical pay period. Most companies have at least one worker during a typical pay period. How did [FIRM] operate in 2003 with zero workers? SPECIFY: \_\_\_\_\_ **DROP**

A10.5 During a typical pay period in 2003, did the firm employ more workers, fewer workers, or about the same number of workers as in 2002?

- MORE IN 2003 THAN 2002.....1
- LESS IN 2003 THAN 2002.....2
- ABOUT THE SAME IN 2003 AS IN 2002 .....3
- FIRM NOT IN BUSINESS IN 2002 .....4
- DK or RF.....DK or RF

**SKIP2**

- IF A10.5=4 OR A10.5=DK or RF           →    **GO TO A10.7**
- ALL OTHERS                                   →    **GO TO A10.6**

## QUESTION BY QUESTION NOTES

**A10.6**

**A10.7** **Day Laborers** – Workers who wait at a location where employers pick up people to work for the day; a type of on-call worker.

**Temporary help agency workers** – Workers paid by a temporary help agency, whether or not their job was actually temporary.

**Leased employees** – Worker that has contracted with an employee leasing service (also known as a professional employer organization) to obtain human resource management services. The employee leasing company provides a wide range of human resource and personnel management services, such as payroll accounting, payroll tax return preparation and filing, benefits administration, recruiting, and labor relations management, to the client business. The employee leasing company and client organization operate as co-employers with regard to the human relations responsibilities to the employees covered by their contract. The employee leasing company pays wages and employment taxes of the leased employees out of its own accounts.

**Contract workers** – Workers employed by a company that provides them or their services to others under contract and who are usually assigned to only one customer and usually work at the customer's work site. A contract worker is anyone who does contract work regardless as to whether they work at the customers' work site or for more than one customer.

**A10.8**

A10.6 During a typical pay period in 2003, did the firm employ more workers, fewer workers, or about the same number of workers as in 2000?

- MORE IN 2003 THAN 2000.....1
- LESS IN 2003 THAN 2000.....2
- ABOUT THE SAME IN 2003 AS IN 2000 .....3
- FIRM NOT IN BUSINESS IN 2000 .....4
- DK or RF.....DK or RF

A10.7 During a typical pay period in 2003, were any of the following types of workers used?

**MOVED TO A10\_7T(1-4)**

		Yes	No
<b>A10_7T1</b>	a. Paid day laborers	1	2
<b>A10_7T2</b>	b. Temporary staffing obtained from a temporary help service	1	2
<b>A10_7T3</b>	c. Leased employees from a leasing service or a professional employer organization	1	2
<b>A10_7T4</b>	d. Contractors, subcontractors, independent contractors or outside consultants	1	2

**SKIP3**

IF [A10.7A=2 & A10.7B=2 & A10.7C=2 & A10.7D=2]  
ALL OTHERS

➔ GO TO A10.9  
➔ GO TO A10.8

**PROGRAMMER NOTE**

**For A10.8**

**If A10.7 A = (1, DK, RF); use “paid day laborers”**

**If A10.7 B = (1, DK, RF); use “temporary employees”**

**If A10.7 C = (1, DK, RF); use “leased employees”**

**If A10.7 D = (1, DK, RF); use “contractors”**

**If A10.7 has more than one positive response; separate fills with proper punctuation.**

A10.8 During a typical pay period in 2003, how many [paid day laborers/temporary employees/leased employees/ contractors] were used by this business?

NUMBER: \_\_\_\_\_  
DK or RF.....DK or RF  
EX EX

**QUESTION BY QUESTION NOTES**

- A10.9** The respondent can choose as a token of appreciation either cash or the D&B package of reports for small businesses, that retails for \$199. The check will be mailed to the owner four to six weeks after completing the main interview.
- The D&B package includes three customized reports, including a report that provides benchmarking information for the owner's industry, a report that evaluates the credit worthiness of a potential customer, a comprehensive report on a particular company, and two demand letters that can be used to collect overdue payments. More information about the D&B reports is available from the home page link at the SSBF website, [www.norc.uchicago.edu/ssbf](http://www.norc.uchicago.edu/ssbf)
- CLOSE1:** Closes out the interview after the business has been determined ineligible. The case is complete and will be coded as ineligible and removed from circulation.
- CLOSE2:** Closes out the interview when the owner refuses or is unable to answer one of the six eligibility questions. The cases will be filed as a refusal and recontacted later.
- CLOSE3:** Closes out the interview when the owner refuses or is unable to report their organization type. The cases will be filed as a refusal and recontacted later.



A10.9 REMINDER: FOR PASS 2 CASES IN BATCHES 1-3, CHANGE \$50 TO \$100. FOR PASS 2 CASES IN BATCH 4, CHANGE \$50 TO \$200.

You may remember that as a token of our appreciation for your participation, we would like to send you either \$50, or a package of reports for small businesses from Dun and Bradstreet, which retails for \$199. Have you decided which one you would like to receive?

**IF R HAS NOT DECIDED YET, SAY:** That’s okay, we can talk about this later.

- CASH.....1
- D&B PACKAGE.....2
- NEITHER.....3
- HAVE NOT DECIDED YET.....4

**ALL RESPONSES → GO TO SECTION B**

**CLOSE1:** This is a survey of independent, privately owned, for-profit small businesses that were in business and are filing business tax forms for 2003. Unfortunately, your business does not qualify for this survey. However, I appreciate your taking the time to talk with me. Thank you. Goodbye.

**CLOSE2:** Thank you very much for your help. This is a survey of independent, privately owned, for-profit small businesses that were in business and are filing business tax forms in 2003. We need to be certain that [FIRM] qualifies in this way before we proceed. Since we were unable to verify all of these qualifications, I’ll have to thank you for your time for now. Goodbye.

**QUESTION BY QUESTION NOTES**

- B1.** Verification of firm's principal activity as given by the SIC description. The SIC code for each firm was abstracted from the computer sample file used to select the sample of firms. Principal activities can include services as well as the manufacturing of a product. It can include both wholesale (selling to other sellers who resell to consumers) and retail trade.
- B1.1** If the principal activity of the firm has been recorded incorrectly on the sample frame, we need to collect a complete verbal description of the principal activity of the firm that will enable us to determine the firm's SIC code. We wish to find out what the firm does or what it produces. Some probing may be necessary.

Enter verbatim what the respondent says.

**Subsection B. ORGANIZATION DEMOGRAPHICS**

The proxy breakpoint screen should be invoked at any point after subsection A when there is a change of respondents. Typically, this change will be from an owner to an owner-designated proxy.

**PROXY BREAKPOINT QUESTION**

Accessed at any point in the interview after Subsection A, as appropriate.

BP1. IS THE RESPONDENT A PROXY FOR THE OWNER?  
 YES → GO TO BP2  
 NO → RETURN TO BREAKOFF POINT

BP2. RECORD PROXY’S NAME: \_\_\_\_\_

BP3. RECORD PROXY’S TITLE: \_\_\_\_\_

BP4. RECORD Q AT WHICH THE PROXY BEGAN: \_\_\_\_\_ → RETURN TO BREAKOFF POINT

B1. Our records indicate the principal activity of the firm is [DNB SIC CODE DESCRIPTION]. Is that correct? **DROP**

**IF R ASKS WHY WE NEED TO KNOW, SAY:** We need to generally classify your firm’s activities. Do your firm’s activities fall under that description?

YES .....1 → GO TO SKIP4  
 NO .....2  
 DK or RF .....DK or RF

**A0\_SIC2\_FIN, two digit SIC Code** **ADD**  
**A1\_SIC\_FIN, four digit SIC Code** **ADD, CONFIDENTIAL**  
**A1\_SICDESC\_FIN, four digit SIC Code description** **ADD, CONFIDENTIAL**

B1.1 What is the principal activity of the business? **DROP**

IWER INFO: EXAMPLES OF PROBES TO OBTAIN THE NECESSARY INFORMATION ARE:

- a) if “Selling“ - wholesale or retail?
- b) if “Domestic Labor“ - in own home or outside?
- c) if “Manufacturing“ - what product?
- d) if “Oil Business“ - is that drilling, refining, manufacturing by-products, selling, etc.?
- e) if “Lumber“ - is that logging, sawmills, selling, etc.?
- f) if “Automotive“ - is that manufacturing, repair, sales, etc.?
- g) if “Textiles“ - is that manufacture of fabrics or materials or apparel and finished goods?
- h) if a vague response - “Could you give me more detail?“

**IF R DOES NOT UNDERSTAND THE QUESTION, SAY:** That is, what does the business do or make?

**QUESTION BY QUESTION NOTES**

- B2.** Verifies that the firm's fiscal year end date recorded in screening is correct. If it is not, determine the correct fiscal year end date by asking B2.1.
- B2.1** Asks for the last month and day of the firm's fiscal year. A fiscal year can begin and end at any time during the course of a year. DK and RF responses here will not disqualify the business.

**SKIP4**

FISCAL YEAR PRELOAD (SCRFYDA & SCRFYMO) IS FILLED → **GO TO B2**  
 IF SCRFYMO &/OR SCRFYDA = DK, RF, -1, -2 → **GO TO B2.1**  
 IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

B2. My records show that the fiscal year for [FIRM] ends on [MM/DD]. Is that correct? **DROP**

YES.....1 → **GO TO B3**  
 NO.....2  
 DK or RF .....DK or RF → **GO TO B3**

B2.1 What is the last day of ([FIRM]'s) fiscal or tax year? **MOVED TO**  
**B2 1DAY & B2 1MO**

**IF R DOES NOT UNDERSTAND THE QUESTION, SAY:** On what date does [FIRM]'s fiscal year end?

MONTH: \_\_\_\_\_ DAY: \_\_\_\_\_  
 DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- B3.** Classifies the firm into one of four major groups. It is important to obtain a correct answer to this question, since later many questions will depend on this response.

If R is unsure, start with these tax-form-based definitions:

Sole Proprietorships file a 1040 tax form. They report the firm's taxes along with the owner's personal taxes.

Partnerships file a 1065 tax form.

C-Corporations file an 1120 or an 1120A tax form.

S-Corporations file a 1120S tax form.

Limited Liability Companies or LLCs can file as a Partnership, C-Corporation or Sole Proprietorship. Most LLCs file as Partnerships.

Limited Liability Partnerships or LLPs can file as a Partnership or C-Corporation. Most LLPs file as partnerships.

**MORE ON S-CORPS:** A fourth response is whether the Corporation is an S-type Corporation. This may pose difficulty for some Rs. Generally, owners will know whether they are an S-Corporation or not, since that is how they have to file their taxes. Once in a while an individual may not recall that the firm filed as an S-Corporation, unless probed.

An S corporation does not pay taxes on the corporation's income. Instead, the firm's income and expenses are divided among the shareholders, who report them on their own individual income tax returns.

An S-corporation is a corporation with limited liability. If the firm is a US corporation with only one class of stock, and no more than 75 shareholders, and does not have organizations or non-US citizens as shareholders, then the IRS allows the owners to elect S-Corporation status for tax purposes.

**DEFINITION OF SOLE PROPRIETORSHIP:** A sole proprietorship is an unincorporated business owned by a single person. The individual proprietor has the right to all the profits from the business and also the responsibility for all the business's liabilities.

**DEFINITION OF PARTNERSHIP:** A partnership is an unincorporated form of business in which two or more owners agree to split the profits/losses or capital of the business in a particular fashion. There may be limited and/or general partners.

**CLOSE 3.** Closes out the interview when the owner refuses or is unable to report their organization type. The cases will be filed as a refusal and recontacted later.

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**QUESTION BY QUESTION NOTES**

**DEFINITION OF LIMITED LIABILITY PARTNERSHIP:** A limited liability partnership (or LLP) is a business established as an entity under state law and owned by two or more owners where the partners' liability is limited to their investment in the partnership, and each of the partners has protection against personal liability for partnership liabilities except for liability due to partner's own negligence or of persons under partner's direction.

**DEFINITION OF S-CORPORATION:** An S-corporation is a corporation that does not pay tax on its income. To qualify for S-corporation status, the business (1) must be a U.S. corporation, (2) must have only one class of stock and no more than 75 shareholders, and (3) may not have certain organizations or non-U.S. citizens as shareholders.

**DEFINITION OF C-CORPORATION:** A C-corporation (or corporation) is a business that has been granted a state charter recognizing it as a separate legal entity having its own rights, privileges, and liabilities distinct from those of the individuals that form the business.

**DEFINITION OF LIMITED LIABILITY COMPANY:** A limited liability company (or LLC) is an entity which is established as a corporation under state law. The entity has the same limited liability characteristics as a corporation, while often having the same tax characteristics of a partnership. LLC owners may actively participate in the organization's management and are protected against personal liability for the organization's debts/liabilities.

- C1.** This question is needed to control the flow of the questionnaire throughout the section.



B3. For the fiscal year ending [DATE], was [FIRM] considered to be a sole proprietorship, a partnership, an S-corporation, or a C-corporation?

IF R IS UNSURE, PRESS [F1] FOR DEFINITIONS.

**IF R VOLUNTEERS LLC, READ:** Do you file your taxes as a partnership, a corporation or a sole proprietorship? (IF R DOESN'T KNOW, CODE "LLC, FILED AS PARTNERSHIP")

**IF R VOLUNTEERS LLP, READ:** Do you file your taxes as a partnership or a corporation? (IF R DOESN'T KNOW, CODE "LLP, FILED PARTNERSHIP")

- |  |          |   |
|--|----------|---|
| SOLE PROPRIETORSHIP .....              | 1        | → GO TO C1  |
| PARTNERSHIP .....                      | 2        | → GO TO C10   |
| LLP, TAX FILED AS PARTNERSHIP .....    | 3        | → GO TO C10   |
| LLP, TAX FILED AS CORPORATION .....    | 4        | → GO TO C20   |
| S-CORPORATION .....                    | 5        | → GO TO C20   |
| C-CORPORATION.....                     | 6        | → GO TO C20   |
| LLC, TAX FILED AS PARTNERSHIP .....    | 7        | → GO TO C10   |
| LLC, TAX FILED AS CORPORATION.....     | 8        | → GO TO C20   |
| LLC, TAX FILED AS SOLE PROPRIETOR..... | 9        | → GO TO C1  |
| DK OR RF .....                         | DK or RF | → PROMPT FOR A RESPONSE BEFORE ACCEPTING DK OR RF; GO TO CLOSE3 |

CLOSE3: Thank you very much for your help. We need to verify this critical information for [FIRM] before we proceed. Since we were unable to verify this information, I'll have to thank you for your time for now. Goodbye.

**Subsection C. PERSONAL CHARACTERISTICS OF OWNER(S)**

**Sole Proprietorships**

**BACKFILLED: C INDIV (1-2)=1 FOR SOLE PROPRIETORSHIP**

**PROGRAMMER NOTE  
FOR C1**

IF (PROXY) USE "DOES [FIRM] HAVE A SINGLE OWNER OR IS IT OWNED JOINTLY BY A HUSBAND AND WIFE?"  
IF (OWNER) USE "ARE YOU THE SOLE OWNER OF [FIRM] OR DO YOU JOINTLY OWN IT WITH A SPOUSE?"

C1. [Are you the sole owner of ([FIRM]) or do you jointly own it with a spouse?]/[Does [FIRM] have a single owner or is it owned jointly by a husband and wife?] **MOVED TO CF OWNERS**

**CF\_OWNERS=1 if C1 in (1, .D, .R)**  
**CF\_OWNERS=2 if C1 = 2**

- |                              |          |   |             |
|------------------------------|----------|---|-------------|
| SOLE OWNER .....             | 1        | → | GO TO FILLA |
| JOINTLY OWN WITH SPOUSE..... | 2        | → | GO TO READ3 |
| DK or RF .....               | DK or RF | → | GO TO FILLA |

**BACKFILLED: CF MORE10=1**

**READ3:** We want to first talk about the owner with the largest ownership share. **→ ADD GO TO C2**

**SKIP4A**

**COLLECTING INFORMATION ON SECOND OWNER**

- |                   |   |                                 |
|-------------------|---|---------------------------------|
| IF C2_INTRO_1 = 1 | → | FILL C2_INTRO_2 = 3, GO TO C2_2 |
| IF C2_INTRO_1 = 3 | → | GO TO C2_INTRO_2                |

**QUESTION BY QUESTION NOTES**

- C2.** This question is used to distinguish between the owners when there is more than one owner.
- C2.1** The valid entry range is 0 to 100.  
If respondent reports equal ownership, enter 50.
- C2.2** If the respondent cannot or will not give an exact percentage, try to determine whether it is less than, equal to or greater than 50%.

**READ3A:** We would like to talk about the owner with the largest ownership share first.

C2\_INTRO\_(1-2) What is the name of the individual who owned the (largest/next largest) percentage of the business in 2003? **DROP**

IWER INFO FOR C2\_INTRO\_1 ONLY: IF RESPONDENT AND SPOUSE EACH OWN 50% OF FIRM, CODE "RESPONDENT" BELOW AS INDIVIDUAL WITH LARGEST PERCENTAGE.

RESPONDENT.....1 → GO TO FILLA  
 SOMEONE ELSE.....3 → GO TO C2  
 DK or RF.....DK or RF → GO TO C2

**FILLA**

COLLECTING INFORMATION ON FIRST OWNER OWNER\_1 = OWNER & GO TO SKIP5  
 COLLECTING INFORMATION ON SECOND OWNER OWNER\_2 = OWNER & GO TO C3.2

C2\_(1-2) What is the name of the individual who owns the (largest/next largest) percentage of the business? **MOVED TO C NAME (1-2)**  
**CONFIDENTIAL**

SPECIFY: \_\_\_\_ [OWNER\_(1-2)] \_\_\_\_\_

PROMPT: If husband and wife own equally, please choose one.

**SKIP5**

FIRST TIME THROUGH THE LOOP → GO TO C3.1  
 IF C1=1 or DK/RF → GO TO C2.1  
 ALL OTHERS → GO TO C3.2  
 SECOND TIME THROUGH THE LOOP → GO TO C3.2

C2.1\_(1-2) What percentage of the firm (do/does) (you/ [OWNER\_(1-2)]) own? **MOVED TO C SHARE (1-2)**

PERCENTAGE: \_\_\_\_\_ % → GO TO SKIP6  
 DK or RF.....DK OR RF → GO TO C2.2

C2.2\_(1-2) What is the approximate percentage of the business owned by (you/ [OWNER\_(1-2)])? Is it less than 50%, exactly 50%, or more than 50%?

**COLLAPSED TO**  
**C 2 1 (1-2)**

LESS THAN 50%..... 1  
 EXACTLY 50% ..... 2  
 MORE THAN 50% ..... 3  
 DK or RF ..... DK or RF

**C SHARE 1 = 100 IF CF OWNERS = 1**

**C SHARE 2 = 100 - C SHARE 1**

**SKIP6**

IF C1=2 &(C2.1<50 or C2.2=1) → GO TO READ3A  
 ALL OTHERS → GO TO C3

**QUESTION BY QUESTION NOTES**

- C3.** Hispanic or Latino means of Latin American or Spanish origin, regardless of race. Consult your job aid for a more complete list of Hispanic groups.
- C4.** Identifies the particular race of the firm's owner. If the race of the owner is not listed, then code as "OTHER" and specify the race.
- C4.1** Enter verbatim what the respondent says.
- C5.** Determines the sex of the owner.

C3\_(1-2) (Are you/Is [OWNER\_(1-2)]) of Hispanic, Latino or Spanish origin or descent?

**MOVED TO C HISP (1-2)**

**IF R NOT SURE IF OWNER SHOULD BE INCLUDED, SAY:** This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

YES.....1  
 NO.....2  
 DK or RF.....DK or RF

C4\_(1-2) Please tell me which categories best describe (your/ [OWNER\_(1-2)]'s) racial background: Is it White, African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian or Alaska Native? CODE ALL THAT APPLY.

**MOVED TO C WHITE (1-2),**

**C BLACK (1-2), C ASIAN (1-2), C HAWAII (1-2), C NATIVE (1-2)**

**C AS HA (1-2), C MINOR (1-2)**

WHITE.....1	→	GO TO C5
BLACK/AFRICAN-AMERICAN.....2	→	GO TO C5
ASIAN.....3	→	GO TO C5
NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER.....4	→	GO TO C5
AMERICAN INDIAN OR ALASKA NATIVE.....5	→	GO TO C5
OTHER.....6	→	GO TO C4.1 <b>DROP</b>
DK or RF.....DK or RF	→	GO TO C5

C4.1\_(1-2) Please specify the other race.

**DROP**

SPECIFY: \_\_\_\_\_

**ADD C MINHIS (1-2), C W NH (1-2)**

C5\_(1-2) The answers to some of these questions may seem obvious, but I have to ask each question as it appears on my screen. (Are you/Is [OWNER\_(1-2)]) female or male?

**MOVED TO C FEMALE (1-2)**

FEMALE.....1  
 MALE.....2  
 DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- C6.** The valid entry range is 15 to 110 years of age.
- C6.1** If the respondent cannot or will not give an exact age, try to determine the best age range of the owner. If you get a response like 50s or fifty-ish, and cannot get a finer determination, code the response in the lower range, 46-55.
- C7.** This question determines the highest education level attained by the principal owner of the firm. If the owner reports multiple degrees, such as a BA and an MA, pick the highest (MA). If the respondent has a college degree and some graduate school training but no graduate degree, choose BA.

C6\_(1-2) How old (are you/is [OWNER\_(1-2)])?

**MOVED TO C AGE (1-2)**

YEARS: \_\_\_\_\_  
 DK or RF.....DK or RF

→ GO TO C7

**SOFT RANGE CHECK: OWNER AGE ≥15 AND ≤ 110**  
**HARD RANGE CHECK: OWNER AGE ≥0 AND ≤ 150**

C6.1\_(1-2) Can you please tell me (your/ [OWNER\_(1-2)]'s) approximate age? Is it...

**COLLAPSED TO C6 (1-2)**

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

- 15 to 21 .....1
- 22 to 27 .....2
- 28 to 33 .....3
- 34 to 39 .....4
- 40 to 45 .....5
- 46 to 55 .....6
- 56 to 65 .....7
- 66 to 75 .....8
- 76 or more.....9
- DK or RF.....DK or RF

C7\_(1-2) What is the highest level of school (you have/ [OWNER\_(1-2)] has) completed or the highest degree (you have/ [OWNER\_(1-2)] has) received? (READ ONLY IF NECESSARY)

**MOVED TO C EDUC (1-2)**

- Less than high school degree (grade 11 or less) .....1
- High school graduate or equivalent (GED) .....2
- Some college but no degree granted.....3
- Associate degree occupational/academic program .....4
- Trade school/vocational program .....5
- College degree (BA, BS, AB, etc.).....6
- Post graduate degree ..... 7  
 (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- C8.** Acceptable answers for the owner's years of business/managing experience cannot exceed the owner's age less 15 years. Therefore,  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C8.1** If the respondent cannot or will not give an exact number of years, try to determine the best number of years of experience range for the principal owner. Acceptable answers for the owner's years of experience are determined by the owner's years of business/managing experience are determined by the owner's age so that  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C9.** Generally, there is only one person with ultimate daily management responsibility.



C8\_(1-2) How many years of experience (have you/has [OWNER\_(1-2)]) had managing or owning a business, including this business? **MOVED TO C EXPER (1-2)**

YEARS \_\_\_\_\_ → GO TO C9  
 EX ..... EX → GO TO C9  
 DK or RF.....DK or RF

**RANGE CHECK: DISALLOW IF C8 > (OWNER AGE - 15)**

C8.1\_(1-2) Can you please tell me the approximate number of years of business experience (you have/ [OWNER\_(1-2)] has) had? Is it... **COLLAPSED TO C8 (1-2)**

Less than 1 year .....1  
 1-3 .....2  
 4-6 .....3  
 7-9 .....4  
 10-15 .....5  
 More than 15 years.....6  
 DK or RF.....DK or RF

C9\_(1-2) (Are you/Is [OWNER\_(1-2)]) responsible for the day-to-day management of the business? **MOVED TO C MANAGE (1-2)**

YES .....1  
 NO .....2  
 DK or RF.....DK or RF

<b>SKIP7</b>	
IF C=1 or C1=DK/RF	→ GO TO C31
IF C1=2 & (C2.1_1>50 OR C2.2_1=3)	→ GO TO C31
IF C1=2 & (C2.1_1≤50 OR C2.2_1≤2 OR C2.2_1=DK/RF)	→ GO TO SKIP4A
IF SECOND TIME THROUGH LOOP COMPLETE	→ GO TO C31

**QUESTION BY QUESTION NOTES**

- C10.** Only non-negative integer answers greater than 1 are allowed. Partnerships must have two or more partners (owners).
- C10.1** If the respondent cannot or will not give the number of partners, try to determine the approximate number of partners in the firm and code that range.
- C11.** This question is asked only if there are more than 10 owners. Need to establish whether or not there is anyone with a controlling interest in the company.

**Partnerships**

C10. How many partners does the firm have?

**MOVED TO CF OWNERS**

**IF R ASKS WHICH PARTNERS TO INCLUDE, SAY:** Include both general and limited partners.

NUMBER: \_\_\_\_\_ → **GO TO SKIP8**  
 DK or RF.....DK or RF  
 EX.....EX → **GO TO C11**

**HARD RANGE CHECK: C10 MUST BE > 1**

C10.1 Can you tell me the approximate number of partners in the firm? Is it...

**COLLAPSED TO C10**

2 to 3 .....1  
 4 to 5 .....2  
 6 to 10 .....3  
 11 to 20 .....4  
 21 to 35 .....5  
 36 to 50 .....6  
 51 to 75 .....7  
 76 to 100 .....8  
 More than 100 partners .....9  
 DK or RF.....DK or RF → **GO TO C11**

**SKIP8**

IF C10≤10 OR C10.1≤3 → **GO TO READP1**  
 IF C10>10 OR C10.1>3 → **GO TO C11**

C11. Does any one individual or company own 10% or more of the rights, claims, or interests in this business?

**MOVED TO CF MORE10**

**CF MORE10= 1 if CF OWNERS≤10 OR C11=1**

**CF MORE10=2 IF C11=2**

YES.....1  
 NO.....2 → **GO TO C31**  
 DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

**C12.** This question is used to distinguish between the owners when there is more than one owner.

**READP1:** In the questions that follow, we will be collecting information on the individual partners in the firm. We would like to talk first about the partner with the largest share. → **GO TO C12**

**SKIP8A**

**COLLECTING INFORMATION ON SECOND PARTNER**  
 IF C12\_INTRO\_1=1 FILL C12\_INTRO\_2=3; GO TO C12\_2;  
 IF C12\_INTRO\_1=3 GO TO C12\_INTRO\_2;

**COLLECTING INFORMATION ON THIRD PARTNER**  
 IF C12\_INTRO\_1=1 OR C12\_INTRO\_2=1 FILL C12\_INTRO\_3=3; GO TO C12\_3;  
 IF C12\_INTRO\_1=3 AND C12\_INTRO\_2=3 GO TO C12\_INTRO\_3;

**READP2:** Please tell us about the partner with the largest share first.

C12\_INTRO\_(1-3) What is the name of the individual or company who owned the (largest/second largest/third largest) percentage of the business in 2003? **DROP**

IWER INFO FOR C12\_INTRO\_1 ONLY: IF RESPONDENT AND OTHER PARTNER(S) HAVE EQUAL SHARES, CODE "RESPONDENT" BELOW.

RESPONDENT.....1	→	<b>GO TO FILLB</b>
SOMEONE ELSE.....3	→	<b>GO TO C12</b>
DK or RF.....DK or RF	→	<b>GO TO C12</b>

C12\_(1-3) What is the name of the individual or company who owns the (largest/second largest/third largest) percentage of the business? **MOVED TO C NAME (1-3)**  
 SPECIFY: \_\_\_\_ [OWNER\_(1-3)] \_\_\_\_\_ **CONFIDENTIAL**

**IF PARTNERS HAVE EQUAL SHARE, SAY:** If there are partners with equal ownership shares, please choose one.

**FILLB**

**COLLECTING INFORMATION ON FIRST PARTNER:** OWNER\_1=OWNER  
**COLLECTING INFORMATION ON SECOND PARTNER:** OWNER\_2=OWNER  
**COLLECTING INFORMATION ON THIRD PARTNER:** OWNER\_3=OWNER

**SKIP9**

**COLLECTING INFORMATION ON FIRST PARTNER** → **GO TO C12.1**  
**COLLECTING INFORMATION ON SECOND PARTNER**  
 IF C10=2 → **GO TO C12.3**  
 IF C10>2 OR C10.1≥1 OR C10.1=DK/RF → **GO TO C12.1**  
**COLLECTING INFORMATION ON THIRD PARTNER**  
 IF C10=3 → **GO TO C12.3**  
 IF C10>3 OR C10.1≥1 OR C10.1=DK/RF → **GO TO C12.1**

**QUESTION BY QUESTION NOTES**

**C12.1** The valid entry range is 0 to 100.

**C12.2** If the respondent cannot or will not give an exact percentage, try to determine whether it is less than, equal to or greater than 50%.

**C12.3** If the owner is a company, we do not need to ask questions about race, gender, etc.

C12.1\_(1-3) What percentage of the firm (do/does) (you/ [OWNER\_(1-3)]) own?  
**MOVED TO C SHARE (1-3)**  
 PERCENTAGE: \_\_\_\_\_% → GO TO SKIP10  
 DK OR RF .....DK or RF → GO TO C12.2

C12.2\_(1-3) What is the approximate percentage of the business owned by (you/ [OWNER\_(1-3)])? Is it less than 50%, exactly 50%, or more than 50%?  
**COLLAPSED TO C 12 1 (1-3)**  
 LESS THAN 50%.....1  
 EXACTLY 50%.....2  
 MORE THAN 50%.....3  
 DK or RF.....DK or RF

**SKIP10**

**COLLECTING INFORMATION ON FIRST PARTNER:**  
 IF C10=2 & (C12.1\_1<50 OR C12.2\_1=1) → GO TO READP2  
 IF C12.1\_1≥50 OR (C12.2\_1=2 OR 3) OR C12\_INTRO\_1=1 → GO TO C13  
 ALL OTHERS → GO TO C12.3

**COLLECTING INFORMATION ON SECOND PARTNER:**  
 IF C12.1\_2=50 OR C12.2\_2=2 OR C12\_INTRO\_2=1 → GO TO C13  
 ALL OTHERS → GO TO C12.3

**COLLECTING INFORMATION ON THIRD PARTNER:**  
 IF C12\_INTRO\_3=1 → GO TO C13  
 ALL OTHERS → GO TO C12.3

C12.3\_(1-3) (Are you/Is [OWNER\_(1-3)]) an individual or a company?  
**MOVED TO C INDIV (1-3)**  
 INDIVIDUAL.....1 → GO TO C13  
 COMPANY.....2 → GO TO SKIP11  
 DK OR RF .....DK or RF → GO TO C13

**BACKFILLED: C INDIV (1-3) = 1 IF C SHARE (1-3) > 50 OR C12 INTRO (1-3) = 1**

**QUESTION BY QUESTION NOTES**

- C13.** Hispanic or Latino means of Latin American or Spanish origin, regardless of race. Consult your job aid for a more complete list of Hispanic groups.
- C14.** Identifies the particular race of the firm's owner. If the race of the owner is not listed, then code as "OTHER" and specify the race.
- C14.1** Enter response verbatim.
- C15.** Determines the sex of the owner.
- C16.** The valid entry range is 15 to 110 years of age.



C13\_(1-3) (Are you/Is [OWNER\_(1-3)]) of Hispanic, Latino or Spanish origin or descent? **MOVED TO C HISP (1-3)**

**IF R NOT SURE IF OWNER SHOULD BE INCLUDED, SAY:** This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

YES.....1  
 NO.....2  
 DK or RF.....DK or RF

C14\_(1-3) Please tell me which categories best describe (your/ [OWNER\_(1-3)]'s) racial background: Is it White, African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian or Alaska Native? (CODE ALL THAT APPLY). **MOVED TO C WHITE (1-3),**

**C BLACK (1-3), C ASIAN (1-3), C HAWAII (1-3), C NATIVE (1-3),**  
**C AS HA (1-3), C MINOR (1-3)**

WHITE.....1 → GO TO C15  
 BLACK/AFRICAN-AMERICAN.....2 → GO TO C15  
 ASIAN.....3 → GO TO C15  
 NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER4 → GO TO C15  
 AMERICAN INDIAN OR ALASKA NATIVE.....5 → GO TO C15  
 OTHER.....6 → GO TO C14.1 **DROP**  
 DK or RF.....DK or RF → GO TO C15

C14.1\_(1-3) Please specify the other race. **DROP**

SPECIFY: \_\_\_\_\_

**ADD C MINHIS (1-3), C W NH (1-3)**

C15\_(1-3) The answers to some of these questions may seem obvious, but I have to ask each question as it appears on my screen. (Are you/Is [OWNER\_(1-3)]) female or male?

**MOVED TO C FEMALE (1-3)**

FEMALE.....1  
 MALE.....2  
 DK or RF.....DK or RF

C16\_(1-3) How old (are you/is [OWNER\_(1-3)])?

**MOVED TO C AGE (1-3)**

YEARS: \_\_\_\_\_ → GO TO C17  
 DK or RF.....DK or RF

**SOFT RANGE CHECK: OWNER AGE ≥15 AND ≤ 110**  
**RANGE CHECK: OWNER AGE ≥0 AND ≤ 150**

**QUESTION BY QUESTION NOTES**

- C16.1** If the respondent cannot or will not give an exact age, try to determine the best age range of the owner. If you get a response like 50s or fifty-ish, and cannot get a finer determination, code the response in the lower range, 46-55.
- C17.** This question determines the highest education level attained by the principal owner of the firm. If the owner reports multiple degrees, such as a BA and an MA, pick the highest (MA). If the respondent has a college degree and some graduate school training but no graduate degree, choose BA.

C16.1\_(1-3) Can you please tell me (your/ [OWNER\_(1-3)]'s) approximate age? Is it...

**COLLAPSED TO TO C16 (1-3)**

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

- 15 to 21 .....1
- 22 to 27 .....2
- 28 to 33 .....3
- 34 to 39 .....4
- 40 to 45 .....5
- 46 to 55 .....6
- 56 to 65 .....7
- 66 to 75 .....8
- 76 or more .....9
- DK or RF.....DK or RF

C17\_(1-3) What is the highest level of school (you have/ [OWNER\_(1-3)] has) completed or the highest degree (you have/ [OWNER\_(1-3)] has) received? (READ ONLY IF NECESSARY)

**MOVED TO C EDUC (1-3)**

- Less than high school degree (grade 11 or less) .....1
- High school graduate or equivalent (GED) .....2
- Some college but no degree granted .....3
- Associate degree occupational/academic program .....4
- Trade school/vocational program .....5
- College degree (BA, BS, AB, etc.) .....6
- Post graduate degree ..... 7  
(MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- C18.** Acceptable answers for the owner's years of business/managing experience cannot exceed the owner's age less 15 years. Therefore,  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C18.1** If the respondent cannot or will not give an exact number of years, try to determine the best number of years of experience range for the principal owner. Acceptable answers for the owner's years of experience are determined by the owner's years of business/managing experience are determined by the owner's age so that  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C19.** Generally, there is only one person with ultimate daily management responsibility.

C18\_(1-3) How many years of experience (have you/has [OWNER\_(1-3)]) had managing or owning a business, including this business? **MOVED TO C EXPER (1-3)**

YEARS: \_\_\_\_\_ → GO TO C19  
 EX ..... EX → GO TO C19  
 DK or RF ..... DK or RF

**RANGE CHECK: DISALLOW IF C18 > (OWNER AGE - 15)**

C18.1\_(1-3) Can you please tell me the approximate number of years of business experience (you have/ [OWNER\_(1-3)] has)? Is it... **COLLAPSED TO C18 (1-3)**

Less than 1 year .....1  
 1-3 .....2  
 4-6 .....3  
 7-9 .....4  
 10-15 .....5  
 More than 15 years.....6  
 DK or RF .....DK or RF

C19\_(1-3) (Are you/Is [OWNER\_(1-3)]) responsible for the day-to-day management of the business? **MOVED TO C MANAGE (1-3)**

YES .....1  
 NO .....2  
 DK or RF .....DK or RF

**SKIP11**

**HAVE COLLECTED INFORMATION ON ONE PARTNER**

IF C12.1\_1>50 OR C12.2\_1=3 → GO TO C31  
 IF C12.1\_1≤50 OR C12.2\_1<3 OR C12.2\_1 = DK/RF  
 OR C10.1 = DK/RF → GO TO SKIP8A

**HAVE COLLECTED INFORMATION ON TWO PARTNERS**

IF C10=2 → GO TO C31  
 IF C10>2 OR C10 = DK/RF → GO TO SKIP8A

**HAVE COLLECTED INFORMATION ON THREE PARTNERS**

→ GO TO C31

**QUESTION BY QUESTION NOTES**

**C20.** We would like to know how many different entities (individuals, firms) owned any common stock of this firm. Exclude owners of preferred stock. This question will usually be easy to answer. Generally, corporations publish this information in their annual reports, although not all corporations publish such reports.

--If the respondent hesitates, ask if he/she can provide an estimate.

--If the respondent hesitates and says the number of owners has changed, ask him/her, "As of [DATE], how many owned common stock?"

**C20.1** If the respondent cannot or will not give the number of stockholders, try to determine the approximate number of stockholders in the firm and code that range.

**C21.** This question is asked only if there are more than 10 owners. Need to establish whether or not there is anyone with a substantial interest in the company.

**Corporations**

C20. How many stockholders does the firm have?

**MOVED TO CF OWNERS**

NUMBER: \_\_\_\_\_ → GO TO SKIP12  
 DK or RF.....DK or RF  
 EX.....EX → GO TO SKIP12

**HARD RANGE CHECK: C20 MUST BE ≥ 1**

C20.1 Can you tell me the approximate number of stockholders in the firm? Is it...

**COLLAPSED TO C20**

1 to 3 .....1  
 4 to 5 .....2  
 6 to 10 .....3  
 11 to 20 .....4  
 21 to 35 .....5  
 36 to 50 .....6  
 51 to 75 .....7  
 76 to 100 .....8  
 More than 100 stockholders.....9  
 DK or RF.....DK or RF

**RANGE CHECK:**

**IF B3=5 (ORGANIZATION TYPE IS S-CORP) THEN C20≤75 OR C20.1≤7 OR C20.1=DK/RF,  
 EXCEPTION ALLOWED IF ANSWER > 75**

**SKIP12**

IF C20=1 → GO TO FILLC  
 IF 1<C20≤10 OR C20.1≤3 → GO TO READC1  
 IF C20>10 OR C20.1>3 OR C20=EX OR C20.1=DK/RF → GO TO C21

C21. Does any one individual or company own 10% or more of the rights, claims, interests, or stock in this business?

**MOVED TO CF MORE10**

**CF MORE10= 1 if CF OWNERS≤10 OR C21=1**

**CF MORE10=2 IF C21=2**

YES.....1  
 NO.....2 → GO TO SKIP15  
 DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

**C22.** This question is used to distinguish between the owners when there is more than one owner.



**READC1:** In the questions that follow, we will be collecting information on the individual stockholders of the firm. → **GO TO C22**

**SKIP 12A**

**COLLECTING INFORMATION ON SECOND STOCKHOLDER**  
 IF C22\_INTRO\_1=1 FILL C22\_INTRO\_2=3; GO TO C22\_2;  
 IF C22\_INTRO\_1=3 GO TO C22\_INTRO\_2;

**COLLECTING INFORMATION ON THIRD STOCKHOLDER**  
 IF C22\_INTRO\_1=1 OR C22\_INTRO\_2=1 FILL C22\_INTRO\_3=3; GO TO C22\_3;  
 IF C22\_INTRO\_1=3 AND C22\_INTRO\_2=3 GO TO C22\_INTRO\_3;

**READC2:** We would like to first talk about the stockholder with the largest share.

C22\_INTRO(1-3) What is the name of the individual or company who owned the (largest/second largest/third largest) percentage of the business in 2003? **DROP**

IWER INFO FOR C22\_INTRO\_1 ONLY: IF RESPONDENT AND OTHER STOCKHOLDERS(S) HAVE EQUAL SHARES, CODE "RESPONDENT" BELOW.

RESPONDENT .....	1	→	<b>GO TO FILLC</b>
SOMEONE ELSE.....	3	→	<b>GO TO C22</b>
DK or RF.....	DK or RF	→	<b>GO TO C22</b>

C22\_(1-3) What is the name of the individual or company who owns the (largest/second largest/third largest) percentage of the business? **MOVED TO C NAME (1-3)**  
**CONFIDENTIAL**

SPECIFY: \_\_\_[OWNER\_(1-3)]\_\_\_\_\_

**IF STOCKHOLDERS HAVE EQUAL SHARE, SAY:** If there are stockholders with equal ownership shares, please choose one.

**FILLC**

**COLLECTING INFORMATION ON FIRST STOCKHOLDER:** OWNER\_1=OWNER  
**COLLECTING INFORMATION ON SECOND STOCKHOLDER:** OWNER\_2=OWNER  
**COLLECTING INFORMATION ON THIRD STOCKHOLDER:** OWNER\_3=OWNER

**SKIP13**

**COLLECTING INFORMATION ON FIRST STOCKHOLDER**  
 IF C20=1 → **GO TO C23**  
 ALL OTHERS → **GO TO C22.1**

**COLLECTING INFORMATION ON SECOND STOCKHOLDER**  
 IF C20=2 → **GO TO SKIP14**  
 IF C20>2 OR C20=DK/RF → **GO TO C22.1**

**COLLECTING INFORMATION ON THIRD STOCKHOLDER**  
 IF C20=3 OR C20.1=1 → **GO TO SKIP14**  
 IF C20>3 OR C20.1>1 OR C20.1=DK/RF → **GO TO C22.1**

**QUESTION BY QUESTION NOTES**

**C22.1** The valid entry range is 0 to 100.

**C22.2** If the respondent cannot or will not give an exact percentage, try to determine whether it is less than, equal to or greater than 50%.

C22.1\_(1-3) What percentage of the firm (do/does) (you/ [OWNER\_(1-3)]) own?  
**MOVED TO C SHARE (1-3)**  
 PERCENTAGE: \_\_\_\_\_% → GO TO SKIP14  
 DK OR RF .....DK or RF → GO TO C22.2

C22.2\_(1-3) What is the approximate percentage of the business owned by (you/ [OWNER\_(1-3)])? Is it less than 50%, exactly 50%, or more than 50%?  
**COLLAPSED TO C 22 1 (1-3)**  
 LESS THAN 50%.....1  
 EXACTLY 50%.....2  
 MORE THAN 50%.....3  
 DK or RF.....DK or RF

<b>SKIP14</b>	
<b>COLLECTING INFORMATION ON FIRST STOCKHOLDER:</b>	
IF C20=2 & (C22.1_1<50 OR C22.2_1=1)	→ GO TO READC2
IF C22.1_1≥50 OR (C22.2_1=2 OR 3) OR C22_INTRO_1=1	→ GO TO C23
ALL OTHERS	→ GO TO C22.3
<b>COLLECTING INFORMATION ON SECOND STOCKHOLDER:</b>	
IF C22.1_2=50 OR C22.2_2=2 OR C22_INTRO_2=1	→ GO TO C23
ALL OTHERS	→ GO TO C22.3
<b>COLLECTING INFORMATION ON THIRD STOCKHOLDER:</b>	
IF C22_INTRO_3=1	→ GO TO C23
ALL OTHERS	→ GO TO C22.3

**QUESTION BY QUESTION NOTES**

- C22.3** If the owner is a company, we do not need to ask questions about race, gender, etc.
- C23.** Hispanic or Latino means of Latin American or Spanish origin, regardless of race. Consult your job aid for a more complete list of Hispanic groups.
- C24.** Identifies the particular race of the firm's owner. If the race of the owner is not listed, then code as "OTHER" and specify the race.
- C24.1** Enter response verbatim.
- C25.** Determines the sex of the owner.

C22.3\_(1-3) (Are you/Is [OWNER\_(1-3)]) an individual or a company?

**MOVED TO C INDIV (1-3)**

- INDIVIDUAL.....1 → GO TO C23
- COMPANY.....2 → GO TO SKIP15
- DK or RF.....DK or RF → GO TO C23

**BACKFILLED: C INDIV (1-3) = 1 IF C SHARE (1-3) > 50 OR C22 INTRO (1-3) = 1**

C23\_(1-3) (Are you/Is [OWNER\_(1-3)]) of Hispanic, Latino or Spanish origin or descent?

**MOVED TO C HISP (1-3)**

**IF R NOT SURE IF OWNER SHOULD BE INCLUDED, SAY:** This group includes people of Mexican, Puerto Rican, Cuban, Central and South American, and any other Spanish background.

- YES.....1
- NO.....2
- DK or RF.....DK or RF

C24\_(1-3) Please tell me which categories best describe (your/ [OWNER\_(1-3)]'s) racial background: Is it White, African-American, Asian, Native Hawaiian or other Pacific Islander, American Indian or Alaska Native? (CODE ALL THAT APPLY).

**MOVED TO C WHITE (1-3),**

**C BLACK (1-3), C ASIAN (1-3), C HAWAII (1-3), C NATIVE (1-3)**

**C AS HA (1-3), C MINOR (1-3)**

- WHITE.....1 → GO TO C25
- BLACK/AFRICAN-AMERICAN.....2 → GO TO C25
- ASIAN.....3 → GO TO C25
- NATIVE HAWAIIAN OR OTHER PACIFIC ISLANDER.....4 → GO TO C25
- AMERICAN INDIAN OR ALASKA NATIVE.....5 → GO TO C25
- OTHER.....6 → GO TO C24.1 **DROP**
- DK or RF.....DK or RF → GO TO C25

C24.1\_(1-3) Please specify the other race.

**DROP**

SPECIFY: \_\_\_\_\_

**ADD C MINHIS (1-3), C W NH (1-3)**

C25\_(1-3) The answers to some of these questions may seem obvious, but I have to ask each question as it appears on my screen. (Are you /Is [OWNER\_(1-3)]) female or male?

**MOVED TO C FEMALE (1-3)**

- FEMALE.....1
- MALE.....2
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- C26.** The valid entry range is 15 to 110 years of age.
- C26.1** If the respondent cannot or will not give an exact age, try to determine the best age range of the owner. If you get a response like 50s or fifty-ish, and cannot get a finer determination, code the response in the lower range, 46-55.
- C27.** This question determines the highest education level attained by the principal owner of the firm. If the owner reports multiple degrees, such as a BA and an MA, pick the highest (MA). If the respondent has a college degree and some graduate school training but no graduate degree, choose BA.

C26\_(1-3) How old (are you/is [OWNER\_(1-3)])?

**MOVED TO C AGE (1-3)**

YEARS: \_\_\_\_\_  
 DK or RF.....DK or RF

→ GO TO C27

**SOFT RANGE CHECK: OWNER AGE ≥15 AND ≤ 110**  
**HARD RANGE CHECK: OWNER AGE ≥0 AND ≤ 150**

C26.1\_(1-3) Can you please tell me (your/[OWNER\_(1-3)]'s) approximate age? Is it...

**COLLAPED TO C26 (1-3)**

IWER INFO: IF THE RESPONDENT'S ESTIMATE IS TOO BROAD AND WILL NOT ALLOW YOU TO CODE ONE RESPONSE, SELECT THE LOWER END OF THE RANGE AND CODE ACCORDINGLY.

- 15 to 21 .....1
- 22 to 27 .....2
- 28 to 33 .....3
- 34 to 39 .....4
- 40 to 45 .....5
- 46 to 55 .....6
- 56 to 65 .....7
- 66 to 75 .....8
- 76 or more.....9
- DK or RF.....DK or RF

C27\_(1-3) What is the highest level of school (you have/ [OWNER\_(1-3)] has) completed or the highest degree (you have/ [OWNER\_(1-3)] have) received? (READ ONLY IF NECESSARY)

**MOVED TO C EDUC (1-3)**

- Less than high school degree (grade 11 or less) .....1
- High school graduate or equivalent (GED) .....2
- Some college but no degree granted .....3
- Associate degree occupational/academic program .....4
- Trade school/vocational program .....5
- College degree (BA, BS, AB, etc.) .....6
- Post graduate degree .....7  
 (MBA, MS, MA, PhD, JD, MD, DDS, etc.)
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

- C28.** Acceptable answers for the owner's years of business/managing experience cannot exceed the owner's age less 15 years. Therefore,  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C28.1** If the respondent cannot or will not give an exact number of years, try to determine the best number of years of experience range for the principal owner. Acceptable answers for the owner's years of experience are determined by the owner's years of business/managing experience are determined by the owner's age so that  $\text{EXPERIENCE} \leq \text{AGE} - 15$ , where EXPERIENCE and AGE are measured in years.
- C29.** Generally, there is only one person with ultimate daily management responsibility.



C28\_(1-3) How many years of experience (have you/has [OWNER\_(1-3)]) had managing or owning a business, including this business? **MOVED TO C EXPER (1-3)**

YEARS: \_\_\_\_\_ → GO TO C29  
 DK or RF.....DK or RF  
 EX ..... EX → GO TO C29

**HARD RANGE CHECK: C28 ≤ (C26 – 15)**

C28.1\_(1-3) Can you please tell me the approximate number of years of business experience (you have/[OWNER\_(1-3)] has)? Is it... **COLLAPSED TO C28 (1-3)**

Less than 1 year .....1  
 1-3 .....2  
 4-6 .....3  
 7-9 .....4  
 10-15 .....5  
 More than 15 years.....6  
 DK or RF.....DK or RF

C29\_(1-3) (Are you/Is [OWNER\_(1-3)]) responsible for the day-to-day management of the business? **MOVED TO C MANAGE (1-3)**

YES.....1  
 NO.....2  
 DK or RF.....DK or RF

**SKIP15**

**NO OWNER WITH SHARE ≥10%**

IF C21=2 & B3=6 → GO TO C30  
 IF C21=2 & B3≠6 → GO TO C31

**HAVE COLLECTED INFORMATION ON ONE STOCKHOLDER**

IF (C22.1\_1>50 OR C22.2\_1=3 OR C20=1) AND B3=6 → GO TO C30  
 IF (C22.1\_1>50 OR C22.2\_1=3 OR C20=1) AND B3≠6 → GO TO C31  
 IF C22.1\_1≤50 OR C22.2\_1<3 OR C22.2\_1=DK/RF → GO TO SKIP12A

**HAVE COLLECTED INFORMATION ON TWO STOCKHOLDERS**

IF C20=2 AND B3=6 → GO TO C30  
 IF C20=2 AND B3≠6 → GO TO C31  
 IF C20>2 OR C20=DK/RF → GO TO SKIP12A

**HAVE COLLECTED INFORMATION ON THREE STOCKHOLDERS**

IF B3=6 → GO TO C30  
 IF B3 ≠ 6 → GO TO C31

**QUESTION BY QUESTION NOTES**

- C30.** Determines how the stock of the corporation is “traded;” that is, how shares of the corporation are exchanged among investors. If a corporation is traded publicly, then its shares can be bought and sold by anyone through a stockbroker. Publicly traded stock has to be registered with the Securities and Exchange Commission, and this requirement will be known by any knowledgeable respondent. We are not interested in information about privately placed shares.
- C30.1** The valid entry range is 1937 to 2003. When the respondent gives a number of years as an answer, subtract the number of years from 2004 and verify the resultant year with the respondent. For example, if the respondent says, “Two years ago,” ask “Do you mean 2002?”
- C30.2** If the respondent cannot or will not give a year, try to determine the approximate number of years ago the business was first publicly traded by the current owners and code that range.
- C31.** We want to know how the current owner or owners obtained the business. Sometimes owners/stockholders start up the business themselves. In this case there would be no prior owners/stockholders. Sometimes individuals purchase an existing firm from other business owners, and sometimes people inherit or are given a business (e.g. one might inherit one’s mother’s business).

C30. Is the corporation’s stock traded on exchanges such as the NASDAQ, the New York Stock Exchange, or the American Stock Exchange?

**IF R NOT SURE, SAY:** Is the corporation’s stock publicly traded in markets that required it to file Form 10K, Form 10-Q, SEC Form 8K, its annual report to shareholders and proxy statement with the American Stock Exchange?

**MOVED TO CF ESTAB**  
**CF ESTAB=4 if C30=1**

- YES.....1 → GO TO C30.1
- NO.....2 → GO TO C31
- DK or RF .....DK or RF → GO TO C31

C30.1 In what year was the firm’s stock first publicly traded?

**(INTERVIEW YEAR – C30 1) MOVED TO CF FAGE (firm age in years)**

- YEAR: \_\_\_\_\_ → GO TO SECTION D
- EX ..... EX → GO TO SECTION D
- DK or RF .....DK or RF → GO TO C30.2

**RANGE CHECK: 1937 ≤ C30\_1 ≤ 2004**

C30.2 Can you please tell me approximately when the firm’s stock was first publicly traded? Was it...

**COLLAPSED TO C30 1**

- Less than 1 year ago..... 1
- 1-3 years ago..... 2
- 4-6 years ago..... 3
- 7-9 years ago..... 4
- 10-15 years ago..... 5
- More than 15 years ago..... 6
- DK or RF ..... DK or RF

**ALL RESPONSES → GO TO SECTION D**

**All Firms**

**PROGRAMMER NOTE  
FOR C31**

IF A1=1 & B3= (1,9) & C1=1; USE “DID YOU ESTABLISH THIS BUSINESS?”

IF A1≠1 & B3= (1,9) & C1=1; USE “WAS THIS BUSINESS ESTABLISHED BY THE CURRENT OWNER”

IF B3= (1,9) & C1≠1; USE “WAS THIS BUSINESS ESTABLISHED BY THE CURRENT OWNERS”

IF B3= (2,3,7); USE “WAS THIS BUSINESS ESTABLISHED BY THE CURRENT OWNERS”

IF A1=1 & B3= (4,5,6,8) & C20=1; USE “DID YOU ESTABLISH THIS BUSINESS?”

IF A1≠1 & B3= (4,5,6,8) & C20=1; USE “WAS THIS BUSINESS ESTABLISHED BY THE CURRENT OWNER?”

IF B3= (4,5,6,8) & C20≠1; USE “WAS THIS BUSINESS ESTABLISHED BY THE CURRENT OWNERS?”

C31. [Did you establish this business/Was this business established by the current owners], or was an existing business purchased, inherited, or acquired as a gift?

**MOVED TO CF ESTAB**

- ESTABLISHED BY CURRENT OWNERSHIP .....1
- PURCHASED.....2
- INHERITED OR ACQUIRED AS A GIFT .....3
- PUBLICLY TRADED.....4** **ADD**
- DK or RF .....DK or RF

**ALL RESPONSES → GO TO C32**

**QUESTION BY QUESTION NOTES**

- C32.** In the case where the business is purchased or inherited by current owners, the start-up of the business occurred with owners other than the current owners. In this instance, we do not want the date of the firm's establishment, but rather the date that the current owners obtained the firm.

When the respondent gives a number of years as an answer, subtract the number of years from 2004 and verify the resultant year with the respondent. For example, if the respondent says, "Two years ago," ask "Do you mean 2002?"

The valid entry range is 1900 to 2003. It is unlikely that owners could have owned the firm for more than 103 years.

- C32.1** If the respondent cannot or will not give a year, try to determine the approximate number of years ago the business was founded/purchased/acquired by the current owners and code that range. Remember, we are asking how long the current owner has owned the firm. The firm may have been established earlier if the current owner purchased or inherited the firm, but we are only interested in the length of time the current owner has owned the business.

1

C32. When was the business [established/purchased/acquired] by the current owner(s). If different years, report the earliest.

***(INTERVIEW YEAR – C32) MOVED TO CF FAGE (firm age in years)***

YEAR: \_\_\_\_\_ → GO TO SKIP16  
 EX ..... EX → GO TO SKIP16  
 DK or RF ..... DK or RF → GO TO C32.1

C32.1 Can you tell me approximately when the current owner(s) [established/purchased/acquired] the business? ***COLLAPSED TO C32***

Less than 1 year ago ..... 1  
 1-3 years ago ..... 2  
 4-6 years ago ..... 3  
 7-9 years ago ..... 4  
 10-15 years ago ..... 5  
 More than 15 years ago ..... 6  
 DK or RF ..... DK or RF


**RANGE CHECK: 1900 ≤ C32 ≤ 2004**

***BACKFILLED: IF CF ESTAB=4 THEN CF FAGE=A0 CURRYR - C30 1  
 ELSE CF FAGE=A0 CURRYR - C32***

**QUESTION BY QUESTION NOTES**

**C34.** Determines if more than 50% of the firm is owned or controlled by a single family. Family includes brothers, sisters, parents, spouses, children, grandchildren, aunts, uncles, cousins, etc., either natural or adopted.

--Some respondents may volunteer that the business is exactly 50% owned by a single family. In this case, code as response 3=EXACTLY 50%.



**SKIP16**

IF B3=1 OR B3=9 OR C20=1  
ALL OTHERS

→ GO TO SECTION D  
→ GO TO C34

C34. During 2003, was this business owned exclusively by members of the same family? (Family refers to spouses, parents/guardians, brothers, sisters, or close relatives.) **MOVED TO CF FAMILY**

IF R ASKS WHAT “FAMILY” MEANS, SAY: A single family does not need to be limited to an immediate family. It may include an extended family group related through marriage. Family includes brothers, sisters, parents, spouses, children, grandchildren, aunts, uncles, cousins, etc., both natural and adopted.

YES.....1  
NO.....2  
DK or RF.....DK or RF

ALL RESPONSES → GO TO SECTION D

**CF FAMILY = 2 IF PUBLICALLY TRADED (CF ESTAB=4)**  
**CF FAMILY = 1 IF SOLE PROP (B3 IN (1,9)) OR CF OWNERS=1**

<b>CF AGE</b>	<b><i>Weighted average age of owners</i></b>	<b><i>ADD</i></b>
<b>CF ASIAN</b>	<b><i>Weighted % of ownership that is Asian</i></b>	<b><i>ADD</i></b>
<b>CF AS HA</b>	<b><i>Weighted % of ownership that is Asian or Native Hawaii or Other Pacific Islander</i></b>	<b><i>ADD</i></b>
<b>CF BLACK</b>	<b><i>Weighted % of ownership that is Black</i></b>	<b><i>ADD</i></b>
<b>CF EDUC</b>	<b><i>Weighted average education level of owners</i></b>	<b><i>ADD</i></b>
<b>CF ESTAB</b>	<b><i>How firm was established</i></b>	<b><i>ADD</i></b>
<b>CF EXPER</b>	<b><i>Weighted average experience of owners</i></b>	<b><i>ADD</i></b>
<b>CF FAGE</b>	<b><i>Age of firm in years</i></b>	<b><i>ADD</i></b>
<b>CF FAMILY</b>	<b><i>Firm owned by single family in 2003</i></b>	<b><i>ADD</i></b>
<b>CF FEMALE</b>	<b><i>Weighted % of ownership that is Female</i></b>	<b><i>ADD</i></b>
<b>CF HAWAII</b>	<b><i>Weighted % of ownership that is Native Hawaii or Other Pacific Islander</i></b>	<b><i>ADD</i></b>
<b>CF HISP</b>	<b><i>Weighted % of ownership that is Hispanic</i></b>	<b><i>ADD</i></b>
<b>CF MANAGE</b>	<b><i>At least one owner responsible for day-to-day</i></b>	<b><i>ADD</i></b>
<b>CF MINHIS</b>	<b><i>Weighted % of ownership that is Minority or Hispanic</i></b>	<b><i>ADD</i></b>
<b>CF MINOR</b>	<b><i>Weighted % of ownership that is Minority</i></b>	<b><i>ADD</i></b>
<b>CF MORE10</b>	<b><i>One owner with at least 10% share</i></b>	<b><i>ADD</i></b>
<b>CF NATIVE</b>	<b><i>Weighted % of ownership that is American Indian or Alaska Native</i></b>	<b><i>ADD</i></b>
<b>CF OWNERS</b>	<b><i>Number of owners</i></b>	<b><i>ADD</i></b>
<b>CF WHITE</b>	<b><i>Weighted % of ownership that is White</i></b>	<b><i>ADD</i></b>
<b>CF W NH</b>	<b><i>Weighted % of ownership that is White and Non-Hispanic</i></b>	<b><i>ADD</i></b>

**QUESTION BY QUESTION NOTES**

- D1.** Determines the number of different sites where the firm has offices, plants or stores, including what is considered the main or home site. Sites located outside the U.S. are to be counted as well. Only positive integer answers are allowed.
- D1.1** If the respondent cannot or will not tell you how many sites the firm has, try to determine approximate number of sites and code that range.
- D2.** If the firm has more than one site, we are interested in knowing how many of these different sites are in the same locality as the main or home site. Generally speaking:

--If the firm is in a rural area, the county will be used to define local area.

--If the firm is located in a metropolitan area then we are interested in the number of total offices located in the same metropolitan area regardless of whether they are in the same county.

The number recorded here must be less than or equal to the number recorded in D1, if both are answered. The condition is that D2 must be less than or equal to D1. Only non-negative integer answers are allowed.



**Subsection D. FIRM DEMOGRAPHICS**

D1. At how many different sites does the firm have offices, plants, or stores, including the main office?

**IF R ASKS WHAT “SITE” MEANS, SAY:** A site is usually defined as an economic unit, generally at a single physical location, where business is conducted or services or industrial operations are performed.

NUMBER: \_\_\_\_\_ → **GO TO SKIP18**  
 DK or RF.....DK or RF → **GO TO D1.1**  
 EX.....EX → **GO TO SKIP18**

**SOFT RANGE CHECK: NUMBER >0 AND < 100**  
**HARD RANGE CHECK: NUMBER > 0 AND <500**

D1.1 Can you tell me approximately how many different sites this business has? Is it...

**COLLAPSED TO D1**

Less than or equal to 3 .....1  
 4 to 7 .....2  
 8 to 15 .....3  
 More than 15 .....4  
 DK or RF.....DK or RF

**SKIP18**

IF D1 = 1 → **GO TO D3**  
 ELSE → **GO TO D2**

**PROGRAMMER NOTE  
 FOR D2**

USE “METROPOLITAN AREA” FOR BUSINESSES IN METROPOLITAN AREAS,  
 “COUNTY/PARISH/BOROUGH” FOR OTHER BUSINESSES.

D2. Again including the main office, how many of these sites are located in the same (metropolitan area/county/parish/borough) as the main office?

NUMBER: \_\_\_\_\_  
 DK or RF.....DK or RF

**BACKFILLED: D2=1 IF D1=1**

**RANGE CHECK: IF D1>1 THEN D2 ≤ D1; IF D1.1=1 THEN D2≤3;  
 IF D1.1=2 THEN D2≤7; IF D1.1=3 THEN D2≤15;  
 D2≥1**

**QUESTION BY QUESTION NOTES**

**D3.** Determines the primary (more than 50%) area where the business sells its goods or services.

NOTE: If respondent says in a neighboring state or more than one state, code "Within the region."

NOTE: If respondent indicates they only do business on-line or by telephone, code -1 and add comment.

**D4.** Determines if the firm uses computers for any business purpose. If the owner has a computer and volunteers that its use is strictly for personal applications, code this "NO."

**D5.** Determines different ways the firm uses computers for business. Check all that apply.

D3. Where does the business primarily sell or deliver its products or services? Within the city of the firm’s main office, within the county/Metropolitan area of the firm’s main office, within the state of the firm’s main office, within the region, throughout the country, outside the United States, or globally?

- WITHIN THE CITY.....1
- WITHIN THE COUNTY/METROPOLITAN AREA .....2
- WITHIN THE STATE.....3
- WITHIN THE REGION.....4
- THROUGHOUT THE COUNTRY.....5
- OUTSIDE THE UNITED STATES.....6
- GLOBALLY/BOTH NATIONALLY & INTERNATIONALLY ..7
- INTERNET/PHONE.....8
- OTHER.....9

**READ:** Please specify \_\_\_\_\_

**DROP**

DK or RF.....DK or RF

D4. Does ([FIRM]) use computers for business purposes?

- YES.....1
- NO.....2
- DK or RF.....DK or RF

→ **GO TO SECTION N**  
 → **GO TO SECTION N**

D5. Does ([FIRM]) use a computer for any of the following tasks...? (READ EACH ITEM ON LIST FOR YES OR NO RESPONSE. CODE ALL THAT APPLY)

**1=YES, 2=NO**

**MOVED TO:**

- to do Online Banking.....1
- for an E-mail or Internet connection.....2
- to purchase business products and services via the Internet.....3
- to sell business products and services via the Internet.....4
- to apply for loans or other forms of credit online.....5
- to manage inventory.....6
- for administrative functions such as word processing.....7
- to manage the firm’s accounts/bookkeeping.....8
- or to do other business tasks.....9

**D5T1**  
**D5T2**  
**D5T3**  
**D5T4**  
**D5T5**  
**D5T6**  
**D5T7**  
**D5T8**  
**D5T9**

**READ:** Please specify \_\_\_\_\_

**DROP**

to directly contribute to the firm’s primary business activity.....10

**D5T10**

**ADD**

**ALL RESPONSES → GO TO SECTION N**

**QUESTION BY QUESTION NOTES**

- N1.** This question will help to identify what information the respondent is using to answer questions. This information will be helpful in aiding the respondent in identifying the correct response for future questions.
  
- N2.1** For respondents reporting the use of tax forms, we would like to know which form they are using.

**Subsection N. RECORDS**

**READ5:** The next set of questions is about the firm’s sources of financial services. In the package of materials we sent to you, we included a worksheet and indicated that it would be most helpful to have completed the worksheet prior to the interview or to have your financial records available before we call you.

N1. Which type or types of written records are you using for this interview? CODE ALL THAT APPLY. IF NECESSARY, READ FIRST ALL RESPONSES EXCEPT “FROM MEMORY”)

IWER INFO: IF R VOLUNTEERS “NONE”, ONLY CODE 5, “FROM MEMORY” SHOULD BE SELECTED

IWER INFO: ALLOW RESPONDENT TIME TO GET WRITTEN RECORDS.

	<b><u>I=YES, 2=NO</u></b>
	<b><u>MOVED TO:</u></b>
Completed IRS tax forms or attachments .....	<b><u>N11</u></b>
The worksheet that we sent you.....	<b><u>N12</u></b>
Financial statements or accounting reports.....	<b><u>N13</u></b>
Bank statements .....	<b><u>N14</u></b>
FROM MEMORY/NONE .....	<b><u>N15</u></b>
Any other written records .....	<b><u>N16</u></b>
<b>READ:</b> Please specify _____	
DK or RF.....	<b><u>DROP</u></b>

**SKIP19**

IF N1≠1 & N1≠3	→ GO TO SECTION II
IF N1=1 & N1≠3 & B3=(2,3,5, OR 7)	→ GO TO SECTION II
IF N1=1 & B3=(1 OR 9)	→ GO TO N2.1
IF N1=1 & B3=(4,6, OR 8)	→ GO TO N2.2
IF N1=3 & [N1≠1 or B3=(2,3,5, OR 7)]	→ GO TO N3

N2.1 Which IRS tax form or attachment did you use for the fiscal year ending [DATE]?

Form 1040 Schedule C.....	1
Form 1040 Schedule C-EZ .....	2
DK or RF.....	DK or RF

**ALL RESPONSES → GO TO SKIP20**

**QUESTION BY QUESTION NOTES**

- N2.2** C-Corporations are allowed to file IRS Form 1120 or 1120A. We would like to know which form the firm filed.
- N3** For respondents who report using accounting records, this question asks whether the statements were compiled, reviewed, or audited by a professional accountant.

N2.2 Which IRS tax form or attachment did you use for the fiscal year ending [DATE]?

Form 1120.....1  
 Form 1120A.....2  
 DK or RF.....DK or RF

<b>SKIP20</b>	
IF N1≠3	→ GO TO SECTION II
IF N1=3	→ GO TO N3

N3. Were the financial statements or accounting reports compiled, reviewed, or audited by a professional accountant or accounting firm, or were they prepared for management use only? (CODE ALL THAT APPLY.)

	<b><u>I=YES, 2=NO</u></b>
	<b><u>MOVED TO:</u></b>
COMPILED.....1	<b><u>N3T1</u></b>
REVIEWED.....2	<b><u>N3T2</u></b>
AUDITED.....3	<b><u>N3T3</u></b>
PREPARED FOR MANAGEMENT USE ONLY.....4	<b><u>N3T4</u></b>
NONE OF THE ABOVE.....5	<b><u>N3T5</u></b>
DK or RF.....DK or RF	

<p><b>RANGE CHECK:</b>  <b>IF N3=5 THEN N3 CANNOT ALSO = 1,2,3,OR 4</b></p>
---

**ALL RESPONSES → GO TO SECTION II**

**QUESTION BY QUESTION NOTES**

**E1.** Checking accounts are accounts with unlimited check-writing privileges. They include personal checking accounts of owners only when they are primarily used for business purposes.

Business checking accounts generally do not pay interest. They may, however, be tied to an interest bearing money market or savings account into which excess balances are transferred.

--If the package, sometimes referred to as sweep, zero balance, or cash management accounts include an account with unlimited check writing privileges, then this firm has a checking account.

--If the check writing privileges are limited, either on the number of checks that can be written each month, or on the minimum amount the check can be written for, this is not a checking account.

The use of personal checking accounts by firms is a rare event and would normally be limited to proprietorships. Interest-bearing checking accounts are generally personal accounts, which for-profit partnerships and corporations are not permitted to hold.

Money market deposit accounts or money market mutual fund accounts are not considered to be checking accounts unless they offer unlimited checking privileges. Typically, these accounts have limits on the number of checks that can be written or on the minimum size of the checks written. Also, do not include here lines of credit that are accessed by writing checks.

Almost all firms can be expected to have at least one business checking account.



**SECTION II: SOURCES OF FINANCIAL SERVICES**

THIS SECTION DEVELOPS A ROSTER OF INSTITUTIONS OR INDIVIDUALS THAT ARE SOURCES OF FINANCIAL SERVICES USED BY THE FIRM. AS THE RESPONDENT IDENTIFIES A NEW INSTITUTION OR INDIVIDUAL AS A SOURCE, THE SOURCE’S FULL NAME IS ENTERED ON THE NEXT LINE OF THE ROSTER AND IS ASSIGNED A SEQUENTIAL INSTITUTION ID CODE. WHEN THE RESPONDENT INDICATES USING A PARTICULAR SOURCE FOR A NAMED SERVICE, IT IS RECORDED.

DK AND RF RESPONSES ARE NOT ALLOWED FOR SOURCE NAMES, BUT GENERIC OR “FAKE” SOURCE NAMES ARE ALLOWED. A GENERIC/FAKE SOURCE NAME MUST START WITH “XXX” FOLLOWED BY A SPACE AND THEN A DESCRIPTION OF THE SOURCE, E.G., XXX MY FRIEND, OR XXX THE LOCAL BANK.

**READ6:** Throughout the rest of this interview, please answer for the entire company – that is, the main office and all branches and subsidiary companies.

(Now, if you have the worksheet that we sent to you, please turn to the page headed “SSBF FINANCIAL SERVICES & SOURCES OF FINANCING WORKSHEET.”) It will (also) be helpful if you have your bank statements.

IWER INFO: ALLOW THE RESPONDENT TIME TO RETRIEVE THEIR RECORDS

***Subsection E. USE OF DEPOSIT SERVICES***

**READ7:** The first questions are about accounts and investments typically held in banks, savings institutions, credit unions, and brokerage or mutual fund companies. The reference period for these questions is as of today or, if it is easier, as of the date of your last statement.

**Checking Accounts**

**READ8:** We’re now going to talk about checking accounts for the firm.

E1. Does the firm currently have any checking accounts or share draft accounts?

**IF R ASKS WHETHER TO INCLUDE MONEY MARKET ACCOUNTS, READ:** Money Market Deposit Accounts (MMDAs) and Money Market Mutual Funds (MMFs) should be classified as checking accounts only if they offered unlimited checking privileges. Typical limitations on checking would include restrictions on the number of checks written per month or on the smallest amount for which a check could be written.

PROMPT: WORKSHEET SIDE 1 SECTION A

YES.....	1		
NO.....	2	➔	<b>GO TO E4</b>
DK or RF.....	DK or RF	➔	<b>GO TO E4</b>

**QUESTION BY QUESTION NOTES**

- E2.** Enter the name of each institution mentioned. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.
  - As a general rule, obtain the current name of the institution.
- E2.1** When the respondent lists more than 3 checking account institutions for the firm, this question is asked to determine the two institutions with the largest account balances. Select these two institutions.

E2\_(1-20) What is the full name of the [first/next] institution where the firm has checking accounts? **DROP**

PROBE: At what other institutions does ([FIRM]) have checking accounts?

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CHECKING ACCOUNT" FLAGS (TCK1-TCK20).

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF E2\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**SKIP21**

IF 4 OR MORE SOURCES ARE LISTED, DISPLAY SOURCE NAMES → **GO TO E2.1**

IF 3 OR FEWER SOURCES ARE LISTED ASK E3 FOR EACH SOURCE → **GO TO E3**

E2.1\_(1-20) I have recorded checking accounts at (READ NAMES). Which two have the largest balances? **DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP22**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.  
FLAG THE REMAINING CHECKING ACCOUNT SOURCES WITH A CODE "30".

**ASK E3 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

**QUESTION BY QUESTION NOTES**

**E3.** This question will be asked up to three times. If the firm has three or fewer accounts, this question will be asked of all institutions. If the firm has more than 3 accounts, this question will be asked of the two institutions with the largest account balances, and then asked about all remaining institution accounts together.

Enter, to the nearest whole dollar, the current balance, or the balance as of the last statement, for all checking accounts at the given institution(s). If the firm has more than one checking account at the institution, enter the total across all checking accounts at that institution.

Be aware that the balance can be positive or negative.

**E3.1** Try to get the respondent to give you a solid estimate of the balance in the checking account. Record the amount to the nearest whole dollar.

This question will be asked up to three times. If the firm has three or fewer accounts, this question will be asked of all institutions. If the firm has more than 3 accounts, this question will be asked of the two institutions with the largest account balances, and then asked about all remaining institution accounts together.

Enter, to the nearest whole dollar, the current balance, or the balance as of the last statement, for all checking accounts at the given institution(s). If the firm has more than one checking account at the institution, enter the total across all checking accounts at that institution.

Be aware that the balance can be positive or negative.

E3\_(1-3) What is the balance in the firm’s checking account(s) at [(NAME)/all the remaining checking account sources combined]?

PROMPT: WORKSHEET SIDE 1 SECTION A

AMOUNT: \$ \_\_\_\_\_

→ **GO TO E3 FOR NEXT; IF DONE GO TO E4**

DK or RF .....DK or RF

E3.1\_(1-3) Could you give an estimate?

**COLLAPSED TO E3 (1-3)**

AMOUNT: \$ \_\_\_\_\_

DK or RF .....DK or RF

**RANGE CHECK: E3\_(1-3) AND E3.1\_(1-3) CAN BE NEGATIVE NUMBERS**

→ **GO TO E3 FOR NEXT; IF DONE GO TO E4**

**QUESTION BY QUESTION NOTES**

- E4.** Savings accounts are deposit accounts that allow the owner to add or withdraw funds at any time. Savings accounts are offered by commercial banks, savings and loan associations, savings banks, and credit unions. They are sometimes called share accounts at credit unions, savings and loan associations, and savings banks.

Money market deposit accounts and money market mutual fund accounts are considered to be savings accounts. These are accounts that pay a return competitive with money market rates. Checks can be written on these accounts but there are strict constraints to the number of transactions that may occur each month or on the minimum size of checks written.

Certificates of deposit (CDs) are accounts where the depositor holds receipts for the deposits that permit the holder to receive interest plus the deposit at maturity. Time deposits are interest bearing savings deposits or certificates of deposit at a financial institution that generally required the funds be left in the account for a specified length of time (maturity). Withdrawals prior to that time usually impose an early withdrawal penalty on the saver. Although the specified maturity can be for any length of time, typical maturities include 6 months, 1, 2, and 3 years.

Be sure the exclusions stated in the question are clearly understood. Specifically, respondents should not include in this question IRAs, business pension or retirement funds, Keogh accounts, or business trust accounts.

**Savings Accounts**

E4. Does the firm currently have any savings accounts, money market accounts, share accounts, certificates of deposit or CDs, or other time deposits? Please exclude retirement accounts, pension funds, trusts, or any other accounts we've already talked about.

PROMPT: WORKSHEET SIDE 1 SECTION B

YES.....1  
NO.....2  
DK or RF .....DK or RF

**→ GO TO SECTION F**  
**→ GO TO SECTION F**

**QUESTION BY QUESTION NOTES**

- E5.** This question determines if the firm has any savings accounts at institutions previously mentioned in the interview. If yes, select those accounts.
- E5.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.
- As a general rule, obtain the current name of the institution.
- E5.2** When the respondent lists more than 3 savings account institutions for the firm, this question is asked to determine the two institutions with the largest account balances. Select these two institutions.



E5\_(1-20) (Does ([FIRM]) have any of these savings accounts) at (READ EACH NAME ON ROSTER)?

**DROP**

IWER INFO: SET “SAVINGS ACCOUNT” FLAGS (TSV1-TSV20).

IWER INFO: IF VOLUNTEERED, EXCLUDE PERSONAL SAVINGS ACCOUNTS.

E5.1\_(1-20) At what other institutions does your firm have a savings account?

**DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET “SAVINGS ACCOUNT” FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It’s okay if you don’t want to say the actual name. But since I’m going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as “my local bank,” which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER “XXX” FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF E5.1\_(1-20) = “FAKE BANK” SET INSTITUTION AS “FICTITIOUS”; OTHERWISE SET INSTITUTION AS “REAL”

**SKIP23**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES

→ GO TO E5.2

IF 3 OR FEWER SOURCES ARE NAMED ASK E6 FOR EACH SOURCE

→ GO TO E6

E5.2\_(1-20) I have recorded savings accounts at (READ NAMES). Which two have the largest balances?

**DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP24**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.

FLAG THE REMAINING SAVINGS ACCOUNT SOURCES WITH A CODE “30”.

**ASK E6 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE “30”)

**QUESTION BY QUESTION NOTES**

- E6.** This question will be asked up to three times. If the firm has three or fewer accounts, this question will be asked of all institutions. If the firm has more than 3 accounts, this question will be asked of the two institutions with the largest account balances, and then asked about all remaining institution accounts together.

Enter, to the nearest whole dollar, the current balance, or the balance as of the last statement, for all savings accounts at the given institution(s). If the firm has more than one savings account at the institution, enter the total across all savings accounts at that institution.

- E6.1** Try to get the respondent to give you a solid estimate of the balance in the savings account. Record the amount to the nearest whole dollar.

This question will be asked up to three times. If the firm has three or fewer accounts, this question will be asked of all institutions. If the firm has more than 3 accounts, this question will be asked of the two institutions with the largest account balances, and then asked about all remaining institution accounts together.

Enter, to the nearest whole dollar, the current balance, or the balance as of the last statement, for all savings accounts at the given institution(s). If the firm has more than one savings account at the institution, enter the total across all savings accounts at that institution.

E6\_ (1-3) What is the balance in the firm's savings accounts at (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION B

AMOUNT \$ \_\_\_\_\_

→

**GO TO E6 FOR NEXT; IF DONE GO TO SECTION F**

EX ..... EX

→

**GO TO E6 FOR NEXT; IF DONE GO TO SECTION F**

DK or RF.....DK or RF

E6.1\_(1-3) Could you give an estimate?

**COLLAPSED TO E6 (1-3)**

AMOUNT \$ \_\_\_\_\_

DK or RF or EX .....DK or RF or EX

**RANGE CHECK: E6\_(1-3) AND E6.1\_(1-3) MUST BE NON-NEGATIVE NUMBERS**

**→ GO TO E6 FOR NEXT; IF DONE GO TO SECTION F**

## QUESTION BY QUESTION NOTES

**F1.** Credit cards are used to purchase goods and services instead of using cash, checks, debit, or check cards. Payment for the goods and services will generally occur at a later date, generally requiring a minimum amount to be paid on the balance at the end of the month and the rest of the balance is charged interest and carried over to the next month.

--In contrast, debit and check cards are tied to a savings or checking account. Purchases using debit or check cards IMMEDIATELY withdraw funds from another account.

--Do not include debit or check cards. Also, do not include credit cards which require that balances are paid in full at the end of the month

Personal credit cards are issued directly to an individual, and have the individual's name on the card. They do not have the name of the firm on the card. In contrast business credit cards are issued to the "firm" and generally have the firm's name on the card (and may also have the individual's name on the card).

**F2.** Only non-negative integer answers are allowed.

**F2.1** Try to get an estimate. Only non-negative integer answers are allowed.

**F3.** Credit cards require a minimum amount to be paid on the balance at the end of the month and the rest of the balance is charged interest and carried over to the next month. Please do not include debit or check cards or credit cards which require that balances are paid in full at the end of the month.

**F3.1** Try to get an estimate. Credit cards require a minimum amount to be paid on the balance at the end of the month and the rest of the balance is charged interest and carried over to the next month. Please do not include debit or check cards or credit cards which require that balances are paid in full at the end of the month.

**Subsection F. USE OF CREDIT AND FINANCING**

**READ9:** The next questions are about credit cards that are used to pay for business expenses. Please do not include debit or check cards, which are cards that immediately withdraw funds from an account or credit line, or credit cards that require that balances be paid in full at the end of the month.

**Credit Cards**

**READ10:** First, we would like to ask about personal credit cards used for business purposes. Then we're going to ask you about credit cards issued to the firm.

F1. Does [FIRM] use owners' personal credit cards to pay business expenses?

YES.....1  
 NO.....2 → GO TO F4  
 DK or RF.....DK or RF → GO TO F4

F2. On average, about how much per month in new business expenditures does the firm charge to owners' personal credit cards?

AMOUNT: \$ \_\_\_\_\_ → GO TO F3  
 DK or RF.....DK or RF

F2.1 Can you give an estimate? **COLLAPSED TO F2**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF.....DK or RF

**RANGE CHECK: F2 AND F2.1 MUST BE NON-NEGATIVE NUMBERS**

F3. Are the business expenses charged on owners' personal credit cards generally paid in-full or are balances typically owed after monthly payments are made?

PAID IN FULL.....1 → GO TO F3.2  
 OWED BALANCES .....2  
 DK or RF.....DK or RF

F3.1 On average, what is the balance of business charges on all owners' personal credit cards after payments are made?

AMOUNT: \$ \_\_\_\_\_ → GO TO F3.2  
 DK or RF.....DK or RF

**BACKFILLED: F3 1=0 IF F3=1**

## QUESTION BY QUESTION NOTES

**F3.1.1** Try to get an estimate.

**F3.2** Enter the interest rate on the credit card now, not when it was initially approved. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer greater than 25, use the exception code and procedure.

NOTE: If a respondent says the interest rate is tied to prime, ask for the current rate. If they do not know the current rate, use the exception code and procedure.

**F3.2.1** Try to get an estimate. Enter the interest rate on the credit card now, not when it was initially approved. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer greater than 25, use the exception code and procedure.

**F3.3** Introductory rates are typically offered for a specific period of time, typically as an incentive for acquiring the card or transferring balances from other cards.

**F3.4** Length is typically given in months.

NOTE: If length indicates that this is a rate that will last throughout the life of the card, then code -1 and add comment.

NOTE: If length is less than two weeks, enter 0.

F3.1.1 Can you give an estimate?

**COLLAPSED TO F3 1**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF.....DK or RF

**RANGE CHECK: F3.1 AND F3.1.1 >0**

F3.2 What is the interest rate paid on the owners' personal credit card most frequently used for business purchases?

IWER INFO: IF RESPONSE IS RATE IS VARIABLE, FLOATING, OR TIED TO PRIME OR OTHER INDEX, ASK FOR CURRENT RATE. IF CURRENT RATE NOT KNOWN, CODE EX AND COMMENT.

PERCENTAGE: \_\_\_\_\_ % → **SKIP25**  
 DK or RF.....DK or RF → **GO TO F3.2.1**

F3.2.1 Can you give an estimate of the current rate? **COLLAPSED TO F3 2**

PERCENTAGE: \_\_\_\_\_ % → **SKIP25**  
 DK or RF.....DK or RF → **GO TO F4**

**F3 2 LR Long-run personal credit card rate ADD**

**BACKFILLED: F3 2 LR = F3 5 IF F3 3 = 1**  
**F3 2 LR = F3 2 IF F3 3 ≠ 1**

**SOFT RANGE CHECK: F3.2 AND F3.2.1 ≥0 AND ≤25**

**SKIP25**

If F3.2 ≤ 6 or F3.2.1 ≤ 6	→	<b>GO TO F3.3</b>
ELSE	→	<b>GO TO F4</b>

F3.3 Is this a limited time introductory interest rate?

YES.....1 → **GO TO F4**  
 NO.....2 → **GO TO F4**  
 DK or RF.....DK or RF → **GO TO F4**

F3.4 For how many months will you have this introductory interest rate?

IWER INFO: IF R RESPONDS IN WEEKS, PROBE FOR MONTHS. IF 2 WEEKS OR LESS, ENTER 0.

LENGTH: \_\_\_\_\_ MONTHS  
 DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

**F3.5** Enter the interest rate on the card after the introductory period has ended. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If respondent gives a negative answer or an answer greater than 25, use the exception code and procedure.

NOTE: If a respondent says the interest rate is tied to prime, ask for the current rate. If they do not know the current rate, use the exception code and procedure.

**F3.5.1** Try to get an estimate.

**F4.** Business credit cards are issued directly to the firm, NOT the owner. Business credit cards have the name of the business on the card, and may also have the owner's name on the card.

**F5.** Only non-negative integer answers are allowed.

**F5.1** Try to get an estimate. Only non-negative integer answers are allowed.



F3.5 What will the interest rate be after the introductory period? **MOVED TO F3 2 LR**

IWER INFO: IF RESPONSE IS RATE WILL BE VARIABLE, FLOATING, OR TIED TO PRIME OR OTHER INDEX, CODE EX AND COMMENT.

PERCENTAGE: \_\_\_\_\_ % → GO TO F4  
 DK or RF.....DK or RF → GO TO F3.5.1

F3.5.1 Can you give an estimate of what that rate will be? **COLLAPSED TO F3 5**

PERCENTAGE: \_\_\_\_\_ % → GO TO F4  
 DK or RF.....DK or RF

**SOFT RANGE CHECK: F3.5 AND F3.5.1 ≥0 AND ≤25**

F4. Does the firm use business or corporate credit cards for business expenses?

YES.....1 → GO TO READ11  
 NO.....2 → GO TO READ11  
 DK or RF.....DK or RF → GO TO READ11

F5. On average, about how much per month in new business expenditures does the firm charge to these business or corporate credit cards?

AMOUNT: \$ \_\_\_\_\_ → GO TO F6  
 DK or RF.....DK or RF

F5.1 Can you give an estimate? **COLLAPSED TO F5**

AMOUNT \$ \_\_\_\_\_  
 DK or RF.....DK or RF

**RANGE CHECK: F5 AND F5.1 MUST BE NON-NEGATIVE NUMBERS**

## QUESTION BY QUESTION NOTES

**F6.** Credit cards require a minimum amount to be paid on the balance at the end of the month and the rest of the balance is charged interest and carried over to the next month. Please do not include debit or check cards or credit cards which require that balances are paid in full at the end of the month.

**F6.1** Only positive integer answers are allowed ( $\geq 1$ ).

**F6.1.1** Try to get an estimate. Only positive integer answers are allowed ( $\geq 1$ ).

**F6.2** Enter the interest rate on the credit card now, not when it was initially approved. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer or greater than 25, use the exception code and procedure.

NOTE: If a respondent says the interest rate is tied to prime, ask for the current rate. If they do not know the current rate, use the exception code and procedure.

**F6.2.1** Try to get an estimate. Enter the interest rate on the credit card now, not when it was initially approved. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer greater than 25, use the exception code and procedure.

**F6.3** Introductory rates are typically offered for a specific period of time, typically as an incentive for acquiring the card or transferring balances from other cards.

F6. Are the business expenses charged on the firm's business or corporate credit cards generally paid in-full or are balances typically owed after monthly payments are made?

PAID IN FULL.....1 → GO TO F6.2  
 OWED BALANCES .....2  
 DK or RF.....DK or RF

F6.1 On average, what is the balance of business charges on the firm's business or corporate credit cards after monthly payments are made?

AMOUNT: \$ \_\_\_\_\_ → GO TO F6.2  
 DK or RF.....DK or RF → GO TO F6.1.1

F6.1.1 Can you give an estimate? **COLLAPSED TO F6 1**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF.....DK or RF

**BACKFILLED: F6 1=0 IF F6=1**

**RANGE CHECK: F6.1 AND F6.1.1 > 0**

F6.2 What was the interest rate paid on the firm's most frequently used business or corporate credit card?

IWER INFO: IF RESPONSE IS RATE IS VARIABLE, FLOATING, OR TIED TO PRIME OR OTHER INDEX, ASK FOR CURRENT RATE. IF CURRENT RATE NOT KNOWN, CODE EX AND COMMENT.

PERCENTAGE: \_\_\_\_\_ % → SKIP27  
 DK or RF.....DK or RF

F6.2.1 Can you give an estimate? **COLLAPSED TO F6 2**

PERCENTAGE: \_\_\_\_\_ % → SKIP27  
 DK or RF.....DK or RF → GO TO READ11

**F6\_2\_LR Long-run business credit card rate** **ADD**

**BACKFILLED: F6 2 LR = F6 5 IF F6 3 = 1**  
**F6 2 LR = F6 2 IF F6 3 ≠ 1**

**SOFT RANGE CHECK; F6.2 and F6.2.1 ≥ 0 AND ≤ 25**

**SKIP27**

If F6.2 ≤ 6 or F6.2.1 ≤ 6 → GO TO F6.3  
 ELSE → GO TO READ11

F6.3 Is this a limited time introductory interest rate?

YES.....1  
 NO.....2 → GO TO READ11  
 DK or RF.....DK or RF → GO TO READ11

**QUESTION BY QUESTION NOTES**

**F6.4** Length is typically given in months.

NOTE: If length indicates that this is a rate that will last throughout the life of the card, then code -1 and add comment.

NOTE: If length is less than two weeks, enter 0.

**F6.5** Enter the interest rate on the card after the introductory period has ended. The valid entry range is 0 to 25. Answers up to two decimal places required.

NOTE: If respondent gives a negative answer or an answer greater than 25, use the exception code and procedure.

NOTE: If a respondent says the interest rate is tied to prime, ask for the current rate. If they do not know the current rate, use the exception code and procedure.

**F6.5.1** Try to get an estimate.

F6.4 For how many months will you have this introductory interest rate?

**MOVED TO F6 2 LR**

IWER INFO: IF R RESPONDS IN WEEKS, IF 2 WEEKS OR LESS ENTER 0, PROBE FOR MONTHS.

LENGTH: \_\_\_\_\_ MONTHS  
DK or RF.....DK or RF

F6.5 What will the interest rate be after the introductory period?

IWER INFO: IF RESPONSE IS RATE WILL BE VARIABLE, FLOATING, OR TIED TO PRIME OR OTHER INDEX, CODE EX AND COMMENT.

PERCENTAGE: \_\_\_\_\_ %                      →     **GO TO READ11**  
DK or RF.....DK or RF    →     **GO TO F6.5.1**

F6.5.1 Can you give an estimate what that rate will be?

**COLLAPSED TO F6 5**

PERCENTAGE: \_\_\_\_\_ %  
DK or RF.....DK or RF

**SOFT RANGE CHECK: F6.5 AND F6.5.1 ≥0 AND ≤25**

## QUESTION BY QUESTION NOTES

**F7.** A line of credit is generally arranged before funds are actually needed. The funds can be borrowed at the discretion of the borrower. Common types of lines of credit are (1) open lines of credit and (2) revolving lines of credit.

- (1) Open lines of credit are informal agreements usually lasting one year. They generally are not secured (collateralized) and are typically renewed if the financial condition of the borrower has not deteriorated.
- (2) Revolving lines of credit are formal agreements lasting several years (often two or three years). They are often used to finance inventory or accounts receivable. They also may be used for temporary financing of fixed assets until long-term financing can be arranged.

Some firms may also use personal lines of credit. Record personal lines of credit **ONLY IF** the credit line is used primarily for business expenses. As a rule, if the account is used more than half the time for business expenses, consider it a business line of credit.

Some checking accounts have “overdraft protection.” If a check is written exceeding the checking account balance, the financial institution honors the check but makes a short-term loan to the firm. Do not include “overdraft” accounts as lines of credit.

**NOTE:** Some firms might report credit cards as lines of credit. However, as the read indicates, we want lines of credit other than credit card accounts.

**Lines of Credit**

**READ11:** The next questions are about lines of credit. Lines of credit are arrangements with a financial institution that allow a firm to borrow funds during a specified period up to a specific credit limit. Include home equity lines of credit used for business purposes. Do not include credit card accounts or trade credit with suppliers.

**IWER INFO:** IF THE ACCOUNT IS USED FOR BUSINESS PURPOSES, INCLUDE IT.

F7. Does ([FIRM]) have any lines of credit used for business purposes?

PROMPT: WORKSHEET SIDE 1 SECTION C

- YES.....1
- NO.....2 → **GO TO READ13**
- DK or RF .....DK or RF → **GO TO READ13**

**QUESTION BY QUESTION NOTES**

- F8.** This question determines if the firm has any lines of credit at institutions previously mentioned in the interview. If yes, select those institutions.
- F8.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.
- As a general rule, obtain the current name of the institution.
- F8.2** When the respondent lists more than 3 institutions with lines of credit for the firm, this question is asked to determine the two institutions with the largest credit limits. Select these two institutions.



F8\_(1-20) (Does the firm have lines of credit) at (READ EACH NAME ON ROSTER)?

**DROP**

IWER INFO: SET "LINES OF CREDIT" FLAGS (TLC1-TLC20).

F8.1\_(1-20) Where else does your firm have a line of credit?

**DROP**

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF F8.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**SKIP29**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES

→

**GO TO F8.2**

IF 3 OR FEWER SOURCES ARE NAMED ASK F9-15 FOR EACH SOURCE

→

**GO TO F9**

F8.2\_(1-20) I have recorded lines of credit at (READ NAMES). Which two have the largest credit limits?

**DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP30**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.

FLAG THE REMAINING LINES OF CREDIT SOURCES WITH A CODE "30".

**ASK F9-15 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

## QUESTION BY QUESTION NOTES

- F9.** Enter the number of lines of credit the firm had with the named institution/source. Typically, a firm will have only one line of credit with any single institution/source. Only positive integer answers are allowed.
- F10.** This question refers to the specified limit on the line of credit, not the amount available after current borrowing. That is, the total amount that could be borrowed if the firm did not borrow anything from the institution/source as of the specified date. If the respondent does not know this amount, then use the prompt provided to get an estimated amount and record the estimate. Only positive integer answers are allowed.
- F10.1** Try to get an estimate.
- This question refers to the specified limit on the line of credit, not the amount available after current borrowing. That is, the total amount that could be borrowed if the firm did not borrow anything from the institution/source as of the specified date. If the respondent does not know this amount, then use the prompt provided to get an estimated amount and record the estimate. Only positive integer answers are allowed.
- F11.** Enter the amount of money currently owed on all lines of credit to the institution/source. F11 should not be greater than F10. It is unusual for a firm to owe more than the credit limit. In these circumstances, probe the respondent for an explanation. If a data entry error occurred at a previous question and the amount owed does not exceed the credit limit, go back and carefully record the correct information. If it is, find out why, enable the exception key, <F9>, and record the amount and explanation. Only non-negative integer answers are allowed.
- F11.1** Try to get an estimate. Enter the amount of money currently owed on all lines of credit to the institution/source. F11.1 should not be greater than F10. It is unusual for a firm to owe more than the credit limit. In these circumstances, probe the respondent for an explanation. If a data entry error occurred at a previous question and the amount owed does not exceed the credit limit, go back and carefully record the correct information. If it is, find out why, enable the exception key, <F9>, and record the amount and explanation. Only non-negative integer answers are allowed.

F9\_(1-3) How many lines of credit does the firm have with (NAME)?  
PROMPT: WORKSHEET SIDE 1 SECTION C

NUMBER: \_\_\_\_\_  
DK or RF or EX..... DK or RF or EX

**SOFT RANGE CHECK: IF F9\_(1-3) >0 AND <11  
RANGE CHECK: F9\_(1-3) >0 AND <101**

**PROGRAMMER NOTE  
FOR F10  
IF F9\_(1-3) >1 USE "SUMMING ACROSS ALL CREDIT LINES"  
IF F9\_(1-3) = 1 USE "OF THIS CREDIT LINE"**

F10\_(1-3) What is the total credit limit [of this credit line/summing across all credit lines] at (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, what is the credit limit before any funds are borrowed?

PROMPT: WORKSHEET SIDE 1 SECTION C

AMOUNT \$ \_\_\_\_\_ → GO TO F11  
DK or RF..... DK or RF  
EX ..... EX → GO TO F11

F10.1\_(1-3) Could you give an estimate? **COLLAPSED TO F10 (1-3)**

AMOUNT: \$ \_\_\_\_\_  
DK or RF or EX..... DK or RF or EX

**RANGE CHECK: F10\_(1-3) AND F10.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

F11\_(1-3) What is the amount owed [on this credit line/summing across all credit lines] at (NAME)?  
PROMPT: WORKSHEET SIDE 1 SECTION C

AMOUNT \$ \_\_\_\_\_ → GO TO F13  
EX ..... EX → GO TO F13  
DK or RF..... DK or RF

F11.1\_(1-3) Could you give an estimate? **COLLAPSED TO F11 (1-3)**

AMOUNT \$ \_\_\_\_\_  
DK or RF or EX..... DK or RF or EX

**RANGE CHECK: F11\_(1-3) & F11.1\_(1-3) MUST BE NON-NEGATIVE INTEGERS;  
F11\_(1-3) or F11.1\_(1-3) ≤ F10\_(1-3) or F10.1\_(1-3)**

## QUESTION BY QUESTION NOTES

**F13.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be personally liable for the firm's debts.

Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.

If the respondent does not understand what a cosigner or guarantor is, read the prompt.

**F14.** Determines if any sort of collateral was required to secure the line of credit. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a mortgage on a home. If the loan is not repaid, the lender can take over ownership of the home.

In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

**F14.1** If code 1, "YES", was entered for F14, then we want to know what collateral was required for the line of credit. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets mean real estate/assets of owners that are not used in the business.

**F14.V** Enter verbatim what respondent says.

**EXPANDED CODEFRAME FOR F14.1(1-3):**

**What collateral was required? Was it...(1=YES, 2=NO)**

**F14 IT1 (1-3): inventory or accounts receivable**

**F14 IT2 (1-3): business equipment or vehicles**

**F14 IT3 (1-3): business securities or deposits**

**F14 IT4 (1-3): business real estate**

**F14 IT5 (1-3): personal real estate**

**F14 IT6 (1-3): other personal assets**

**F14 IT7 (1-3): other collateral (may include personal or business assets not otherwise specified)**

**.D: Don't know**

**.R: Refuse**

**.S: Legitimate skip**

F13\_(1-3) Was a personal guarantee, a cosigner, or other guarantor required to obtain any line of credit at (NAME)?

**IF R ASKS WHAT “COSIGNER” OR “GUARANTOR” MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- YES.....1
- NO.....2
- DK or RF .....DK or RF

F14\_(1-3) Was collateral required for [this/any of these] line(s) of credit?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should the firm fail to repay the debt?

- YES.....1
- NO.....2      →      **GO TO SKIP31**
- DK or RF .....DK or RF      →      **GO TO SKIP31**

F14.1\_(1-3) What collateral was required? Was it...(CODE ALL THAT APPLY).

**IWER INFO:** IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED.

- inventory or accounts receivable .....1
- business equipment or vehicles.....2
- business securities or deposits.....3
- business real estate .....4
- personal real estate .....5
- other personal assets.....6
- or something else .....7

**I=YES; 2=NO**

**MOVED TO:**

**F14 IT1 (1-3)**

**F14 IT2 (1-3)**

**F14 IT3 (1-3)**

**F14 IT4 (1-3)**

**F14 IT5 (1-3)**

**F14 IT6 (1-3)**

**F14 IT7 (1-3)**

READ: Please specify: \_\_\_\_\_

- DK or RF .....DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 104**

**SKIP31**

IF FIRM HAS CHECKING OR SAVINGS ACCOUNTS AT (NAME)  
IF NO CHECKING OR SAVINGS AT (NAME)

→ GO TO F15  
→ GO TO F9 FOR NEXT SOURCE OR, IF DONE, GO TO READ13

**QUESTION BY QUESTION NOTES**

- F15.** Compensating balances are funds that a borrower must keep in a checking or other deposit account as part of a line of credit agreement. Only lines of credit from depository institutions (i.e., commercial banks, savings and loan associations, savings banks, and credit unions) can have compensating balance requirements.

If the respondent does not understand what a compensating balance is, then read the prompt.

**PROGRAMMER NOTE  
FOR F15**

IF F9>1 USE "DID ANY LINES OF CREDIT"  
IF F9=1 USE "DID THE LINE OF CREDIT"

F15\_(1-3) (Did any lines of credit/Did the line of credit) at (NAME) require compensating balances in checking or savings accounts?

**IF R ASKS WHAT "COMPENSATING BALANCE" MEANS, SAY:** Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the line of credit.

YES.....1  
NO.....2  
DK or RF .....DK or RF

**→ GO TO F9 FOR NEXT SOURCE OR, IF DONE, GO TO READ13**

**QUESTION BY QUESTION NOTES**

**F20.** Generally, mortgages are loans that are used to purchase real estate, with or without buildings, and these loans are usually collateralized (secured) with real estate. Commercial mortgages are used to purchase commercial property. Personal mortgages are used to purchase personal property.

--However, if the funds from a personal mortgage are used for business purposes, include this as a business mortgage.

--Also, if an owner has a second mortgage on his/her home and uses these funds primarily for business purposes, include this as a business mortgage.

Do not include funds obtained from home equity lines of credit. These should have been included earlier as a line of credit.



**Mortgages**

**READ13:** Now I am going to ask you about other loans. These loans are typically obtained from banks, savings institutions, finance companies, and sometimes friends and individuals.

F20. First, does the firm have any mortgages used for business purposes? These include personal mortgages if proceeds of the personal mortgage are used for business purposes. An example would be a second mortgage on personal property used for business purposes

PROMPT: WORKSHEET SIDE 1 SECTION D

YES.....	1		
NO.....	2	➔	<b>GO TO READ14</b>
DK or RF.....	DK or RF	➔	<b>GO TO READ14</b>

**QUESTION BY QUESTION NOTES**

**F21.** This question determines if the firm has any mortgages at institutions previously mentioned in the interview. If yes, select those institutions.

**F21.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.

--As a general rule, obtain the current name of the institution.

**F21.2** When the respondent lists more than 3 institutions with mortgages for the firm, this question is asked to determine the two institutions with the largest balances. Select these two institutions.

F21\_(1-20) (Are any of these mortgages) at (READ EACH NAME ON ROSTER)?

**DROP**

IWER INFO: SET "MORTGAGE" FLAGS (TMG1-TMG20).

F21.1\_(1-20) Where else does the firm have mortgages for business purposes?

**DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "MORTGAGE" FLAG.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF F21.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**SKIP34**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES

→

**GO TO F21.2**

IF 3 OR FEWER SOURCES ARE NAMED ASK F22-26 FOR EACH SOURCE

→

**GO TO F22**

F21.2\_(1-20) I have recorded mortgages at (READ NAMES). Which two have the largest balances?

**DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP35**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.

FLAG THE REMAINING MORTGAGE SOURCES WITH A CODE "30".

**ASK F22-26 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

## QUESTION BY QUESTION NOTES

**F22.** Enter the number of mortgages the firm had with the institution/source displayed in the question. Only positive integer answers are allowed.

**F23.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the mortgage. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple mortgages, it would be necessary to calculate the amount of principal remaining for each individual mortgage and then add those amounts to determine the total principal owed.

**F23.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the mortgage. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple mortgages, it would be necessary to calculate the amount of principal remaining for each individual mortgage and then add those amounts to determine the total principal owed.

**F24.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be personally liable for the firm's debts.

Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.

If the respondent does not understand what a cosigner or guarantor is, read the prompt.

F22\_(1-3) How many mortgages does the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION D

NUMBER: \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**SOFT RANGE CHECK: F22\_(1-3) >0 AND<51; RANGE CHECK; F22\_(1-3) >0 AND<101**

**PROGRAMMER NOTE  
FOR F23  
IF F22\_(1-3)=1 USE "THIS"  
IF F22-(1-3)>1 USE "ALL THESE"**

F23\_(1-3) What is the total amount of principal owed on [this/all these] mortgage[s] at (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

**IF R NEEDS MORE HELP, SAY:** We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION D

AMOUNT: \$ \_\_\_\_\_ → **GO TO F24**  
DK or RF .....DK or RF → **GO TO F24**  
EX.....EX

F23.1\_(1-3) Could you give an estimate? **COLLAPSED TO F23 (1-3)**

AMOUNT: \$ \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**RANGE CHECK: F23\_(1-3) AND F23.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

F24\_(1-3) Was a personal guarantee, a cosigner, or other guarantor required to obtain [this/any of these] mortgage[s] at (NAME)?

**IF R ASKS WHAT "COSIGNER" OR "GUARANTOR" MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES.....1  
NO.....2  
DK or RF .....DK or RF

## QUESTION BY QUESTION NOTES

**F26.** Most mortgages are collateralized by the property that is being purchased. Try to determine if there is any collateral that was used to secure the mortgage, including collateral other than the real estate. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a mortgage on a home. If the loan is not repaid, the lender can take over ownership of the home.

In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

**F26.1** If code 1, "YES", was entered for F26, then we want to know what types of collateral were required for the mortgage. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets mean real estate/assets of owners that are not used in the business.

**F26.1V** Enter verbatim what respondent says.

**EXPANDED CODEFRAME FOR F26.1(1-3):**

**What collateral was used to secure the mortgage(s)? Was it... (1=YES, 2=NO)**

**F26 1T1 (1-3): inventory or accounts receivable**

**F26 1T2 (1-3): business equipment or vehicles**

**F26 1T3 (1-3): business securities or deposits**

**F26 1T4 (1-3): business real estate**

**F26 1T5 (1-3): personal real estate**

**F26 1T6 (1-3): other personal assets**

**F26 1T7 (1-3): other collateral (may include personal or business assets not otherwise specified)**

**.D: Don't know**

**.R: Refuse**

**.S: Legitimate skip**

F26\_(1-3) (Was this mortgage/Were these mortgages) you obtained from (NAME) collateralized by business real estate, personal real estate or something else?

YES.....1  
 NO.....2

DK or RF .....DK or RF

→ GO TO F22 FOR NEXT SOURCE OR, IF DONE, GO TO READ14  
 → GO TO F22 FOR NEXT SOURCE OR, IF DONE, GO TO READ14

F26.1\_(1-3) What collateral was used to secure the mortgage(s)? Was it...(READ EACH ITEM ON LIST FOR YES OR NO RESPONSE. CODE ALL THAT APPLY)

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED. **I=YES; 2=NO**

inventory or accounts receivable.....1  
 business equipment or vehicle .....2  
 business securities or deposits .....3  
 business real estate .....4  
 personal real estate .....5  
 other personal assets.....6  
 or something else .....7

**MOVED TO:**  
**F26 1T1 (1-3)**  
**F26 1T2 (1-3)**  
**F26 1T3 (1-3)**  
**F26 1T4 (1-3)**  
**F26 1T5 (1-3)**  
**F26 1T6 (1-3)**  
**F26 1T7 (1-3)**

READ: Please specify: \_\_\_\_\_  
 DK or RF .....DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 114**

→ GO TO F22 FOR NEXT SOURCE OR, IF DONE, GO TO READ14

**QUESTION BY QUESTION NOTES**

- F27.** We want loans for motor vehicles used for the business. Do not include loans for the owners' personal automobiles unless they are used predominantly (more than 50 percent) for business purposes and are considered part of the business equipment.



**Motor Vehicle Loans**

**READ14:** Now I'm going to ask about ([FIRM'S]) motor vehicle loans.

F27. Does the firm have any loans on motor vehicles used primarily for business purposes? Any vehicle that is used for business purposes more than 50 percent of the time should be counted.

PROMPT: WORKSHEET SIDE 1 SECTION E

YES.....	1		
NO.....	2	➔	<b>GO TO READ15</b>
DK or RF.....	DK or RF	➔	<b>GO TO READ15</b>

**QUESTION BY QUESTION NOTES**

**F28.** This question determines if the firm has any motor vehicle loans at institutions previously mentioned in the interview. If yes, select those institutions.

**F28.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.

--As a general rule, obtain the current name of the institution.

**F28.2** When the respondent lists more than 3 institutions with motor vehicle loans for the firm, this question is asked to determine the two institutions with the largest balances. Select these two institutions.

F28\_(1-20) (Does the firm have motor vehicle loans) from (READ EACH NAME ON ROSTER)? **DROP**

IWER INFO: SET “MOTOR VEHICLE LOAN” FLAGS (TMV1-TMV20).

F28.1\_(1-20) Where else does the firm have motor vehicle loans? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET “MOTOR VEHICLE LOAN” FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It’s okay if you don’t want to say the actual name. But since I’m going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as “my local bank,” which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER “XXX” FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF F28.1\_(1-20) = “FAKE BANK” SET INSTITUTION AS “FICTITIOUS”; OTHERWISE SET INSTITUTION AS “REAL”

**SKIP36**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	<b>GO TO F28.2</b>
IF 3 OR FEWER SOURCES ARE NAMED ASK F29-32 FOR EACH SOURCE	➔	<b>GO TO F29</b>

F28.2\_(1-20) I have recorded motor vehicle loans at (READ NAMES). Which two have the largest balances? **DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP37**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.  
FLAG THE REMAINING MOTOR VEHICLE LOAN SOURCES WITH A CODE “30”.

**ASK F29-32 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE “30”)

**QUESTION BY QUESTION NOTES**

**F29.** Enter the number of motor vehicle loans the firm had with the institution/source displayed in the question. Only positive integer answers are allowed.

**F30.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the motor vehicle loan. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple motor vehicle loans, it would be necessary to calculate the amount of principal remaining for each individual motor vehicle loan and then add those amounts to determine the total principal owed.

**F30.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the motor vehicle loan. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple motor vehicle loans, it would be necessary to calculate the amount of principal remaining for each individual motor vehicle loan and then add those amounts to determine the total principal owed.

**F31.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be personally liable for the firm's debts.

Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.

If the respondent does not understand what a cosigner or guarantor is, read the prompt.

F29\_(1-3) How many motor vehicle loans does the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION E

NUMBER: \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**SOFT RANGE CHECK: F29\_(1-3) >0 AND<101; RANGE CHECK; F29\_(1-3) >0 AND<1001**

**PROGRAMMER NOTE  
FOR F30  
IF F29\_(1-3)=1 USE "THIS"  
IF F29\_(1-3)>1 USE "ALL THESE"**

F30\_(1-3) What is the total amount of principal owed on [this motor vehicle loan/all motor vehicle loans the firm has] from (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

**IF R NEEDS MORE HELP, SAY:** We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION E

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF  
EX.....EX

→ GO TO F31  
→ GO TO F31

F30.1\_(1-3) Could you give an estimate?

**COLLAPSED TO F30\_(1-3)**

AMOUNT: \$ \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**RANGE CHECK: F30\_(1-3) AND F30.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

F31\_(1-3) Was a cosigner or other guarantor required to obtain [this/any of these] motor vehicle loan[s] at (NAME)?

**IF R ASK WHAT "COSIGNER" OR "GUARANTOR" MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES.....1  
NO.....2  
DK or RF .....DK or RF

## QUESTION BY QUESTION NOTES

**F32.1** Try to determine if there is any collateral that was used to secure the motor vehicle loan. Most motor vehicle loans are collateralized by the vehicle itself. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a car loan.. If the loan is not repaid, the lender can repossess the automobile.

In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

**F32.2** If code 1, “YES”, was entered for F32.1, then we want to know what types of collateral were required for the motor vehicle loan. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets mean real estate/assets of owners that are not used in the business.

**EXPANDED CODEFRAME FOR F32.2(1-3):**

**What collateral was used to secure the motor vehicle loan(s)? Was it....(1=YES, 2=NO)**

**F32 2T1 (1-3): inventory or accounts receivable**

**F32 2T2 (1-3): business equipment or vehicles**

**F32 2T3 (1-3): business securities or deposits**

**F32 2T4 (1-3): business real estate**

**F32 2T5 (1-3): personal real estate**

**F32 2T6 (1-3): other personal assets**

**F32 2T7 (1-3): other collateral (may include personal or business assets not otherwise specified)**

**.D: Don't know**

**.R: Refuse**

**.S: Legitimate skip**

F32.1\_(1-3) Was collateral required for (this/any of these) motor vehicle loan(s)?

YES .....1

NO .....2

DK or RF .....DK or RF

→ GO TO F29 FOR NEXT SOURCE OR, IF DONE, GO TO READ15  
 → GO TO F29 FOR NEXT SOURCE OR, IF DONE, GO TO READ15

F32.2\_(1-3) What collateral was used to secure the motor vehicle loan(s)? Was it... (READ EACH ITEM ON LIST FOR YES OR NO RESPONSE. CODE ALL THAT APPLY)

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL to SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED

- inventory or accounts receivable.....1
- business equipment or vehicles .....2
- business securities or deposits.....3
- business real estate .....4
- personal real estate .....5
- other personal assets.....6
- or something else .....7

**I=YES; 2=NO**  
**MOVED TO:**  
**F32 2T1 (1-3)**  
**F32 2T2 (1-3)**  
**F32 2T3 (1-3)**  
**F32 2T4 (1-3)**  
**F32 2T5 (1-3)**  
**F32 2T6 (1-3)**  
**F32 2T7 (1-3)**

READ: Please specify: \_\_\_\_\_

DK or RF .....DK or RF

**DROP**

→ GO TO F29 FOR NEXT SOURCE OR, IF DONE, GO TO READ15

**SEE EXPANDED CODEFRAME ON PAGE 122**

**QUESTION BY QUESTION NOTES**

- F33.** Include any type of business loan used to purchase equipment, other than vehicle loans and lines of credit secured by equipment. Such loans will often be used to purchase machines, office furniture, and other types of equipment such as large construction machinery. Often, these loans are collateralized by the equipment purchased.
- F34.** This question determines if the firm has any equipment loans at institutions previously mentioned in the interview. If yes, select those institutions.
- F34.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.
  - As a general rule, obtain the current name of the institution.



**Equipment Loans**

**READ15:** Now I'm going to ask you about equipment loans.

F33. Does ([FIRM]) have any equipment loans?

PROMPT: WORKSHEET SIDE 1 SECTION F

YES.....	1		
NO.....	2	➔	<b>GO TO SKIP40</b>
DK or RF.....	DK or RF	➔	<b>GO TO SKIP40</b>

F34\_(1-20) (Does the firm have equipment loans) from (READ EACH NAME ON ROSTER)? **DROP**

IWER INFO: SET "EQUIPMENT LOAN" FLAGS (TEQ1-TEQ20).

F34.1\_(1-20) Where else does the firm have equipment loans? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "EQUIPMENT LOAN" FLAGS.

**QUESTION BY QUESTION NOTES**

**F34.2** When the respondent lists more than 3 institutions with equipment loans for the firm, this question is asked to determine the two institutions with the largest balances. Select these two institutions.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

**IWER INFO:** FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF F34.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**SKIP38**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	→	<b>GO TO F34.2</b>
IF 3 OR FEWER SOURCES ARE NAMED ASK F35-38 FOR EACH SOURCE	→	<b>GO TO F35</b>

F34.2\_(1-20) I have recorded equipment loans at (READ NAMES). Which two have the largest balances? **DROP**

**IWER INFO:** SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP39**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.  
FLAG THE REMAINING EQUIPMENT LOAN SOURCES WITH A CODE "30".

**ASK F35-38 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

**QUESTION BY QUESTION NOTES**

**F35.** Enter the number of equipment loans the firm had with the institution/source displayed in the question. Only positive integer answers are allowed.

**F36.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the equipment loan. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple equipment loans, it would be necessary to calculate the amount of principal remaining for each individual equipment loan and then add those amounts to determine the total principal owed.

**F36.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the equipment loan. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple equipment loans, it would be necessary to calculate the amount of principal remaining for each individual equipment loan and then add those amounts to determine the total principal owed.

**F37.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be personally liable for the firm's debts. This would normally occur if the business is a corporation.

Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.

If the respondent does not understand what a cosigner or guarantor is, read the prompt.

F35\_(1-3) How many equipment loans does the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION F

NUMBER: \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**SOFT RANGE CHECK: F35\_(1-3) >0 AND<51; RANGE CHECK; F35\_(1-3) >0 AND<101**

F36\_(1-3) What is the total amount of principal owed on [this/these] equipment loan[s] at (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

**IF R NEEDS MORE HELP SAY:** We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION F

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF  
EX ..... EX

→ **GO TO F37**  
→ **GO TO F37**

F36.1\_(1-3) Could you give an estimate?

**COLLAPSED TO F36 (1-3)**

AMOUNT: \$ \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**RANGE CHECK: F36\_(1-3) AND F36.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

F37\_(1-3) Was a personal guarantee, a cosigner, or other guarantor required to obtain [this/any of these] equipment loan[s] at (NAME)?

**IF R ASKS WHAT “COSIGNER” OR “GUARANTOR” MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES.....1  
NO.....2  
DK or RF .....DK or RF

**QUESTION BY QUESTION NOTES**

**F38.1** Try to determine if any collateral was used to secure the equipment loan. Most equipment loans are secured by the equipment itself. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a vehicle loan. If the loan is not repaid, the lender can repossess the vehicle. In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

**F38.2** If code 1, "YES", was entered for F38.1, then we want to know what types of collateral were required for the equipment loan. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets mean real estate/assets of owners that are not used in the business.

**EXPANDED CODEFRAME FOR F38.2(1-3):****What collateral was used to secure the equipment loan(s)? Was it... (1=YES, 2=NO)****F38 2T1 (1-3): inventory or accounts receivable****F38 2T2 (1-3): business equipment or vehicles****F38 2T3 (1-3): business securities or deposits****F38 2T4 (1-3): business real estate****F38 2T5 (1-3): personal real estate****F38 2T6 (1-3): other personal assets****F38 2T7 (1-3): other collateral (may include personal or business assets not otherwise specified)****.D: Don't know****.R: Refuse****.S: Legitimate skip**

F38.1\_(1-3) Was collateral required for (this/any of these) equipment loan(s)?

YES .....1  
NO .....2

DK or RF .....DK or RF

→ GO TO F35 FOR NEXT SOURCE OR, IF DONE, GO TO SKIP40  
→ GO TO F35 FOR NEXT SOURCE OR, IF DONE, GO TO SKIP40

F38.2\_(1-3) What collateral was used to secure the equipment loan(s)? Was it... (READ EACH ITEM ON LIST FOR YES OR NO RESPONSE. CODE ALL THAT APPLY)

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY "Would that include . . ." AND READ EACH TYPE OF COLLATERAL LISTED. **1=YES; 2=NO**

inventory or accounts receivable .....1  
business equipment or vehicles .....2  
business securities or deposits .....3  
business real estate .....4  
personal real estate .....5  
other personal assets .....6  
or something else .....7

**MOVED TO:**  
**F38 2T1 (1-3)**  
**F38 2T2 (1-3)**  
**F38 2T3 (1-3)**  
**F38 2T4 (1-3)**  
**F38 2T5 (1-3)**  
**F38 2T6 (1-3)**  
**F38 2T7 (1-3)**

READ: Please specify \_\_\_\_\_  
DK or RF .....DK or RF

**DROP**

→ GO TO F35 FOR NEXT SOURCE OR, IF DONE, GO TO SKIP40

**SEE EXPANDED CODEFRAME ON PAGE 130**

**QUESTION BY QUESTION NOTES**

**F39.** This question determines whether or not the business (firm) borrowed any funds from partners or stockholders of the firm. In this case, the firm owes the loan proceeds to the partners or stockholders.

If a partner or stockholder takes out a personal loan and uses part of the loan amount for a personal acquisition and another part for business purposes, then only the part of the loan used for business purposes should be reported.

DO NOT INCLUDE funds loaned by the firm to partners and stockholders.

Outstanding balances on personal or business credit cards should be excluded.

**F40.** Enter the total number of loans the firm had from all partners or stockholders. Only positive integer answers are allowed.

**F41.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the owner loan. However, they might know the remaining number of payments left on the loan and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

**F41.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the owner loan. However, they might know the remaining number of payments left on the loan and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.



**Loans from Partners/Stockholders**

	<b>SKIP40</b>		
IF SOLE PROPRIETORSHIP (B3=1 or 9)		→	<b>GO TO READ15A</b>
ALL OTHERS		→	<b>GO TO F39</b>

F39. Sometimes [partners/stockholders] will lend money to their own firms. Does [FIRM] have any loans from [partners/stockholders]?

PROMPT: WORKSHEET SIDE 1 SECTION G

YES .....1  
 NO .....2 → **GO TO READ15A**  
 DK or RF .....DK or RF → **GO TO READ15A**

F40. How many loans does ([FIRM]) have from [partners/stockholders]?

NUMBER: \_\_\_\_\_  
 DK or RF or EX .....DK or RF or EX

**SOFT RANGE CHECK: 0 < F40 < 31; HARD RANGE CHECK: 0 < F40 < 101**

F41. What is the total amount of principal owed on [this/these] loan[s]?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need to know the amount of principal owed, not the total amount of remaining payments, which may include both principal and interest.

**IF R NEEDS MORE HELP, SAY:** We need the loan payoff amount.

AMOUNT: \$ \_\_\_\_\_ → **GO TO READ15A**  
 DK or RF .....DK or RF  
 EX .....EX → **GO TO READ15A**

F41.1 Can you give an estimate? **COLLAPSED TO F41**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF or EX .....DK or RF or EX

**RANGE CHECK: F41 AND F41.1 MUST BE POSITIVE INTEGER NUMBERS**

**QUESTION BY QUESTION NOTES**

- F50.** If the respondent hesitates or indicates that he/she does not understand what a capital lease is, then read the explanation below the question. Do not include leases for renting real estate or office space, unless they meet the conditions of the definition.
- F51.** This question determines if the firm has any capital leases at institutions previously mentioned in the interview. If yes, select those institutions.
- F51.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.
- As a general rule, obtain the current name of the institution.

**Leases**

**READ15A:** Now, we’re going to ask you about capital leases. A capital lease is a form of financing, often offered by the seller, for the purchase of a capital asset such as equipment or a vehicle. Although the payments are referred to as lease payments, title to the property normally transfers at the end of the “lease” with the payment of a nominal amount, such as \$1. For capital leases, only part of the lease payment can be deducted as a cost of doing business. For operating leases, in contrast, the entire lease payment can be deducted.

F50. Does [FIRM] have any capital leases from financial institutions or other sources?

**IF R ASKS WHAT A CAPITAL LEASE IS:** For example, when a firm buys office equipment, such as a photocopier, the seller may offer the purchaser the opportunity to pay for the equipment over time. The financing agreement, which provides for these periodic lease payments, is considered to be a capital lease if the agreement provides for the transfer of title at the end of the lease, at which time the firm pays the seller a token amount like one dollar.

**IF R STILL NEEDS HELP WITH CAPITAL LEASE, SAY:** Capital leases satisfy one of the following conditions: (1) the lease transfers ownership of the asset at the end of the lease term, (2) the lease contains an option for a bargain purchase of the asset, (3) the lease term extends over most of the economic life of the asset, or (4) the lease requires rental payments that approximate the fair market value of the leased asset.

PROMPT: WORKSHEET SIDE 1 SECTION H

YES.....	1		
NO.....	2	➔	<b>GO TO READ16</b>
DK or RF .....	DK or RF	➔	<b>GO TO READ16</b>

F51\_(1-20) (Does the firm have capital leases) at (READ EACH NAME ON ROSTER)? **DROP**

IWER INFO: SET “CAPITAL LEASE” FLAGS (TLE1-TLE20).

F51.1\_(1-20) Where else does your firm have capital leases? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET “CAPITAL LEASE” FLAGS.

**PROGRAMMER NOTE**  
 IF F51.1\_(1-20) = “FAKE BANK” SET INSTITUTION AS “FICTITIOUS”; OTHERWISE SET INSTITUTION AS “REAL”

**SKIP40A**

IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES	➔	<b>GO TO F51.2</b>
IF 3 OR FEWER SOURCES ARE NAMED ASK F52-53 FOR EACH SOURCE	➔	<b>GO TO F52</b>

**QUESTION BY QUESTION NOTES**

- F51.2** When the respondent lists more than 3 institutions with capital leases for the firm, this question is asked to determine the two institutions with the largest balances. Select these two institutions.
- F52.** Enter the number of capital leases the firm had with the institution/source displayed in the question. Capital leases that have been acquired since the reference date or have expired any time before that date should not be included in this number. Only positive integer answers are allowed.
- F53.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the capital lease. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple leases, it would be necessary to calculate the amount of principal remaining for each individual lease and then add those amounts to determine the total principal owed.

- F53.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the capital lease. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, one can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple leases, it would be necessary to calculate the amount of principal remaining for each individual lease and then add those amounts to determine the total principal owed.

F51.2\_(1-20) I have recorded capital leases at (READ NAMES). Which two have the largest balances?

**DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP40B**

FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.  
FLAG THE REMAINING CAPITAL LEASE SOURCES WITH A CODE "30".

**ASK F52-53 UP TO THREE TIMES**: ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE "30")

F52\_(1-3) How many capital leases did the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION H

NUMBER: \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**SOFT RANGE CHECK: F52\_(1-3) >0 AND<51; RANGE CHECK; F52\_(1-3) >0 AND<101**

F53\_(1-3) What is the total amount of principal owed on [this/all these] capital lease[s] at (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need the amount of principal owed, not the total amount of remaining payments which may include both principal and interest.

**IF R NEEDS MORE HELP, SAY:** We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION H

AMOUNT: \$ \_\_\_\_\_

DK or RF .....DK or RF  
EX ..... EX

**→ GO TO F52 FOR NEXT SOURCE, OR IF DONE, GO TO READ16**

**→ GO TO F52 FOR NEXT SOURCE, OR IF DONE, GO TO READ16**

F53.1\_(1-3) Could you give an estimate?

**COLLAPSED TO F53 (1-3)**

AMOUNT: \$ \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**RANGE CHECK: F53\_(1-3) AND F53.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

**→ GO TO F52 FOR NEXT SOURCE, OR IF DONE, GO TO READ16**

**QUESTION BY QUESTION NOTES**

**F54.** Include short-term special purpose loans, working capital loans, unsecured term loans, and any other business loans from financial institutions here.

--Also, include any other loans that R may have forgotten to report earlier. Sometimes when you get to this question, R will recall that he/she forgot to report a line of credit, or vehicle loan, or some other loan type. Record the information in this section. Do not attempt to back up and add the loan to a previous section.

Outstanding balances on personal or business credit cards should be excluded.

**F55.** This question determines if the firm has any other loans at institutions previously mentioned in the interview. If yes, select those institutions.

**F55.1** Enter the name of each institution mentioned. Try to capture as full a name as possible.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.

--As a general rule, obtain the current name of the institution.

**F55.2** When the respondent lists more than 3 institutions with other loans for the firm, this question is asked to determine the two institutions with the largest balances. Select these two institutions.

**Other Loans**

**READ16:** The next questions are about any loans the firm may have other than the ones already discussed.

F54. Does [FIRM] have any other loans from financial institutions or from other sources? This includes loans from friends, relatives, and other sources. Exclude credit cards, credit with suppliers, and loans already discussed.

PROMPT: WORKSHEET SIDE 1 SECTION I

YES.....	1		
NO.....	2	→	<b>GO TO SECTION MRL</b>
DK or RF.....	DK or RF	→	<b>GO TO SECTION MRL</b>

F55\_(1-20) Are any of these **other loans** not yet discussed at (READ NAMES IN ROSTER)? **DROP**

IWER INFO: SET “OTHER LOAN” FLAGS (TOT1-TOT20).

F55.1\_(1-20) From what other sources does your firm have loans? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET “OTHER LOAN” FLAGS.

**PROGRAMMER NOTE**  
 IF E55.1\_(1-20) = “FAKE BANK” SET INSTITUTION AS “FICTITIOUS”; OTHERWISE SET INSTITUTION AS “REAL”

**SKIP41**  
 IF 4 OR MORE SOURCES ARE NAMED, DISPLAY SOURCE NAMES → **GO TO F55.2**  
 IF 3 OR FEWER SOURCES ARE NAMED ASK F56-61 FOR EACH SOURCE → **GO TO F56**

F55.2\_(1-20) I have recorded other loans at (READ NAMES). Which two have the largest balances? **DROP**

IWER INFO: SELECT THE SOURCES WITH THE TWO LARGEST BALANCES

**SKIP42**  
 FLAG THE **TWO** SELECTED SOURCES WITH THEIR INSTITUTION ID CODE.  
 FLAG THE REMAINING OTHER LOAN SOURCES WITH A CODE “30”.  
**ASK F56-61 UP TO THREE TIMES:** ONCE FOR EACH SELECTED SOURCE; ONCE FOR ALL REMAINING SOURCES COMBINED (CODE “30”)

## QUESTION BY QUESTION NOTES

**F56.** Enter the number of other loans the firm had with the institution/source displayed in the question. Only positive integer answers are allowed.

**F57.** Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the other loan. However, they might know the remaining number of payments left on the lease and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple other type loans, it would be necessary to calculate the amount of principal remaining for each individual other loan and then add those amounts to determine the total principal owed.

**F57.1** Try to get an estimate. Only positive integer answers are allowed.

NOTE: A respondent might not know the total amount of principal owed on the other loan. However, they might know the remaining number of payments left on the loan and the amount of each payment. If this is the case, you can estimate the total amount of principal owed by multiplying the number of payments left by the amount of each payment.

In the case of multiple other type loans, it would be necessary to calculate the amount of principal remaining for each individual other loan and then add those amounts to determine the total principal owed.

**F58.** Try to determine what type of loan the respondent is reporting on. Sometimes, these loans would have been collected in earlier sections, but R forgot about it until he/she got to this section. Do not try to back up and add the loan to the earlier section. Record the loan in this section.

**EXPANDED CODEFRAME FOR F58 (1-3)**

**What type of loan is the from (name) Was it ... (check all that apply)**

**F58 T1 (1-3): Line of Credit**

**F58 T2 (1-3): Capital Lease**

**F58 T3 (1-3): Mortgage for Business Purposes**

**F58 T4 (1-3): Motor Vehicle for Business Purposes**

**F58 T5 (1-3): Equipment Loan**

**F58 T6 (1-3): Other Loan**

**.D: Don't know**

**.R: Refused**

**.S: Legitimate Skip**



F56\_(1-3) How many loans [other than those already discussed] does the firm have from (NAME)?

PROMPT: WORKSHEET SIDE 1 SECTION I

NUMBER: \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**SOFT RANGE CHECK: F56\_(1-3) >0 AND <51; RANGE CHECK; F56\_(1-3) >0 AND <101**

F57\_(1-3) What is the principal owed on [this loan/all other loans the firm has, excluding the ones we have already discussed] with (NAME)?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** We need the amount of the principal owed, not the total amount of remaining payments, which may include both principal and interest.

**IF R NEEDS MORE HELP, SAY:** We need the loan payoff amount.

PROMPT: WORKSHEET SIDE 1 SECTION I

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF  
EX EX

→ GO TO F58  
→ GO TO F58

F57.1\_(1-3) Could you give an estimate?

**COLLAPSED TO F57 (1-3)**

AMOUNT:\$ \_\_\_\_\_  
DK or RF or EX.....DK or RF or EX

**RANGE CHECK: F57\_(1-3) AND F57.1\_(1-3) MUST BE POSITIVE INTEGER NUMBERS**

F58\_(1-3) What type(s) of loan(s) [is this/are these] loan(s) from (NAME)? [Are they/is it]...

**IWER INFO:** IF F56\_(1-3)>1 OR F56\_(1-3)=DK or RF, READ LIST, AND CODE ALL THAT APPLY. IF F56\_(1-3)=1, STOP WHEN RESPONDENT GIVES ONE ANSWER.

**I=YES; 2=NO**  
**MOVED TO:**  
**F58 T1 (1-3)**  
**F58 T2 (1-3)**  
**F58 T3 (1-3)**  
**F58 T4 (1-3)**  
**F58 T5 (1-3)**  
**F58 T6 (1-3)**

- line of credit.....1
- capital lease.....2
- mortgage for business purposes .....3
- vehicle loan for business purposes .....4
- equipment loan.....5
- other loan .....6

READ: Please specify \_\_\_\_\_  
DK or RF .....DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 140**

## QUESTION BY QUESTION NOTES

**F59.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be personally liable for the firm's debts. This would normally occur if the business is a corporation.

Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.

If the respondent does not understand what a cosigner or guarantor is, read the prompt.

**F60.** Try to determine if there is any collateral that was used to secure this other loan. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a mortgage on a home. If the loan is not repaid, the lender can take over ownership of the home.

In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

**F60.1** If code 1, "YES", was entered for F60, then we want to know what type of collateral was required for this other type of loan. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets both mean real estate/assets of the owners that are not used in the business.

**EXPANDED CODEFRAME FOR F60.1(1-3):**

**What collateral was used to secure the equipment loan(s)? Was it... (1=YES, 2=NO)**

**F60 1T1 (1-3): inventory or accounts receivable**

**F60 1T2 (1-3): business equipment or vehicles**

**F60 1T3 (1-3): business securities or deposits**

**F60 1T4 (1-3): business real estate**

**F60 1T5 (1-3): personal real estate**

**F60 1T6 (1-3): other personal assets**

**F60 1T7 (1-3): other collateral (may include personal or business assets not otherwise specified)**

**.D: Don't know**

**.R: Refuse**

**.S: Legitimate skip**

F59\_(1-3) Was a personal guarantee, a cosigner, or other guarantor required to obtain [this/any of these] loan[s] at (NAME)?

**IF R ASKS WHAT “COSIGNER” OR “GUARANTOR” MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

- YES.....1
- NO.....2
- DK or RF .....DK or RF

F60\_(1-3) Was collateral required to secure (this loan/any of these loans)?

**IF R ASKS WHAT “COLLATERAL” MEANS, SAY:** That is, was the firm required to pledge as security any business or personal property that can be taken by (NAME) should [FIRM] fail to repay the debt?

- YES.....1
- NO.....2 → **GO TO SKIP43**
- DK or RF .....DK or RF → **GO TO SKIP43**

F60.1\_(1-3) What collateral was required to secure the loan? Was it...(CODE ALL THAT APPLY)

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED.

- Inventory or accounts receivable .....1 **F60 IT1 (1-3)**
- Business equipment or vehicles .....2 **F60 IT2 (1-3)**
- Business securities or deposits.....3 **F60 IT3 (1-3)**
- Business real estate .....4 **F60 IT4 (1-3)**
- Personal real estate.....5 **F60 IT5 (1-3)**
- Other personal assets.....6 **F60 IT6 (1-3)**
- Or something else.....7 **F60 IT7 (1-3)**

READ: Please specify: \_\_\_\_\_  
DK or RF .....DK or RF

**1=YES; 2=NO**

**MOVED TO:**

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 142**

**SKIP43**

IF F58\_(1-3) = 1 AND FIRM HAS CHECKING OR SAVINGS ACCOUNT AT (NAME)  
ELSE

- **GO TO F61\_(1-3)**
- **GO TO F56 FOR NEXT SOURCE OR, IF DONE, GO TO MRL**

**QUESTION BY QUESTION NOTES**

- F61.** Compensating balances are funds that a borrower must keep in a checking or other deposit account as part of a line of credit agreement. Only lines of credit from depository institutions (i.e., commercial banks, savings and loan associations, savings banks, and credit unions) can have compensating balance requirements.

If the respondent does not understand what a compensating balance is, then read the prompt.

F61\_(1-3) Did any lines of credit at (NAME) require compensating balances in checking or savings accounts?

**IF R ASKS WHAT “COMPENSATING BALANCE” MEANS, SAY:** Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

YES.....1

NO.....2

DK or RF .....DK or RF

**➔ GO TO F56 FOR NEXT SOURCE OR, IF DONE, GO TO MRL**

**QUESTION BY QUESTION NOTES**

**MRL1.** Only zero or positive integer numbers are allowed here.

**MRL1.1** If the respondent cannot or will not give you the number of times the firm applied for a loan in the past three years, try to determine whether the number of attempts was never, once, or more than once.

**MRL2.** Only zero or positive integer numbers are allowed here.

***Subsection MRL. MOST RECENT LOAN SECTION***

**READ17:** The next section is about recent applications for credit. This includes renewals of, and new applications for, lines of credit and other types of loans. Do not include applications for credit cards, loans from owners, or trade credit with suppliers. Also, do not include applications that were withdrawn or that are still pending.

MRL1. First, we would like to ask about RENEWALS of existing lines of credit.

During the *last three years*, how many times did the firm attempt to renew existing lines of credit?

Do not include applications for NEW lines of credit.

NUMBER: \_\_\_\_\_ → GO TO MRL2  
DK/RF .....DK/RF → GO TO MRL1.1

**RANGE CHECK: NUMBER ≥ 0**

MRL1.1 Did you attempt to renew an existing line of credit once, more than once, or not at all?

ONCE .....1 **COLLAPSED TO MRL1**  
MORE THAN ONCE .....2  
NOT AT ALL.....3 **RECODED TO 0**  
DK/RF .....DK/RF

**PROGRAMMER NOTE  
FOR MRL2**  
IF MRL1>0 OR MRL1.1 ≠3 USE “EXCLUDING RENEWALS OF EXISTING LINES OF CREDIT, HOW”;  
OTHERWISE USE “HOW”

MRL2. (Excluding renewals of existing lines of credit, how/How) many times in the *last three years* did the firm apply for new loans?

**IF R ASKS IF LINES OF CREDIT SHOULD BE INCLUDED, SAY:** Do not include renewals of line of credit that we asked for in previous questions.

NUMBER: \_\_\_\_\_ → GO TO SKIP44  
DK/RF .....DK or RF → GO TO MRL3

**RANGE CHECK: NUMBER ≥ 0**

**QUESTION BY QUESTION NOTES**

- MRL3.** If the respondent cannot or will not give you the number of times the firm applied for a loan in the past three years, try to determine whether the number of attempts was never, once, or more than once.
- MRL4.1** For a firm that has recently applied only for one loan, this question controls the movement through the rest of section MRL.



MRL3. Did you apply once, more than once, or not at all for new loans, excluding renewals of lines of credit?

ONCE.....1  
 MORE THAN ONCE .....2  
 NOT AT ALL .....3  
 DK/RF .....DK/RF

**COLLAPSED TO MRL2**

**RECODED TO 0**

<b>SKIP44</b>	
IF MRL2 = 1 or MRL3 = 1	→ GO TO MRL4.1 (single new loan)
IF MRL2 > 1 or MRL3 = 2	→ GO TO MRL4.2 (multiple new loans)
IF (MRL2=0 OR MRL3=3) AND (MRL1>1 OR MRL1.1=2)	→ GO TO READ17a (multiple renewal)
IF (MRL2=0 OR MRL3=3) AND (MRL1=1 OR MRL1.1=1)	→ GO TO MRL4.3 (single renewal)
IF MRL3=DK/RF AND (MRL1>1 OR MRL1.1=2)	→ GO TO READ17a (multiple renewal)
IF MRL3=DK/RF AND (MRL1=1 OR MRL1.1=1)	→ GO TO MRL4.3 (single renewal)
IF (MRL2=0 OR MRL3=3 OR MRL3=DK/RF) AND (MRL1=0 OR MRL1.1=3 OR MRL1.1=DK/RF)	→ GO TO MRL31 (no new loan or renewal)

**MRL4. Were the most recent loan applications always approved, always denied, or sometimes approved and sometimes denied? (Combines responses from MRL.1, MRL.2, MRL4\_1-MRL4\_3) ADD**

ALWAYS APPROVED.....1  
 ALWAYS DENIED .....2  
 SOMETIMES APPROVED/SOMETIMES DENIED3  
 DK/RF .....DK/RF

MRL4.1 Was this recent loan application approved or denied?

**MOVED TO MRL4**

APPROVED.....1  
 DENIED .....2  
 DK/RF .....DK/RF

→ GO TO MRL5  
 → GO TO MRL23  
 → GO TO MRL31

**QUESTION BY QUESTION NOTES**

**MRL4.2** For a firm that has recently applied for more than one loan, this question controls the movement through the rest of section MRL.

**MRL4.3** For a firm that has recently applied only for a renewal of an existing line of credit, this question controls the movement through the rest of section MRL.

MRL4.2 Were these recent loan applications always approved, always denied, or sometimes approved and sometimes denied? **MOVED TO MRL4**

ALWAYS APPROVED.....	1	➔	<b>GO TO READ18</b>
ALWAYS DENIED.....	2	➔	<b>GO TO READ20</b>
SOMETIMES APPROVED/SOMETIMES DENIED	3	➔	<b>GO TO READ18</b>
DK/RF .....	DK or RF	➔	<b>GO TO MRL31</b>

**READ17A:** Now, I'd like you to think about the firm's most recent request for a renewal of a line of credit.

MRL4.3 Was the recent line of credit renewal approved or denied? **MOVED TO MRL4**

APPROVED.....	1	➔	<b>GO TO MRL5</b>
DENIED.....	2	➔	<b>GO TO MRL23</b>
DK/RF .....	DK/RF	➔	<b>GO TO MRL31</b>

**QUESTION BY QUESTION NOTES**

**MRL5.** This question determines at which institution/source the firm applied for its most recently approved loan. If it was a previously mentioned institution/source, then select that institution/source. If it was NOT a previously mentioned institution/source, record full name of that institution/source.

.  
Enter the name of each institution mentioned. Try to capture as full a name as possible.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name.

--As a general rule, obtain the current name of the institution.

**MRL6.** Determines the type of loan for the most recently approved application.

**READ18:** Now I'd like you to think about the firm's most recent request for a loan or line of credit that was approved.

**PROGRAMMER NOTE  
FOR MRL5**

IF MRL4.3=1 USE "THIS MOST RECENT REQUEST FOR A RENEWAL OF A LINE OF CREDIT?";  
OTHERWISE USE "THIS MOST RECENT LOAN OR NEW LINE OF CREDIT?"

MRL5. What is the name of the institution or source where [FIRM] applied for (this most recent loan or new line of credit?/this most recent request for a renewal of a line of credit?) [SHOW ROSTER OF INSTITUTIONS.] **DROP**

INSTITUTION: \_\_\_\_\_ → **SET INST FLAG (TMRA1-TMRA20)**

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

**IWER INFO:** FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF MRL5 = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**SKIP45**

IF MRL4.3 = 1 → **GO TO MRL7**  
ELSE → **GO TO MRL6**

MRL6. For the most recent request approved by (NAME), what type of credit was obtained? Was it a (READ LIST)...

- New Line of Credit .....1
- Capital Lease.....2
- Mortgage for Business Purposes.....3
- Vehicle Loan for Business Purposes .....4
- Equipment Loan.....5
- Some Other Type of Loan.....6

**READ:** Please SPECIFY **DROP**

Line of Credit Renewal .....7 **ADD**

DK or RF .....DK or RF

**BACKFILLED: MRL6=7 IF MRL1>0 AND MRL2=0**

**PROGRAMMER NOTE**

USE "LINE OF CREDIT" IF MRL6=1 OR MRL4.3 = 1; OTHERWISE USE "LOAN"

**QUESTION BY QUESTION NOTES**

**MRL7.** Enter a two-digit numeric value for the month and four digits for the year when this most recent request for a loan or a new line of credit was approved.

Range for month is 1-12. Range for year is 2001-2005.

**MRL8.** This question determines the length of the on-going relationship with the institution prior to the loan application.

If this is a renewal of a line of credit, count the amount of time up to the most recent request for a renewal.

**MRL8.1** We want to know how the firm applied to the institution for credit.

**MRL8.1.1** If the firm did not apply in person initially, we want to know if they eventually had to go to a branch or loan production office in person in order to complete the application process.

MRL7. When did the firm make this most recent request for a (loan/line of credit) that was approved?

MONTH: \_\_\_\_\_ YEAR: \_\_\_\_\_  
 EX ..... EX

**MOVED TO MRL7 MO  
 AND MRL7 YR**

MRL8. How long had [FIRM] conducted business with (NAME) at the time of this most recent application?

IWER INFO: RESPONSE SHOULD BE ENTERED IN MONTHS AND YEARS. IF LESS THAN 1 MONTH, ENTER 1 MONTH AND 0 YEARS. IF [FIRM] NEVER DID BUSINESS WITH (NAME) PRIOR TO THE APPLICATION, CODE 0 MONTHS AND 0 YEARS.

LENGTH: MONTHS: \_\_\_\_\_ YEARS: \_\_\_\_\_  
 DK or RF ..... DK or RF

**MOVED TO MRL8 (in months)**

MRL8.1 How did the firm initially apply for the most recent (loan/line of credit)? Was it in person, by telephone, by mail, on the internet, or something else?

- IN PERSON ..... 1
- BY TELEPHONE ..... 2
- BY MAIL ..... 3
- DIRECT WITHDRAWAL OR WIRE ..... 4
- THROUGH AN ATM ..... 5
- ON THE INTERNET ..... 6
- OTHER ..... 7

**READ:** Please SPECIFY \_\_\_\_\_  
 DK or RF ..... DK or RF

**DROP**

<b>SKIP46</b>	
IF MRL8.1 ≠ 1	➔ GO TO MRL8.1.1
IF MRL8.1 = 1	➔ GO TO MRL8.2

MRL8.1.1 In order to complete the loan application process, did you eventually have to go to [NAME] in person?

- YES ..... 1
- NO ..... 2
- DK/RF ..... DK or RF

**BACKFILLED: MRL8 1 1 = 1 IF MRL8 1 = 1**

**QUESTION BY QUESTION NOTES**

**MRL8.2** Enter the mileage to the nearest mile. If less than half a mile, then enter "0." The valid entry range is 0 to 100.

If respondent indicates that they do not know the location because they applied via telephone or internet or have never visited the institution, enter "-1."

**MRL8.2.1** If the respondent does not know, then an approximation is fine.



MRL8.2 Approximately how many miles from ([FIRM]) main office is the location where you applied?

IWER INFO: IF RESPONDENT INDICATES THEY DO NOT KNOW THE ANSWER BECAUSE THEY CONDUCTED BUSINESS ONLY BY INTERNET OR PHONE, CODE MILES AS -1. IF LESS THAN 1/2 MILE, CODE MILES AS 0.

MILES: \_\_\_\_\_  
DK/RF .....DK or RF

→ GO TO MRL9

MRL8.2.1 Is it...

**COLLAPSED TO MRL8 2**

- Between 0 and 5 miles .....1
- 6 - 10 miles.....2
- 11 - 15 miles.....3
- 16 - 20 miles .....4
- 21 and 40 miles .....5
- 41 and 60 miles .....6
- 61 and 80 miles .....7
- 81 and 100 miles .....8
- More than 100 miles .....9
- DK or RF .....DK or RF

**QUESTION BY QUESTION NOTES**

- MRL9.** This question captures the reasons the respondent applied to a particular financial institution for a loan. Record verbatim response.
- MRL10.** We are interested in how much money the firm applied for on their most recent application. Sometimes, a lender will approve a loan for a lesser amount than applied for. In a later question, we will determine the amount that was approved, but this question asks about the initial amount the firm requested. Enter the total dollar amount. Only positive integer (whole number) answers are allowed.
- MRL10.1** Try to get an estimate. We are interested in how much money the firm applied for on their most recent application. Sometimes, a lender will approve a loan for a lesser amount than applied for. In a later question, we will determine the amount that was approved, but this question asks about the initial amount the firm requested. Enter the total dollar amount. Only positive integer answers are allowed.
- MRL11.** Compensating balances are funds that a borrower must keep in a checking or other deposit account as part of a line of credit agreement. Only lines of credit from depository institutions (i.e., commercial banks, savings and loan associations, savings banks, and credit unions) can have compensating balance requirements.
- If the respondent does not understand what a compensating balance is, then read the prompt.
- MRL12.** Sometimes a creditor requires that a third party agree to be liable for a debt if the borrower defaults. This third party is called a guarantor or cosigner (these two words mean the same thing). The third party may be an owner, another individual (such as a parent or spouse), a firm, or a government agency that agrees to be liable for the firm's debts.
- Examples of guarantees include the Small Business Administration (SBA)'s 7(a) Guaranteed Business Loan Program and the 503/504 Development Company Loan Program, the Business and Industrial Loan Program of the Farmers Home Administration and the Business Development Program of the Economic Development Administration in the Department of Commerce.
- If the respondent does not understand what a cosigner or guarantor is, read the prompt.
- MRL13.** Try to determine if there is any collateral that was used to secure this other loan. Often, when obtaining credit, the institution requires that the borrower secure the loan with some sort of asset, such as a car, a piece of equipment, a savings account, or real estate. In the event that the loan is not repaid, the lender can take over ownership (repossess) the asset. A simple example is a mortgage on a home. If the loan is not repaid, the lender can take over ownership of the home.
- In contrast, guarantees are pledges or promises to repay, but are not associated with specific assets.

MRL9. What factors influenced the firm’s decision to apply for credit from (NAME).

\_\_\_\_\_

**TOP 3 REASONS MOVED TO  
MRL9R1, MRL9R2, MRL9R3**

**SEE CODEFRAME IN APPENDIX D**

MRL10. What was the total dollar amount for which the firm applied?

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF

→ GO TO SKIP47

MRL10.1 Could you give an estimate?

**COLLAPSED TO MRL10**

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF

**RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL10 AND MRL10.1**

<b>SKIP47</b>	
IF LOAN IS A LINE OF CREDIT (MRL6=1 OR MRL4.3=1)	→ GO TO MRL11
ALL OTHERS	→ GO TO MRL12

MRL11. Did (NAME) require ([FIRM]) to maintain a compensating balance in a checking or savings account?

**IF R ASKS WHAT “COMPENSATING BALANCE” MEANS, SAY:** Compensating balances are funds that (NAME) may have required the firm to keep on deposit as a condition for granting the credit line.

YES .....1  
NO .....2  
DK or RF .....DK or RF

MRL12. Was the firm required to have a personal guarantee, cosigner, or other guarantor?

**IF R ASKS WHAT “COSIGNER” OR “GUARANTOR” MEANS, SAY:** Cosigners and guarantors commit themselves to repay any amount owed should the firm default on the loan.

YES .....1  
NO .....2  
DK or RF .....DK or RF

MRL13. Was any type of collateral required to secure this most recent loan?

YES .....1  
NO .....2  
DK or RF .....DK or RF

→ GO TO SKIP48  
→ GO TO SKIP48

## QUESTION BY QUESTION NOTES

**MRL13.1** If code 1, “YES”, was entered for MRL13, then we want to know what collateral was required for the loan or line of credit. If a respondent volunteers a single answer, it is still necessary to read every category. However, in this case, it is appropriate to briefly go through each response.

Personal real estate and other personal assets means real estate/assets of owners that are not used in the business.

**MRL14.** We want to know how long the firm was given to repay the loan when the firm first obtained the loan. Enter the number of years and/or the number of months for the initial maturity or the length of time over which the firm was to repay the loan.

This question allows an answer in both months and years. You may code -1 - 999 months and 0-99 years. You must enter whole numbers only. For example, an answer of one and a half years may be entered as 6 months and 1 year or 18 months and 0 years.

NOTE: If maturity is less than 1 month, enter 1 month and 0 years.

NOTE: An answer of 0 months and 0 years is not allowed. Instead, enter -1 months and 0 years if respondent indicates no maturity.

**MRL15.** We want to know how long the line of credit was available to the firm. Generally lines of credit are available for one or two years, but after that time, the lender will require the firm to reapply. Enter the number of years and/or the number of months for which the line of credit was available. If this is a renewal, indicate how long the current line of credit has been available.

This question allows an answer in both months and years. You may code -1 - 999 months and 0-99 years. You must enter whole numbers only. For example, an answer of one and a half years may be entered as 6 months and 1 year or 18 months and 0 years.

NOTE: If maturity is less than 1 month, enter 1 month and 0 years.

NOTE: An answer of 0 months and 0 years is not allowed. Instead, enter -1 months and 0 years if respondent indicates no maturity.

**EXPANDED CODEFRAME FOR MRL13 1:****What collateral was used to secure this most recent loan? Was it... (1=YES, 2=NO)****MRL13 1T1: inventory or accounts receivable****.D: Don't know****MRL13 1T2: business equipment or vehicles****.R: Refuse****MRL13 1T3: business securities or deposits****.S: Legitimate skip****MRL13 1T4: business real estate****MRL13 1T5: personal real estate****MRL13 1T6: other personal assets****MRL13 1T7: other collateral**

MRL13.1 What collateral was used to secure this most recent loan? Was it . . . (CODE ALL THAT APPLY).

IWER INFO: IF THE RESPONDENT SAYS ALL ASSETS WERE USED AS COLLATERAL TO SECURE THE LOAN SAY “Would that include . . .” AND READ EACH TYPE OF COLLATERAL LISTED.

- inventory or accounts receivable ..... 1
- business equipment or vehicles ..... 2
- business securities or deposits ..... 3
- business real estate ..... 4
- personal real estate ..... 5
- other personal assets ..... 6
- or something else ..... 7

**I=YES; 2=NO**

**MOVED TO:**

**MRL13 IT1**

**MRL13 IT2**

**MRL13 IT3**

**MRL13 IT4**

**MRL13 IT5**

**MRL13 IT6**

**MRL13 IT7**

**READ:** Please SPECIFY \_\_\_\_\_

DK or RF ..... DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 160**

<b>SKIP48</b>	
IF LOAN IS A LINE OF CREDIT (MRL6=1 OR MRL4.3=1)	→ GO TO MRL15
ALL OTHERS	→ GO TO MRL14

**MRL14F. Did the loan have fixed maturity? 1=YES; 2=NO (derived from MRL14 OR MRL15 = -1) ADD**

MRL14. What is the maturity, or original length of time over which the loan was to be repaid?

**IF R ASKS WHAT “ORIGINAL LENGTH OF TIME” MEANS, SAY:** We would like the original length of time the funds were made available to you. That is, the length of time over which the loan would be repaid.

IWER INFO: ENTER -1 MONTHS AND 0 YEARS IF LOAN MADE W/O ANY FIXED MATURITY. ENTER 1 MONTH AND 0 YEARS IF MATURITY IS LESS THAN 1 MONTH

**MOVED TO MRL14 (in months)**

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS

DK or RF ..... DK or RF

**BACKFILLED: MRL14 = .S IF MRL14 = -1**

**ALL RESPONSES → GO TO MRL16**

MRL15. For how long was the line of credit commitment made?

IWER INFO: ENTER -1 MONTHS AND 0 YEARS IF LOAN MADE W/O ANY FIXED COMMITMENT. ENTER 1 MONTH AND 0 YEARS IF COMMITMENT IS LESS THAN 1 MONTH

**IF R ASKS WHAT “LENGTH OF COMMITMENT” MEANS, SAY:** We would like to know how long this line of credit was to be available to the firm.

**MOVED TO MRL14 (in months)**

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS

DK or RF ..... DK or RF

**BACKFILLED: MRL15 = .S IF MRL15 = -1**

**QUESTION BY QUESTION NOTES**

**MRL16.** Enter the total dollar amount of the credit granted at the time the loan was approved. Only positive integer answers are allowed.

**MRL16.1** Try to get an estimate. Enter the total dollar amount of the credit granted at the time the loan was approved. Only positive integer answers are allowed.

**MRL17.** Identify the type of interest rate applied to the loan or line of credit.

--A fixed interest rate does not change over the life (term) of the loan or line of credit.

--A variable interest rate can change over the life of the loan or line of credit and is usually tied to an economic index such as the prime rate or treasury bill rate.

**MRL18.** When the interest rate is variable, this question identifies to which index the rate is tied.

If a respondent does not know the exact interest rate index (e.g. a mortgage index), then record whatever their answer is in 2= OTHER (SPECIFY).

Definition: The prime rate is the interest rate a bank charges to its most credit worthy business borrowers. The prime rate is often used as a base rate for setting other interest rates.

**MRL19.** The valid entry range is -5 to 10. Answers up to two decimal places required.

NOTE: This question asks for percentage points, not basis points. There are 100 basis points in each percentage point. Therefore, an answer of 100 should alert the interviewer that the respondent is probably reporting the terms in basis points.

**EXPANDED CODEFRAME FOR MRL18:****Was the interest rate tied to the prime rate or some other index?**

**1: Prime rate**

**2: Libor**

**3: None**

**4: Other**

**PROGRAMMER NOTE  
FOR MRL16  
USE "CREDIT LIMIT" IF MRL6=1 OR MRL4.3 = 1; OTHERWISE USE "CREDIT GRANTED"**

MRL16. What was the dollar amount of the [credit granted/credit limit?]

AMOUNT: \$ \_\_\_\_\_ → **GO TO MRL17**  
 DK or RF .....DK or RF

MRL16.1 Could you give an estimate? **COLLAPSED TO MRL16**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF .....DK or RF

**RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL16 AND MRL16.1**

MRL17. Was the interest rate fixed or variable?

**IF R ASKS WHAT "FIXED RATE" OR "VARIABLE RATE" MEANS, SAY:** A fixed interest rate remains constant for the entire term of the loan or line of credit; a variable interest rate may change or fluctuate over the term of the loan.

FIXED .....1 → **GO TO MRL20**  
 VARIABLE .....2  
 DK or RF .....DK or RF → **GO TO MRL20**

MRL18. Was the interest rate tied to the prime rate or some other index?

PRIME RATE .....1  
 OTHER INDEX .....2  
**READ:** Please SPECIFY \_\_\_\_\_ **DROP**  
 NONE .....3 → **GO TO MRL20**  
 DK or RF .....DK or RF

**SEE EXPANDED CODEFRAME ON PAGE 162**

MRL19. How many percentage points over or under this index was the interest rate on this [loan/line of credit]?

IWER INFO: IF PERCENTAGE POINTS ARE UNDER THE INDEX, RECORD RESPONSE WITH A NEGATIVE SIGN.

PERCENTAGE: \_\_\_\_\_ % → **GO TO SKIP49**  
 DK or RF .....DK or RF

**BACKFILLED: MRL19=MRL19/100 IF MRL19 2=1**

**QUESTION BY QUESTION NOTES**

**MRL19.1** Try to get an estimate. The valid entry range is -5 to 10. Answers up to two decimal places required.

NOTE: This question asks for percentage points, not basis points. There are 100 basis points in each percentage point. Therefore, an answer of 100 should alert the interviewer that the respondent is probably reporting the terms in basis points.

**MRL19.2** There are 100 basis points in each percentage point. You are presented with this screen because the respondent gave an answer that is greater than 10 or less than -5 at MRL19 or MRL19.1; we want to clarify if the respondent's answer at MRL19 or MRL19.1 is in basis or percentage points.

**MRL20.** Enter the interest rate on the loan or line of credit when the loan was initially approved. The valid entry range is 3 to 24. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer less than 3 or greater than 24, use the exception code and procedure.

**MRL20.1** Try to get an estimate. Enter the interest rate on the loan or line of credit when the loan was initially approved. The valid entry range is 3 to 24. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer less than 3 or greater than 24, use the exception code and procedure.

**MRL21.** The valid entry range is 0 to 10. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer greater than 10, use the exception code and procedure.

**MRL21.1** Try to get an estimate, The valid entry range is 0 to 10. Answers up to two decimal places required.

NOTE: If a respondent gives a negative answer or an answer greater than 10, use the exception code and procedure.



MRL19.1 Could you give an estimate?

**COLLAPSED TO MRL19**

PERCENTAGE: \_\_\_\_\_ %  
 DK or RF .....DK or RF

→ GO TO SKIP49  
 → GO TO MRL20

**SKIP49**

IF MRL19 or MRL19.1 < -5% or > 10%  
 ALL OTHERS

→ GO TO MRL19.2  
 → GO TO MRL20

MRL19.2 Was your previous answer stated in basis points or percentage points?

**DROP**

**IF R ASKS WHAT “BASIS POINT” MEANS, SAY:** A basis point is one-one hundredth of a percentage point.

BASIS POINTS.....1  
 PERCENTAGE.....2  
 DK or RF .....DK or RF

**BACKFILLED: MRL19 = MRL19/100 IF MRL19 2=1**

MRL20. What was the original interest rate on this [loan/line of credit]?

PERCENTAGE: \_\_\_\_\_ %  
 EX ..... EX  
 DK or RF .....DK or RF

→ GO TO MRL21  
 → GO TO MRL21

MRL20.1 Could you give an estimate?

**COLLAPSED TO MRL20**

PERCENTAGE: \_\_\_\_\_ %  
 DK or RF or EX .....DK or RF or EX

**RANGE CHECK: 1-24%, IF <1 or >24 FORCE A COMMENT/EXPLANATION**

MRL21. How many percentage points did the firm have to pay to close the [loan/line of credit]?

PERCENTAGE: \_\_\_\_\_ %  
 EX ..... EX  
 DK or RF .....DK or RF

→ GO TO MRL22  
 → GO TO MRL22

MRL21.1 Could you give an estimate?

**COLLAPSED TO MRL21**

PERCENTAGE: \_\_\_\_\_ %  
 DK or RF or EX .....DK or RF or EX

**RANGE CHECK: 0-10%, IF <0 or >10 FORCE A COMMENT/EXPLANATION**

**QUESTION BY QUESTION NOTES**

**MRL22.** Even if the respondent says that they paid no fees when obtaining the [loan/line of credit], read the list of fees back to them to be sure they aren't forgetting anything.

If the respondent indicated points were paid (previous question), then the answer to this question cannot be zero. Remind the respondent that points are one of the fees associated with obtaining the loan. Only non-negative integer answers are allowed.

NOTE: If a respondent gives a negative answer, use the exception code and procedure.

**MRL22.1** Try to get an estimate. Even if the respondent says that they paid no fees when obtaining the [loan/line of credit], read the list of fees back to them to be sure they aren't forgetting anything.

If the respondent indicated points were paid (previous question), then the answer to this question cannot be zero. Remind the respondent that points are one of the fees associated with obtaining the loan. Only non-negative integer answers are allowed.

NOTE: If a respondent gives a negative answer, use the exception code and procedure.

MRL22. What was the total dollar amount of fees associated with obtaining the [loan/line of credit]? Please include points, title transfer taxes, lawyer fees, environmental surveys, appraisals, application fees and other expenses at the time of the [loan/line of credit].

**IWER INFO:** IF THE RESPONDENT INDICATED POINTS WERE PAID (PREVIOUS QUESTION), THEN THE ANSWER TO THIS QUESTION CANNOT BE ZERO. REMIND THE RESPONDENT THAT POINTS ARE ONE OF THE FEES ASSOCIATED WITH OBTAINING THE LOAN.

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP50**  
 EX ..... EX → **GO TO SKIP50**  
 DK or RF .....DK or RF

MRL22.1 Could you give an estimate? **COLLAPSED TO MRL22**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF or EX .....DK or RF or EX

**SOFT RANGE CHECK: MRL16 OR MRL16.1 >MRL22 OR MRL22.1**  
**RANGE CHECK: IF MRL21 or MRL21.1 > 0, THEN MRL22 AND MRL22.1 MUST BE POSITIVE**

**SKIP50**

IF MRL4.1 =1 (ONE APPROVED LOAN)	→	<b>GO TO MRL31</b>
IF MRL4.2 = 1(ALWAYS APPROVED)	→	<b>GO TO MRL31</b>
IF MRL4.2 = 3(SOMETIMES APPROVED)	→	<b>GO TO READ20</b>
IF MRL4.3 = 1(RENEWAL LINE APPROVED)	→	<b>GO TO MRL31</b>

**QUESTION BY QUESTION NOTES**

**MRL23.** This question determines at which institution/source the firm applied for its most recently denied loan.

--If it was a previously mentioned institution/source, then select that institution/source.

--If it was NOT a previously mentioned institution/source, record the full name of that institution/source.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.

**READ20:** We would now like to talk about the firm's most recent *denied* loan application. Think about the firm's most recent request for a loan or line of credit that was *denied* or turned down. Do not include applications for credit cards, requests for loans from owners, or trade credit with suppliers. Do not include applications that were withdrawn or that are still pending.

**PROGRAMMER NOTE  
FOR MRL23**

IF MRL4.3=2 USE "THIS MOST RECENT REQUEST FOR A RENEWAL OF A LINE OF CREDIT";  
OTHERWISE USE "THIS MOST RECENT DENIAL"

MRL23. For (this most recent denial/the most recent request for a renewal of a line of credit), what is the name of the institution or source where the firm applied? [SHOW ROSTER OF INSTITUTIONS.] **DROP**

INSTITUTION: \_\_\_\_\_

→ **SET DENIED  
INSTITUTION FLAG  
(TMRD1-TMRD20)**

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

**IWER INFO:** FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF MRL23 = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION  
AS "REAL"

**SKIP51**

IF MRL4.3 = 2

→ **GO TO MRL25**

ELSE

→ **GO TO MRL24**

**QUESTION BY QUESTION NOTES**

**MRL24.** Determines the type of loan for the most recently denied application.

**MRL25.** Enter a two digit numeric value for the month and four-digits for the year when this most recent request for a loan or new line of credit was denied.

Range for month is 1-12 and range for year is 2001-2005.

**MRL26.** This question determines the length of the on-going relationship with the institution prior to the loan application.

If this is a renewal of a line of credit, count the amount of time up to the most recent request for a renewal.

MRL24. For the most recent denial, what type of credit was applied for from (NAME2)? Was it a (READ LIST)?

- New Line of Credit .....1
- Capital Lease.....2
- Mortgage for Business Purposes .....3
- Vehicle Loan for Business Purposes.....4
- Equipment Loan .....5
- Some Other Type of Loan.....6
- READ:** Please SPECIFY
- Line of Credit Renewal .....7
- DK or RF .....DK or RF

**DROP**

**ADD**

**BACKFILLED: MRL24 = 7 IF MRL1=1, MRL2=0, AND MRL4 3=2**

**PROGRAMMER NOTE  
FOR MRL25**

USE "LINE OF CREDIT" IF MRL24=1 OR MRL4.3 = 2; OTHERWISE USE "LOAN"

MRL25. When did ([FIRM]) apply for the (loan/line of credit) that was most recently denied?

**MOVED TO MRL25 MO  
AND MRL25 YR**

MONTH: \_\_\_\_\_ YEAR: \_\_\_\_\_  
EX ..... EX

MRL26. How long had [FIRM] conducted business with (NAME2) at the time of this most recent application?

IWER INFO: RESPONSE SHOULD BE ENTERED IN MONTHS AND YEARS. IF LESS THAN 1 MONTH, ENTER 1 MONTH AND 0 YEARS. IF [FIRM] NEVER DID BUSINESS WITH (NAME2), CODE 0 MONTHS AND 0 YEARS.

IWER INFO: IF R VOLUNTEERS THAT THE INSTITUTION HAS CHANGED NAMES DURING THEIR RELATIONSHIP, ASK FOR THE LENGTH OF THE RELATIONSHIP UNDER CURRENT NAME.

**MOVED TO MRL26 (in months)**

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS  
DK or RF .....DK or RF

**RANGE CHECK: MRL26≥0**

**QUESTION BY QUESTION NOTES**

**MRL26.1** We want to know how the firm applied to the institution for credit.

**MRL26.1.1** If the firm did not apply in person initially, we want to know if they eventually had to go to a branch or loan production office in person in order to complete the application process.

**MRL26.2** Enter the mileage to the nearest mile. If less than half a mile, then enter "0." The valid entry range is 0 to 100.

If respondent indicates that they do not know the location because they applied via telephone or internet or have never visited the institution, code miles as "-1."

**MRL26.2.1** If the respondent does not know the distance, then an approximation is acceptable.



MRL26.1 How did the firm initially apply for the most recent (loan/line of credit)? Was it in person, by telephone, by mail, on the internet, or something else?

- IN PERSON .....1
- BY TELEPHONE .....2
- BY MAIL .....3
- DIRECT WITHDRAWAL OR WIRE.....4
- THROUGH AN ATM.....5
- ON THE INTERNET .....6
- OTHER.....7

**READ:** Please SPECIFY \_\_\_\_\_  
 DK or RF .....DK or RF

**DROP**

**SKIP52**

IF MRL26.1 ≠ 1	→	GO TO MRL26.1.1
IF MRL26.1 = 1	→	GO TO MRL26.2

MRL26.1.1 In order to complete the loan application process, did you eventually have to go to [NAME] in person?

- YES .....1
- NO .....2
- DK/RF .....DK or RF

**BACKFILLED: MRL26 1 1 = 1 IF MRL26 1 = 1**

MRL26.2 Approximately how many miles from ([FIRM]) is the location where you applied?

IWER INFO: IF RESPONDENT INDICATES THEY DO NOT KNOW THE ANSWER BECAUSE THEY CONDUCTED BUSINESS ONLY BY INTERNET OR PHONE, CODE MILES AS -1. IF LESS THAN ½ MILE, CODE MILES AS 0.

MILES: \_\_\_\_\_  
 DK/RF .....DK or RF

→ **GO TO MRL27**

MRL26.2.1 Is it...

**COLLAPSED TO MRL26 2**

- Between 0 and 5 miles .....1
- 6 - 10 miles.....2
- 11 - 15 miles.....3
- 16 - 20 miles ..... 4
- 21 and 40 miles .....5
- 41 and 60 miles ..... 6
- 61 and 80 miles .....7
- 81 and 100 miles .....8
- More than 100 miles .....9
- DK or RF .....DK or RF

## QUESTION BY QUESTION NOTES

- MRL27.** This question captures the reasons the respondent applied to a particular financial institution for a loan. Record verbatim response.
- MRL28.** We are interested in how much money the firm applied for on its most recently denied application. Enter the total dollar amount. Only positive integer answers are allowed.
- MRL28.1** Try to get an estimate. We are interested in how much money the firm applied for on its most recently denied application. Enter the total dollar amount. Only positive integer answers are allowed.
- MRL29.** This question captures the official reasons that the loan was denied. We only want the official reasons given by the institution/source recorded here. The next question captures the reasons other than those officially reported.
- MRL30.** This question determines if the respondent believes there is a reason for a denied loan or line of credit other than those officially reported by the financial institution.
- MRL30.1** This question allows the respondent to tell us reasons for a denied loan or line of credit other than those officially reported by the financial institution.
- MRL31.** This question refers to applications that were not made due to beliefs about eventual refusals. Respondents should include any applications that were withdrawn because they believed they would be turned down.
- MRL31.1** This question captures reasons the firm felt it would be turned down. Record verbatim response.

**CODEFRAME FOR MRL29R1-R3, MRL30R1-R3, AND MRL31R1-R3**

/* Terms of loan sought */		
11 = Insufficient collateral or no guarantee available	47 = Tax Lien, Judgments	98=Not ascertainable
12 = Loan too large	(personal or business lawsuits)	.D=Don't know
13 = Loan too small	/* Miscellaneous */	.R=Refuse
14 = Size of loan (small vs. large n.a.)	51 = Inability to audit account	.S=Legitimate skip
/* Type of loan */	52 = Insufficient time to process application	
21 = Loan would overconcentrate inst. Portfolio	53 = Inadequate documentation provided.	
22 = Institution doesn't like to make loans of this type	54 = Federal rules or regulations make loan difficult or impossible	
/* General reasons */	56 = Economy, slow or weak economy	
30 = Credit history, not otherwise specified	/* Institutional error or prejudice*/	
31 = Business credit history	61 = Institution made a mistake	
32 = Personal credit history	62 = Informational problem, fact blown out of proportion	
33 = Poor balance sheet, financial situation (included embezzlement, fraud, theft)	63 = Arbitrariness	
34 = Firm would fail institution's formula or guidelines (included owner too young, lack of business plan)	64 = Personality conflict	
35 = Ability to renew/repay questionable	65 = Prejudice on racial/ethnic basis	
36 = Firm not in business long enough (included young management)	66 = Prejudice against women	
/* Characteristics of firm */	69 = Prejudice or discrimination (not-specified or other)	
41 = Firm too small for institution, too few assets	/* Other reasons to anticipate turndown */	
42 = Large amount of outstanding loans, overextended	71 = Experience with previous loan applications	
43 = Firm too highly leveraged, too little equity	72 = Banks dont loan to (small) business (includes self-employed or no employees)	
45 = Firm in declining or risky industry	/* Problem responses */	
46 = Bad fit between institution and firm	94=Same as previous	
	95=No particular reason	
	97=Other	

MRL27. What factors influenced the firm’s decision to apply for credit from (NAME2)?

**MOVED TO MRL27R1-R3**

**SEE CODEFRAME IN APPENDIX D**

MRL28. For this most recent denial, what was the total dollar amount for which the firm applied?

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF

→ GO TO MRL29

MRL28.1 Could you give an estimate?

**COLLAPSE TO MRL28**

AMOUNT: \$ \_\_\_\_\_  
DK or RF .....DK or RF

**RANGE CHECK: POSITIVE INTEGER RESPONSE FOR MRL28 AND MRL28.1**

MRL29. For this application, what official reasons did (NAME2) give for denying the firm’s application?

**MOVED TO MRL29R1-R3**

**SEE CODEFRAME ON PAGE 174**

MRL30. Do you think there were any other reasons that the application was turned down?

YES..... 1  
NO ..... 2  
DK or RF ..... DK or RF

→ GO TO MRL31  
→ GO TO MRL31

MRL30.1 What were they?

**MOVED TO MRL30R1-R3**

**SEE CODEFRAME ON PAGE 174**

MRL31. During the last three years, were there times when [FIRM] needed credit, but did not apply because it thought the application would be turned down?

**IF R ASKS ABOUT CANCELLED APPLICATIONS, SAY:** Include applications that were withdrawn because the firm suspected it would be turned down.

YES..... 1  
NO ..... 2  
DK or RF ..... DK or RF

→ GO TO SECTION G  
→ GO TO SECTION G

MRL31.1 Why did you think the firm would have been turned down?

**TOP 3 REASONS MOVED TO MRL31R1-R3**

**SEE CODEFRAME ON PAGE 174**

**ALL RESPONSES → GO TO SECTION G**

**QUESTION BY QUESTION NOTES**

**G1.** Determines if the business used a financial institution or other source to

- (1) obtain cash in the form of currency and coin needed to conduct daily business such as making change on cash payments for goods or services and making refunds,
- (2) deposit cash, checks, and other valuables at an institution overnight, or
- (3) make an inter-bank transfer of funds over the telephone.

If the respondent does not understand the question, then read the prompt.

**G2.** This question determines if the firm has financial services at institutions previously mentioned in the interview. If yes, select those institutions.

**G2.1** Enter the names of the new institutions/sources that are mentioned for financial services. Try to capture as full a name as possible.

--For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution

**Subsection G. USE OF OTHER FINANCIAL SERVICES**

**READ21:** The next questions are about financial services other than loans and checking and savings accounts.

PROMPT: WORKSHEET SIDE 1 SECTION J

G1. The first services we'll ask about are related to business transactions. These services include obtaining paper money or coins, depositing or clearing checks or drafts from business customers, and making night deposits or wire transfers. Does [FIRM] obtain any of these services from a financial institution or other source?

**DEFINITIONS IF R ASKS:** Paper money and coins includes change for retail or wholesale operations.

Night depository allows a firm to deposit cash, checks, and other valuables at an institution overnight.

A wire transfer is an inter-bank transfer of funds by telephone.

YES.....	1		
NO.....	2	→	<b>GO TO G3</b>
DK or RF .....	DK or RF	→	<b>GO TO G3</b>

G2\_(1-20) (Does the firm use any of these transaction services) at (READ EACH NAME ON ROSTER)? **DROP**  
IWER INFO: SET "TRANSACTION SERVICE" FLAGS (TTRNS1-TTRNS20).

G2.1\_(1-20) Where else does the firm use any of these transaction services? **DROP**  
IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "TRANSACTION SERVICE" FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**  
 IF G2.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**QUESTION BY QUESTION NOTES**

**G3.** Cash management services are designed to move excess checking account balances automatically into highly liquid, interest-bearing investments - such as money market accounts or short-term CDs.

Sweep accounts and zero-balance accounts are two types of cash management services provided by banks. Such services may also involve lines of credit.

Lock boxes handle customer payments - the firm's customers send payments to a post office box and the institution/source collects the payments, processes them, and deposits the funds in the firm's account.

If the respondent does not understand cash management services, then read the PROMPT.

**G4.** This question determines if the firm has cash management services at institutions previously mentioned in the interview. If yes, select those institutions.

**G4.1** Enter the names of the new institutions/sources that are mentioned for cash management services. Try to capture as full a name as possible.

-- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.

G3. The next services we'll ask about are related to cash management. Does ([FIRM]) use a financial institution or other source for cash management services, sweep or zero balance accounts, or lock box services?

**DEFINITIONS IF R ASKS:** Cash management services provide for excess checking account balances to be automatically invested in liquid, interest-bearing assets such as money market accounts or short-term certificates of deposit.

A sweep account moves available funds in the account into overnight investments.

A zero balance account maintains a zero balance. When funds are drawn against the account, the exact amount is transferred into the account from a cash management account.

Lock box services handle customer payments: The firm's customers send payments to a post office box, and the institution collects the payments, processes them, and deposits the funds in the firm's account.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES.....	1		
NO.....	2	➔	<b>GO TO G5</b>
DK or RF.....	DK or RF	➔	<b>GO TO G5</b>

G4\_(1-20) Does the firm use any of these cash management services at (READ EACH NAME ON ROSTER)? **DROP**

IWER INFO: SET "CASH MANAGEMENT SERVICE" FLAGS (TCA1-TCA20).

G4.1\_(1-20) Where else does the firm use any of these cash management services? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CASH MANAGEMENT SERVICE" FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**  
 IF G4.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

## QUESTION BY QUESTION NOTES

**G5.** Letters of credit and banker's acceptances are instruments designed to facilitate trade. With these instruments, a financial institution guarantees payment to a third party, thereby substituting the financial institution's credit for its customer's credit. Letters of credit and banker's acceptances are not loans. The financial institution does not collect funds from its customers until the third party draws against these instruments.

A letter of credit is issued by a financial institution on behalf of its customer (e.g., a firm buying inventory) in favor of a third party (e.g., the supplier). There are two types of letters of credit:

- (1) commercial letters of credit (also known as import letters of credit), which are related to specific purchases of merchandise; and
- (2) standby letters of credit, which are not tied to specific purchases but instead represent a source of funds that is available if needed.

A banker's acceptance is a draft or order to pay a specific amount of money on a specified date that is accepted by a financial institution. By accepting the draft, the financial institution indicates its commitment to honor the draft at face value at maturity. Banker's acceptances are tied to specific purchases of goods. Maturities on banker's acceptances range from 30 to 180 days.

Factoring and sales financing are the purchase of a firm's accounts receivable at a discount. Factoring and sales financing may also include management of a firm's accounts receivable, including billing and tracking payments.

If the respondent does not understand this question, then read the PROMPT.

**G6.** This question determines if the firm has credit services at institutions previously mentioned in the interview. If yes, select those institutions.

**G6.1** Enter the names of the new institutions/sources that are mentioned for credit services. Try to capture as full a name as possible.

-- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.



G5. The next services we'll ask about are related to credit. Does ([FIRM]) use banker's acceptances, letters of credit, sales financing or factoring?

**DEFINITIONS IF R ASKS:** A banker's acceptance is an order to pay a specific amount of money on a specified date that has been accepted by a financial institution. Banker's acceptances are tied to specific purchases of goods.

Letters of credit essentially substitute the credit of a third party (usually a large bank) for that of a borrower.

Sales financing and factoring are the purchase of a firm's accounts receivable at a discount.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES.....1  
 NO.....2 → GO TO G7  
 DK or RF.....DK or RF → GO TO G7

G6\_(1-20) (Does the firm use any of these credit related services) at (READ EACH NAME ON ROSTER)?

**DROP**

IWER INFO: SET "CREDIT RELATED SERVICE" FLAGS (TCR1-TCR20).

G6.1\_(1-20) Where else does the firm use any of these credit related services?

**DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "CREDIT RELATED SERVICE" FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF G6.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**QUESTION BY QUESTION NOTES**

**G7.** Personal trusts or personal IRAs should not be included. We are interested only in those services provided to the firm.

If the respondent does not understand the question, then read the PROMPT.

**G8** This question determines if the firm has trust services at institutions previously mentioned in the interview. If yes, select those institutions.

**G8.1** Enter the names of the new institutions/sources that are mentioned for trust services. Try to capture as full a name as possible.

-- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.

G7. The next services we'll ask about are related to trusts. Does ([FIRM]) use a financial institution or other source to manage 401K plans, pension funds, or business trusts?

**DEFINITIONS IF R ASKS:** A 401(k) plan is a retirement plan created and administered by the firm.

A pension fund controls assets and disburses the income to people after they have retired from gainful employment.

A business trust is a service rendered by a trust company or the trust department of a bank including settlement of estates and administration of trusts and guardianships.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES .....1  
NO .....2 → GO TO G9  
DK or RF .....DK or RF → GO TO G9

G8\_(1-20) (Does the firm use any of these trust services) at (READ EACH NAME ON ROSTER)?

**DROP**

IWER INFO: SET "TRUST SERVICE" FLAGS (TTRST1-TTRST20).

G8.1\_(1-20) At what other institutions does the firm use any of these trust services?

**DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "TRUST SERVICE" FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**

IF G8.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**QUESTION BY QUESTION NOTES**

- G9.** If the respondent does not understand brokerage services, then read the PROMPT.
- G10.** This question determines if the firm has brokerage services at institutions previously mentioned in the interview. If yes, select those institutions.
- G10.1** Enter the names of the new institutions/sources that are mentioned for brokerage services. Try to capture as full a name as possible.
- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.

G9. The next services we'll ask about are related to brokerages. Does ([FIRM]) use brokerage services for business purposes?

**IF R ASKS WHAT "BROKERAGE SERVICE" MEANS, SAY:** Brokerage services involve the purchase and sale of stocks, bonds, and other securities.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES .....	1		
NO.....	2	➔	<b>GO TO G11</b>
DK or RF.....	DK or RF	➔	<b>GO TO G11</b>

G10\_(1-20) (Does the firm use any of these brokerage services) at (READ EACH NAME ON ROSTER)? **DROP**

IWER INFO: SET "BROKERAGE SERVICE" FLAGS (TBK1-TBK20).

G10.1\_(1-20) At what other institutions does the firm use any of these brokerage services? **DROP**

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET "BROKERAGE SERVICE" FLAGS.

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It's okay if you don't want to say the actual name. But since I'm going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as "my local bank," which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER "XXX" FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

**PROGRAMMER NOTE**  
 IF G10.1\_(1-20) = "FAKE BANK" SET INSTITUTION AS "FICTITIOUS"; OTHERWISE SET INSTITUTION AS "REAL"

**QUESTION BY QUESTION NOTES**

**G11.** If the respondent does not understand these card processing services, then read the PROMPT.

**G11.1** This question determines which of the services were used by the firm.

G11. The last services we'll ask about are related to credit cards and credit and debit card processing. Does ([FIRM]) use a financial institution or other source to process credit card receipts, signature based debit card or check card purchases, or PIN based debit card purchases?

**DEFINITIONS IF R ASKS:** Credit card receipt processing would be used only by a firm that accepts credit cards. Institutions providing this service take the firm's credit card receipts, collect the funds from the credit card company, and credit the firm's account with the receipts.

Signature-based (check card) transactions are processed the same way as credit card transactions. The customers must sign sales drafts that authorize the merchants to charge their accounts.

PIN-based debit transactions are initiated when customers swipe their debit cards through magnetic card readers. The customers then key their codes into encryption devices called PIN pads. To accept online debit payments, you must have a merchant account, debit processing service, a payment terminal, a receipt printer and a PIN pad.

PROMPT: WORKSHEET SIDE 1 SECTION J

YES .....1  
 NO.....2 → GO TO SECTION H  
 DK or RF.....DK or RF → GO TO SECTION H

G11.1 Which of the services did the firm use?

**MOVED TO G11 1A, G11 1B, G11 1C**

	Yes	No
a. Credit card receipt processing	1	2
b. Signature-based debit card processing	1	2
c. PIN-based debit card processing	1	2

**QUESTION BY QUESTION NOTES**

**G12.** This question determines if the firm has card processing services at institutions previously mentioned in the interview. If yes, select those institutions.

**G12.1** Enter the names of the new institutions/sources that are mentioned for card processing services. Try to capture as full a name as possible.

-- For some institutions, the respondent will have started the business with the institution under one name, and because of a merger or acquisition, the institution will currently have a different name. As a general rule, obtain the current name of the institution.



G12\_(1-20) (Does the firm use any of these credit or debit card processing services) at (READ EACH NAME ON ROSTER)? **DROP**  
IWER INFO: SET “CARD PROCESSING” FLAGS (TCCP1-TCCP20).

G12.1\_(1-20) At what other institutions does the firm use any of these credit or debit card processing services? **DROP**

**IF R NOT WILLING TO PROVIDE SOURCE NAME, READ:** It’s okay if you don’t want to say the actual name. But since I’m going to be asking questions about this institution (or source) later on, it will help us if you could give me a short description, such as “my local bank,” which I can use when I ask you questions about it later in the interview.

IWER INFO: FOR GENERIC OR FAKE SOURCE, ENTER “XXX” FOLLOWED BY SPACE AND THEN SHORT DESCRIPTION.

IWER INFO: RECORD SOURCE NAMES ON ROSTER AND SET “CARD PROCESSING “ FLAGS.

**PROGRAMMER NOTE**

IF G12.1\_(1-20) = “FAKE BANK” SET INSTITUTION AS “FICTITIOUS”; OTHERWISE SET INSTITUTION AS “REAL”

**ALL RESPONSES → GO TO SECTION H**

**QUESTION BY QUESTION NOTES**

- H1.** Of all the financial institutions and other sources of financing listed to this point, we want to know which one the respondent considers to be the firm's main or primary supplier of financial services. Enter the code corresponding to the named institution or source.

**Subsection H. RELATIONSHIPS WITH FINANCIAL INSTITUTIONS****PROGRAMMER AND USER NOTES**

This section collects information on the firm's primary institution (question H1), the denied loan institution (section MRL), the approved loan institution (section MRL), and up to five other institutions/sources. Always collect information on:

- 1) THE PRIMARY INSTITUTION/SOURCE (QUESTION H1)
- 2) THE APPROVED LOAN INSTITUTION (QUESTION MRL5)
- 3) THE DENIED LOAN INSTITUTION (QUESTION MRL23)

Identify up to 5 other institutions using the following priority levels:

- 4) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS, LOANS, & OTHER SERVICES
- 5) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS & LOANS
- 6) INSTITUTIONS/SOURCES WITH OTHER SERVICES & LOANS
- 7) INSTITUTIONS/SOURCES WITH LOANS ONLY
- 8) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS & OTHER SERVICES
- 9) INSTITUTIONS/SOURCES WITH CHECKING/SAVINGS
- 10) INSTITUTIONS /SOURCES WITH OTHER SERVICES

H2-H8 are to be completed for up to eight institutions/sources.

Loans from owners/partners do not count as financial services. Therefore, they do not affect the prioritization process.

**SKIP53**

IF FIRM USED NO FINANCIAL INSTITUTIONS/SOURCES	→	<b>GO TO SECTION L</b>
IF FIRM USED ONLY ONE FINANCIAL INSTITUTION/SOURCE, AUTOMATICALLY FILL IN H1 AND	→	<b>GO TO READ22</b>
IF FIRM USED MORE THAN ONE FINANCIAL INSTITUTION/SOURCE	→	<b>GO TO H1</b>

H1. We have discussed the following institutions and sources of financial services: (READ NAMES ON ROSTER). Which of these was the firm's primary source of financial services?

**COPIED TO IPRIME (1-20)**

**IF R SAYS THEY HAVE MORE THAN ONE, SAY:** Choose the one that you consider to be the firm's most important source of financial services.

INSTITUTION NUMBER: \_\_\_\_\_

**HINST\_(1-8).** The "fake" question is: "What is the institution number of the first (second/third/...eighth) institution we are going to discuss?" Range would be 1-20 and .S for all loops. **ADD**

## QUESTION BY QUESTION NOTES

**H2.** Determines the type of financial institution or other financial service supplier. Types will include banks, but may also include other business firms and individuals. Sometimes the name of the institution will help identify the type of institution. Here are some general rules:

Loans from government agencies, including state or city agencies are considered government loans (Code = 13). Any direct loan from the Small Business Administration (or SBA) is a government loan.

If in doubt, use other type (Code=14) and fill in verbatim other specify response.

**H2.1** Determines the type of commercial bank. Here are some general rules:

Banks can be savings banks or commercial banks. Often the name of savings banks will contain “MSB,” or “mutual savings bank” or “FSB” or “Federal Savings Bank” ( Code=2).

If industrial bank, classify as commercial bank (Code=1).

Any institution that has “NA” at the end of its name, or “National Association” is a commercial bank. But there are also commercial banks which do not have “NA” in their names (Code=1).

If “Bank” appears in any portion of the name without any other indication as to the type of bank and the respondent does not know the type of bank, classify as commercial bank (Code=1).

Savings and Loan Associations will generally have this phrase in their name, or their name may contain the abbreviation “S&L”( Code=3).

Credit unions often contain the phrase “Credit Union” or “Federal Credit Union” in their names (Code=4).

**H3.** Record verbatim all the factors that influenced the firm’s decision to obtain the listed services from the named institution/source.

**EXPANDED CODEFRAME FOR H2 (1-8) (ALSO IN IH2 (1-20))****What type of institution or source is (name)?**

<b><u>1 Commercial Bank</u></b>	<b><u>12 Family or Other Individual</u></b>
<b><u>2 Savings Bank</u></b>	<b><u>13 Government Agency (includes SBA)</u></b>
<b><u>3 Savings and Loan Association</u></b>	<b><u>14 Other Type</u></b>
<b><u>4 Credit Union</u></b>	<b><u>15 Supplier Firm</u></b>
<b><u>5 Finance Company</u></b>	<b><u>16 Credit Card Processing</u></b>
<b><u>6 Insurance Company</u></b>	<b><u>17 Check Clearing</u></b>
<b><u>7 Brokerage or Mutual Fund Company</u></b>	<b><u>18 Factoring</u></b>
<b><u>8 Leasing Company</u></b>	<b><u>19 Owner, Himself or Herself</u></b>
<b><u>9 Mortgage Company</u></b>	<b><u>20 401K/Retirement</u></b>
<b><u>10 Venture Capital Firm or Small Business Investment Company</u></b>	<b><u>21 Consolidated/Multiple Institutions</u></b>
<b><u>11 Other Business Firm</u></b>	

**READ22:** The next questions are about the characteristics of the financial institutions or sources of financing used by [FIRM].

**Characteristics of Financial Institutions/Sources**

**READ23:** [First/Next] let's discuss (NAME).

H2\_(1-8) What type of institution or source is (NAME)?  
 PROMPT, IF NEEDED: Is it a . . . ?

**MOVED TO H2 (1-8) AND  
 COPIED TO IH2 (1-20)**

**IF R ASKS HOW TO CLASSIFY AMERICAN EXPRESS, SAY:** Generally, American Express should be classified as a finance company.

- Commercial bank, savings bank, savings and loan association,  
 or credit union ..... 1
- Finance company ..... 5
- Insurance company ..... 6
- Brokerage or mutual fund company ..... 7
- Leasing company ..... 8
- Mortgage company ..... 9
- Venture capital firm or  
 SBIC (Small Business Investment Company) ..... 10
- Other business firm ..... 11
- Family or other individuals ..... 12
- Government agency (includes Small Business Administration)..... 13
- Or something else ..... 14
- READ:** Please specify \_\_\_\_\_
- Multiple sources ..... 30
- DK or RF ..... DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 192**

<b>SKIP53A</b>	
IF NAME CONTAINS "XXX" AND H2_(1-8)=1	➔ GO TO H2.1_(1-8)
ALL OTHERS	➔ GO TO SKIP54

H2.1\_(1-8) What type of institution is (NAME)?

**COLLAPSED TO H2 (1-8)**

- Commercial bank ..... 1
- Savings bank ..... 2
- Savings and loan ..... 3
- Credit Union ..... 4
- DK or RF ..... DK or RF

<b>SKIP54</b>	
IF MRL INSTITUTION & NO OTHER SERVICES	➔ GO TO READ24
ELSE	➔ GO TO H3

H3\_(1-8) I have recorded that the firm used (NAME) for the following services: (READ LIST OF SERVICES). What factors influenced the firm's decision to use this source?

**MOVED TO H3R1 (1-8) – H3R3 (1-8) AND  
 COPIED TO IH3R1 (1-20) – IH3R3 (1-20)**

**SEE CODEFRAME IN APPENDIX D**

## QUESTION BY QUESTION NOTES

- H4.** Enter the length of time the firm has done business with the institution/source. Only non-negative integer answers allowed.

This question allows an answer in both months and years. You may code 0-999 months and 0-99 years. You must enter whole numbers only. For example, an answer of one and a half years may be entered as 6 months and 1 year or 18 months and 0 years.

If the respondent volunteers that initially the firm did business with one institution, which was recently acquired or merged with another, code as -1.

- H4.1** Try to get the respondent to select a range of years the firm has done business with the institution/source.

- H4.2** Enter the length of time the firm has done business with the institution/source *under its current name*. Only non-negative integer answers allowed.

This question allows an answer in both months and years. You may code 0-999 months and 0-99 years. You must enter whole numbers only. For example, an answer of one and a half years may be entered as 6 months and 1 year or 18 months and 0 years.

- H4.3** Try to get the respondent to select a range of years the firm has done business with the institution/source *under its current name*.

H4\_(1-8) For how long has ([FIRM]) conducted business with (NAME)? **COPIED TO IH4 (1-20)**  
**IF H4 4 (1-8) IS NOT MISSING THEN H4 (1-8) = H4 4 (1-8)**

IWER INFO: IF R NO LONGER CONDUCTS BUSINESS WITH APPROVED OR DENIED INSTITUTION, CODE ZERO MONTHS AND ZERO YEARS.

IWER INFO: IF R CONDUCTS BUSINESS WITH INSTITUTION, BUT LESS THAN ONE MONTH, CODE 1 MONTH AND ZERO YEARS.

IWER INFO: IF R VOLUNTEERS INSTITUTION WAS RECENTLY ACQUIRED OR MERGED WITH ANOTHER INSTITUTION, CODE “-1” MONTHS AND “-1” YEARS.

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS  
 DK or RF .....DK or RF

**RANGE CHECK: H4\_(1-8) MO: -1, ≥ 0 integer; H4\_(1-8) YR: -1, ≥ 0 integer**

**SKIP54A**

IF MO>=0 & YR>=0	→	GO TO READ24
IF MO=-1 & YR=-1	→	GO TO H4.2
IF MO=DK/RF or YR=DK/RF	→	GO TO H4.1

H4.1\_(1-8) Has it been... **COLLAPSED TO H4 (1-8)**

- Less than 1 year ..... 1
- 1-3 years..... 2
- 4-6 years..... 3
- 7-9 years..... 4
- 10-15 years..... 5
- More than 15 years..... 6
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO READ24**

H4.2\_(1-8) How long has ([FIRM]) conducted business with (NAME) *under its current name?* **COPIED TO IH4 2 (1-20)**

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS  
 DK or RF.....DK or RF

→ GO TO H4.4  
 → GO TO H4.3

**RANGE CHECK: NUMBER ≥ 0**

H4.3\_(1-8) Has it been... **COLLAPSED TO H4 2 (1-8)**

- Less than 1 year ..... 1
- 1-3 years..... 2
- 4-6 years..... 3
- 7-9 years..... 4
- 10-15 years..... 5
- More than 15 years..... 6
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

**H4.4** Enter the total length of time the firm has done business with the institution/source *under any name*. Only non-negative integer answers allowed.

This question allows an answer in both months and years. You may code 0-999 months and 0-99 years. You must enter whole numbers only. For example, an answer of one and a half years may be entered as 6 months and 1 year or 18 months and 0 years.

**H4.5** Try to get the respondent to select a range of years the firm has done business with the institution/source *under any name*.

**H5.** Enter complete 5-digit zip code of the location of the office or branch most frequently used by the firm. If the firm only applied for a loan at this institution, ask about the location of the place where R applied.



H4.4\_(1-8) How long has ([FIRM]) conducted business with (NAME) *altogether, including under its current name?*

LENGTH: \_\_\_\_\_ MONTHS \_\_\_\_\_ YEARS  
 DK or RF ..... DK or RF

**MOVED TO H4 (1-8)**  
**COPIED TO IH4 (1-20)**  
 → GO TO READ24  
 → GO TO H4.5

**RANGE CHECK:** H4\_4\_(1-8) MO ≥ 0 integer; H4\_4\_(1-8) YR ≥ 0 integer; H4\_4\_(1-8) number (mo + 12\*yr) ≥ H4\_2\_(1-8) number (mo + 12\*yr) OR H4\_4\_(1-8) number (mo + 12\*yr) ≥ RANGE from H4\_3\_(1-8)

H4.5\_(1-8) Has it been...  
 Less than 1 year ..... 1  
 1-3 years ..... 2  
 4-6 years ..... 3  
 7-9 years ..... 4  
 10-15 years ..... 5  
 More than 15 years ..... 6  
 DK or RF ..... DK or RF

**COLLAPSED TO H4 4 (1-8)**

**RANGE CHECK:** H4\_5\_(1-8) RANGE ≥ H4\_2\_(1-8) number (mo + 12\*yr) OR H4\_5\_(1-8) RANGE ≥ H4\_3\_(1-8) RANGE

**Location Used Most Frequently**

**PROGRAMMER NOTE**  
**FOR READ24**  
 FOR READ24: USE “APPLIED FOR THE LOAN” IF MRL INSTITUTION AND NO OTHER SERVICES;  
 OTHERWISE USE “USED MOST FREQUENTLY”

**READ24:** Think of the office or branch of (NAME) (that the firm used most frequently/where the firm applied for the loan).

H5\_(1-8) What is the Zip Code for this office or branch?

**COPIED TO IZIP (1-20)**  
**CONFIDENTIAL**

IWER INFO: IF RESPONDENT INDICATES THEY DO NOT KNOW THE ANSWER BECAUSE THEY CONDUCTED BUSINESS ONLY BY INTERNET OR PHONE, CODE -1.

ZIP: \_\_\_\_\_  
 DK or RF ..... DK or RF

→ GO TO ZIP CODE  
 LOOK-UP  
 → GO TO H5.3

**ZIP CODE LOOK-UP**

USE ZIP CODE TO LOOK UP CITY & STATE:

IF H5=-1 & H2=(1,14)	→	GO TO MAIN INSTITUTION LOOK-UP, STEP 1
IF H5=-1 & (H2 ≠ (1,14) OR INST_NAME not real)	→	GO TO SKIP57.5
IF MATCH	→	GO TO H5.1
IF NO MATCH	→	GO TO H5.2

**QUESTION BY QUESTION NOTES**

- H5.1** Read the city and state from the look-up table and verify the location of the office or branch most frequently used by the firm.
- H5.2** Verify that the zip code was entered correctly.
- H5.3** Enter the city and state of the location of the office or branch most frequently used by the firm. The question requires the full city's name and the 2-letter postal abbreviation for the state.

- H5.1\_(1-8) Just to verify, that is in [CITY], [STATE], correct? **DROP**
- YES ..... 1 → GO TO SKIP55  
 NO ..... 2
- H5.2\_(1-8) I need to verify, was the zip code [H5]? **DROP**
- YES ..... 1 → GO TO H5.3  
 NO ..... 2 → GO TO H5
- H5.3\_(1-8) What is the city and state for this office or branch? **CONFIDENTIAL**  
**MOVED TO ICITY (1-20)**  
**MOVED TO ISTATE (1-20)**
- CITY: \_\_\_\_\_ STATE: \_\_\_\_\_  
 DK or RF .....DK or RF

**INTERNALLY CODE COUNTY AND MSA STATUS OF INSTITUTION**

**SKIP55**

IF H2=(1,14) → GO TO BRANCH LOOK-UP #1  
 IF H2≠(1,14) OR INST\_NAME not real → GO TO SKIP56  
 [IF H2=(1,14) THE BRANCH LOOKUP IS ALWAYS ATTEMPTED INITIALLY USING ALL AVAILABLE INSTITUTION NAME, CITY, STATE AND ZIP INFORMATION]

**BRANCH LOOK-UP #1**

USE INSTITUTION NAME AND ZIP, CITY OR STATE TO LOOK UP BRANCH ADDRESS:  
 IF NO MATCHES: → GO TO MAIN INSTITUTION LOOK-UP, STEP 1  
 IF 1 OR MORE BRANCH MATCHES → GO TO H6 AND CAPTURE BANK ID AND BRANCH ID

**MAIN INSTITUTION LOOK-UP, STEP 1**

USE INSTITUTION NAME TO LOOK UP ALL MAIN INSTITUTIONS IN THE U.S. THAT MATCH INSTITUTION NAME & HAVE BRANCHES IN STATE (IF INSTITUTION STATE PROVIDED):  
 IF NO MATCHES & H5≠-1 → GO TO H6.1 AND CAPTURE STREET ADDRESS OF BRANCH  
 IF NO MATCHES & H5=-1 → GO TO SKIP57.5  
 IF 1 OR MORE MATCHES → BEGINNING WITH THE FIRST MATCH, ASK R ABOUT EACH MAIN INSTITUTION UNTIL MATCH OR NONE REMAINING. GO TO MAIN INSTITUTION LOOK-UP, STEP 2.

**MAIN INSTITUTION LOOK-UP, STEP 2**

IF NO MAIN INSTITUTION SELECTED & H5≠-1 → GO TO H6.1 AND CAPTURE STREET ADDRESS OF BRANCH  
 IF NO MAIN INSTITUTION SELECTED & H5=-1 → GO TO SKIP57.5  
 IF MAIN INSTITUTION MATCH SELECTED → GO TO BRANCH LOOK-UP #2

**QUESTION BY QUESTION NOTES**

**H6.** Beginning with the first branch on the screen, determine the correct street address of the institution used by the firm.

**H6.1** Enter the street address of the institution most frequently used by the firm.

**BRANCH LOOK-UP #2**

USE MAIN INSTITUTION TO IDENTIFY ALL ASSOCIATED BRANCH ADDRESSES:

IF 1 OR MORE BRANCH MATCHES	→	<b>GO TO H6 AND CAPTURE BANK ID AND BRANCH ID</b>
IF "BRANCH UNKNOWN OR NOT FOUND" & H5≠-1	→	<b>CAPTURE BANK ID AND GO TO H6.1 AND CAPTURE STREET ADDRESS OF BRANCH</b>
IF H5=-1	→	<b>SELECT "BRANCH UNKNOWN OR NOT FOUND"; CAPTURE BANK ID AND GO TO SKIP57.5</b>

H6\_(1-8) Is this office or branch located at [READ ADDRESS FROM LOOK-UP TABLE]? **DROP**

IWER INFO: BEGINNING WITH THE FIRST MATCH, ASK R ABOUT EACH ADDRESS UNTIL MATCH OR NONE REMAINING.

YES.....1	→	<b>GO TO SKIP56</b>
NO.....2	→	<b>GO TO H6.1</b>
DK or RF.....DK or RF	→	<b>GO TO SKIP56</b>

H6.1\_(1-8) What is the street address of this office or branch? **MOVED TO IADDR (1-20) CONFIDENTIAL**

ADDRESS: \_\_\_\_\_  
 DK or RF.....DK or RF

**SKIP56**

IF H6=1	→	<b>CAPTURE BRANCH ID</b>
IF MRL INSTITUTION & NO OTHER SERVICES	→	<b>GO TO SKIP58</b>
ELSE	→	<b>GO TO SKIP57</b>

**SKIP57**

**HAVE NO VALID ZIP CODE FOR FIRM PHYSICAL ADDRESS**

ALL RESPONSES	→	<b>GO TO H6.2</b>
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**HAVE VALID ZIP CODE FOR FIRM (FIRM\_MSA & FIRM\_CNTY)**

IF NO VALID ZIP CODE FOR INST (H5.1≠1)	→	<b>GO TO H6.2</b>
IF FIRM_MSA=1 & FIRM_MSA=INST_MSA	→	<b>GO TO H7</b>
IF FIRM_MSA=1 & FIRM_MSA≠INST_MSA	→	<b>GO TO H8</b>
IF FIRM_MSA=0 & FIRM_CNTY=INST_CNTY	→	<b>GO TO H7</b>
IF FIRM_MSA=0 & FIRM_CNTY≠INST_CNTY	→	<b>GO TO H8</b>

**QUESTION BY QUESTION NOTES**

- H6.2** This question determines if the office most frequently used for services is located in the same metropolitan area or county as the main office of the firm.
- H7.** Enter the mileage to the nearest mile. If less than half a mile, then enter "0". The valid entry range is 0 to 100.
- H7.1** If the respondent doesn't know, then an approximation is fine.
- H8.** We want to know the "most frequent" method of conducting business, not "all that apply." In the event of a tie, ask respondent to choose one method. If respondent cannot pick a single method, check "other" and fill in other specify verbatim.

H6.2\_(1-8) Is this office located in the same metropolitan area or county as the main office of [FIRM]? **DROP**  
IWER INFO: IF OFFICE IN SAME CITY AS FIRM, CODE "YES" WITHOUT ASKING

YES.....1  
 NO.....2 → GO TO H8  
 DK or RF.....DK or RF

H7\_(1-8) Approximately how many miles from the main office of the firm is this office or branch of (NAME)?  
IWER INFO: IF LESS THAN ½ MILE, CODE MILES AS 0. **COPIED TO IH7 (1-20)**

MILES: \_\_\_\_\_ → GO TO H8  
 EX.....EX → GO TO H8  
 DK OR RF.....DK or RF

**SOFT RANGE CHECK: MILES ≥ 0 AND ≤ 100**  
**HARD RANGE CHECK: MILES ≥ 0 AND ≤ 250**

H7.1\_(1-8) Is it... **COLLAPSED TO H7 (1-8)**

Between 0 and 5 miles .....1  
 6 - 10 miles.....2  
 11 - 15 miles.....3  
 16 - 20 miles .....4  
 21 and 40 miles .....5  
 41 and 60 miles .....6  
 61 and 80 miles .....7  
 81 and 100 miles .....8  
 More than 100 miles .....9  
 DK or RF.....DK or RF

**SKIP57.5**

IF MRL INSTITUTION & NO OTHER SERVICES → GO TO SKIP58  
 ELSE → GO TO H8

H8\_(1-8) What was the most frequent method of conducting business with this office or branch? Was it in person, by telephone, by mail or wire, through an ATM, on the Internet, or something else? **COPIED TO IH8 (1-20)**

IN PERSON .....1  
 BY TELEPHONE .....2  
 BY MAIL.....3  
 DIRECT WITHDRAWAL OR WIRE .....4  
 THROUGH AN ATM .....5  
 ON THE INTERNET .....6  
 OTHER .....7  
**READ:** Please specify \_\_\_\_\_ **DROP**  
 DK or RF.....DK or RF

**SKIP58**

IF ADDITIONAL INSTITUTION → GO TO READ23  
 ELSE → GO TO SECTION L

**QUESTION BY QUESTION NOTES**

- L1.** Trade credit arises when purchases are made from suppliers and payment of the bill is required after delivery (rather than before or at time of delivery). Such purchases are sometimes called purchases on account.

Unlike other forms of credit (such as bank loans), trade credit usually does not involve a promissory note or loan contract signed by the borrower.

- L2.** This will be the respondent's best estimate for the firm. Have the respondent think of the total dollar amount of purchases the firm made in the specified year for raw materials, equipment and supplies, goods, etc. Then have the respondent think what percent of all these purchases was made on account. Enter the response to the nearest whole percent. The valid entry range is 1 to 100.
- L2.1** Try to get an estimate. Have the respondent think of the total dollar amount of purchases the firm made in the specified year for raw materials, equipment and supplies, goods, etc. Then have the respondent think what percent of all these purchases was made on account. Enter the response to the nearest whole percent. The valid entry range is 1 to 100.
- L3.** Enter the number of suppliers where the firm used trade credit to obtain supplies or services. Alternatively, ask the respondent how many suppliers during the year allowed the firm to obtain goods and services without making payment at the time the goods or services were delivered to the firm. Only positive integer answers are allowed.
- L3.1** Try to get an estimate. Enter the number of suppliers where the firm used trade credit to obtain supplies or services. Alternatively, ask the respondent how many suppliers during the year allowed the firm to obtain goods and services without making payment at the time the goods or services were delivered to the firm. Only positive integer answers are allowed.



**Subsection L. TRADE CREDIT**

**READ25:** The next questions are about the firm’s use of trade credit. Trade credit refers to purchases on account with a supplier.

L1. During the last year, did [FIRM] make any purchases of goods or services from suppliers on account rather than pay before or at the time of the delivery?

YES .....1  
 NO .....2 → GO TO L13  
 DK or RF.....DK or RF → GO TO L13

L2. Think of the total dollar amount of all purchases made by the firm during the last year. What percentage of these purchases were made using trade credit?

PERCENTAGE: \_\_\_\_\_ % → GO TO L3  
 DK or RF.....DK or RF

L2.1 Could you give an estimate? (Think of the total dollar amount of all purchases made by the firm during the last year. What percentage of these purchases were made using trade credit?)

PERCENTAGE: \_\_\_\_\_ % **COLLAPSED TO L2**  
 DK or RF.....DK or RF

**RANGE CHECK: L2 AND L2.1 PERCENTAGE > 0 AND ≤ 100**

L3. From how many suppliers did ([FIRM]) make purchases using trade credit during the last year?

NUMBER: \_\_\_\_\_ → GO TO L4  
 EX ..... EX → GO TO L4  
 DK or RF .....DK or RF

L3.1 Could you give an estimate? (From how many suppliers did ([FIRM]) make purchases using trade credit during the last year?)

NUMBER: \_\_\_\_\_ **COLLAPSED TO L3**  
 EX ..... EX  
 DK or RF .....DK or RF

**SOFT RANGE CHECK: NUMBER IN L3 AND L3.1 ≥ 1 AND ≤ 999**  
**RANGE CHECK: NUMBER IN L3 AND L3.1 ≥1 AND ≤ 2000**

**QUESTION BY QUESTION NOTES**

- L4.** This question refers to all purchases on account. For example, if the terms of trade credit were 60 days (sometimes referred to as “net 60”), we want to know whether payments were ever made later than 60 days after delivery.

Some respondents may understand the terms “free credit period,” “net credit period,” or “after the due date.” (In the example above, the free, net credit period, or after the due date is 60 days). This question asks whether payments were made after the end of the free or net credit period, or after the due date.

- L5.** Again, we want the portion of all purchases on account in percentages.

- L5.1** Try to get an estimate. Again, we want the portion of all purchases on account in percentages.

- L6.** In this question, we want to know for all the firm’s purchases made on account, what percentage of the suppliers offered a cash discount if the bill was paid within a certain time period.

Read the PROMPT if the respondent indicates uncertainty about the meaning of cash discounts.

Cash discounts are usually given for payment of a bill within a few days of the delivery of goods and services – usually within 5, 10, or 15 days. Cash discounts are usually stated as a percent of the amount of the bill and will typically be one or two percent.

Cash discounts should not be confused with distributor discounts (discounts available only to the distributor trade, not to the general public) or quantity discounts (discounts given for large purchases).

- L6.1** Try to get an estimate. In this question, we want to know for all the firm’s purchases made on account, what percentage of the suppliers offered a cash discount if the bill was paid within a certain time period.

Read the PROMPT if the respondent indicates uncertainty about the meaning of cash discounts.

Cash discounts are usually given for payment of a bill within a few days of the delivery of goods and services – usually within 5, 10, or 15 days. Cash discounts are usually stated as a percent of the amount of the bill and will typically be one or two percent.

Cash discounts should not be confused with distributor discounts (discounts available only to the distributor trade, not to the general public) or quantity discounts (discounts given for large purchases).

L4. During the last year, did the firm ever make payments on account after the bill was due in full?

YES .....1  
 NO.....2 → GO TO SKIP59  
 DK or RF.....DK or RF → GO TO SKIP59

L5. What percentage of the balances on account were made after the bill was due in full?

PERCENTAGE: \_\_\_\_\_% → GO TO SKIP59  
 DK or RF.....DK or RF → GO TO L5.1

L5.1 Could you give an estimate? (What percentage of the balances on account were made after the bill was due in full?) **COLLAPSED TO L5**

PERCENTAGE: \_\_\_\_\_%  
 DK or RF.....DK or RF

**RANGE CHECK: L5 AND L5.1 PERCENTAGE >0 AND ≤ 100**

**SKIP59**

IF L3>1 OR L3.1>1 OR L3=EX OR L3.1=EX → GO TO L6  
 IF L3=1 OR L3.1=1 → GO TO L6.2  
 IF L3.1=(DK OR RF) → GO TO L6

L6. What percentage of your suppliers offer cash discounts for prompt payment?

**IF R ASKS WHAT “DISCOUNT” MEANS, SAY:** Typically, a discount is a specific reduction in the amount of a bill if the bill is paid within a specific period of time.

PERCENTAGE: \_\_\_\_\_% → GO TO SKIP60  
 DK or RF.....DK or RF → GO TO L6.1

**BACKFILLED: L6=100 IF L6 2=1**  
**L6=0 IF L6 2=2**

L6.1 Could you give an estimate? (What percentage of your suppliers offer cash discounts for prompt payment?) **COLLAPSED TO L6**

PERCENTAGE: \_\_\_\_\_% → GO TO SKIP60  
 DK or RF.....DK or RF → GO TO SKIP60

**RANGE CHECK: L6 AND L6.1 PERCENTAGE ≥ 0 AND ≤ 100**

**QUESTION BY QUESTION NOTES****L6.2**

- L7.** In this question, the respondent must think only about those purchases made on account where a cash discount was offered. For example, if a firm made \$10,000 of purchases on account and cash discounts were offered on 60 percent (or \$6,000) of the purchases on account, then this question would refer to the \$6,000 of purchases on account where cash discounts were offered.

This question asks for the portion of those purchases on account where cash discounts were offered that the firm paid within the specified time period and received the discount.

- L7.1** Try to get an estimate. In this question, the respondent must think only about those purchases made on account where a cash discount was offered. For example, if a firm made \$10,000 of purchases on account and cash discounts were offered on 60 percent (or \$6,000) of the purchases on account, then this question would refer to the \$6,000 of purchases on account where cash discounts were offered.

This question asks for the portion of those purchases on account where cash discounts were offered that the firm paid within the specified time period and received the discount.

- L8.** This question refers to the most important trade credit supplier only. We are interested in whether this single supplier offers cash discounts.

Read the PROMPT if the respondent indicates uncertainty about the meaning of cash discounts.

Cash discounts are usually given for payment of a bill within a few days of the delivery of goods and services – usually within 5, 10, or 15 days. Cash discounts are usually stated as a percent of the amount of the bill and will typically be one or two percent.

Cash discounts should not be confused with distributor discounts (discounts available only to the distributor trade, not to the general public) or quantity discounts (discounts given for large purchases).

L6.2 Does this supplier offer cash discounts for prompt payment?

**COLLAPSED TO L6**

**IF R ASKS WHAT “DISCOUNT” MEANS, SAY:** Typically, a discount is a specific percentage reduction in the amount of a bill if the bill is paid within a specific period of time.

YES.....1  
 NO.....2  
 DK or RF.....DK or RF

<b>SKIP60</b>	
IF L6 = 0% OR L6.1 = (0% OR DK OR RF)	→ GO TO READ26
IF L6.2=2 OR L6.2=DK OR RF	→ GO TO L11
IF L6>0 OR L6.1>0 OR L6.2=1	→ GO TO L7

L7. What percentage of the cash discounts offered did the firm take advantage of?

PERCENTAGE: \_\_\_\_\_ % → GO TO SKIP61  
 DK or RF .....DK or RF

L7.1 Could you give an estimate?

**COLLAPSED TO L7**

PERCENTAGE: \_\_\_\_\_ %  
 DK or RF .....DK or RF

**RANGE CHECK: L7 AND L7.1 PERCENTAGE ≥ 0 AND ≤ 100**

<b>SKIP61</b>	
IF L6.2=1	→ GO TO L9
IF L6>0 OR L6.1 > 0	→ GO TO READ26

**READ26:** Now please think about ([FIRM]’s) *most important* trade credit supplier.

<b>SKIP62</b>	
IF L6=0 OR L6.1=(0 OR DK OR RF)	→ GO TO L11
IF L6>0 OR L6.1>0	→ GO TO L8

L8. Does this supplier offer a discount for early payments?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** Sometimes suppliers will reduce the bill by 1 or 2 percent if the firm pays within a short period, such as 10 days, after delivery.

YES.....1 → GO TO L11  
 NO .....2 → GO TO L11  
 DK or RF .....DK or RF → GO TO L11

**QUESTION BY QUESTION NOTES**

**L9.** Typical discount periods are 5, 10, or 15 days. We are interested in the number of days after the delivery of goods where if payment is made, a discount is given. We do not want to know how long before the bill was “due in full,” which is referred to as the “due date.” If you get answers of more than 30 days, ask the respondent if this is the discount period or the time when the bill is due in full.

NOTE: If respondent gives an answer that is greater than 15, then use the exception code and procedure.

**L9.1** Try to get an estimate. Typical discount periods are 5, 10, or 15 days. We are interested in the number of days after the delivery of goods where if payment is made, a discount is given. We do not want to know how long before the bill was “due in full,” which is referred to as the “due date.”

**L10.** The valid entry range is 0 to 5. Answers up to one decimal place required. If a respondent gives an answer greater than 5 percent, use the exception code and procedure.

**L10.1** Try to get an estimate. The valid entry range is 0 to 5. Answers up to one decimal place required. If a respondent gives an answer greater than 5 percent, use the exception code and procedure.

**L11.** This period is typically 30, 60, 90, or 180 days. After that time, a supplier will generally charge interest on the balance due and the firm would be late on its repayment.

L9. How long is the discount period for early payment?

**IWER INFO:** IF YOU GET ANSWERS OF MORE THAN 15 DAYS, ASK THE RESPONDENT IF THIS IS THE DISCOUNT PERIOD OR THE TIME THE BILL IS DUE IN FULL.

NUMBER OF DAYS: \_\_\_\_\_ → **GO TO L10**  
 EX ..... EX → **GO TO L10**  
 DK or RF ..... DK or RF

L9.1 Could you give an estimate? (How long is the discount period for early payment?)

**COLLAPSED TO L9**

NUMBER OF DAYS: \_\_\_\_\_  
 DK or RF or EX ..... DK or RF or EX

**RANGE CHECK: 0 ≤ L9 or L9.1 ≤ 15**

L10. What is the percentage discount for early payment?

PERCENTAGE: \_\_\_\_\_% → **GO TO L11**  
 EX ..... EX → **GO TO L11**  
 DK or RF ..... DK or RF

L10.1 Could you give an estimate? (What is the percentage discount for early payment?)

**COLLAPSED TO L10**

PERCENTAGE: \_\_\_\_\_%  
 DK or RF or EX ..... DK or RF or EX

**RANGE CHECK: PERCENTAGES IN L10 AND L10.1 ≥ 0 AND ≤ 5**

L11. (Still thinking about the firm’s most important supplier,) How long after the invoice date is the bill due in full?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** How long is the period before the supplier would assess a penalty for late payment?

**IWER INFO:** IF R GIVES A RANGE OF DAYS, CODE THE LARGER NUMBER

- CASH ON DELIVERY/DUE ON RECEIPT/ZERO DAYS ..... 1
- 1-7 DAYS/1 WEEK ..... 2
- 8-10 DAYS ..... 3
- 11-14 DAYS/2 WEEKS ..... 4
- 15 DAYS ..... 5
- 16-20 DAYS ..... 6
- 21-30 DAYS ..... 7
- 31-45 DAYS ..... 8
- 46-60 DAYS ..... 9
- 61-90 DAYS ..... 10
- > 90 ..... 11

**READ:** Please specify \_\_\_\_\_  
 DK or RF ..... DK or RF

**DROP**

## QUESTION BY QUESTION NOTES

**L12.** Answers up to one decimal place required. A soft-range check is 1%-5%.

If the rate reported is greater than 5%, it is likely the respondent is giving you an annual rate, not a monthly rate. This question asks for monthly interest rate charges, not for annual percentage rates (APR). An effective monthly interest rate is 1/12 the APR. An annual percentage rate (APR) of, say 18%, would be a 1.5% monthly interest rate.

NOTE: If respondent gives an answer that is greater than 5%, then use the exception code and procedure.

**L12.1** Try to get an estimate. The valid entry range is 0 to 5. Answers up to one decimal place required.

If the rate reported is greater than 5%, it is likely the respondent is giving you an annual rate, not a monthly rate. This question asks for monthly interest rate charges, not for annual percentage rates (APR). An effective monthly interest rate is 1/12 the APR. An annual percentage rate (APR) of, say 18%, would be a 1.5% monthly interest rate.

NOTE: If respondent gives an answer that is greater than 5%, then use the exception code and procedure.

**L12.2**

**L13.**

**L14.** Record verbatim response.

**CODEFRAME FOR L14R1-R3:**

<b>/* Terms of loan sought */</b>	<b>/* Miscellaneous */</b>
11 = Insufficient collateral or no guarantee available	51 = Inability to audit account
12 = Loan too large	52 = Insufficient time to process application
13 = Loan too small	53 = Inadequate documentation provided.
14 = Size of loan (small vs. large n.a.)	54 = Federal rules or regulations make loan difficult or impossible
<b>/* Type of loan */</b>	56 = Economy, slow or weak economy
21 = Loan would overconcentrate inst. Portfolio	<b>/* Institutional error or prejudice*/</b>
22 = Institution doesn't like to make loans of this type	61 = Institution made a mistake
<b>/* General reasons */</b>	62 = Informational problem, fact blown out of proportion
30 = Credit history, not otherwise specified	63 = Arbitrariness
31 = Business credit history	64 = Personality conflict
32 = Personal credit history	65 = Prejudice on racial/ethnic basis
33 = Poor balance sheet, financial situation (included embezzlement, fraud, theft)	66 = Prejudice against women
34 = Firm would fail institution's formula or guidelines (included owner too young, lack of business plan)	69 = Prejudice or discrimination (not-specified or other)
35 = Ability to renew/repay questionable	<b>/* Other reasons to anticipate turndown */</b>
36 = Firm not in business long enough (included young management)	71 = Experience with previous loan applications
<b>/* Characteristics of firm */</b>	72 = Banks dont loan to (small) business (includes self-employed or no employees)
41 = Firm too small for institution, too few assets	<b>/* Problem responses */</b>
42 = Large amount of outstanding loans, overextended	94=Same as previous
43 = Firm too highly leveraged, too little equity	95=No particular reason
45 = Firm in declining or risky industry	97=Other
46 = Bad fit between institution and firm	98=Not ascertainable
47 = Tax Lien, Judgments (personal or business lawsuits)	.D=Don't Know
	.R=Refuse,
	.S=Legitimate skip



L12. What is the monthly penalty, if any, for paying after this due date?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** Penalty charges are typically 1 or 2 percent per month on the unpaid balance.

PERCENTAGE: \_\_\_\_\_% → **GO TO SKIP62A**  
 DK or RF.....DK or RF

**BACKFILLED: L12=L12/12 IF L12 2=1**

**SOFT RANGE CHECK: PERCENTAGE ≥ 0 AND ≤ 5**

L12.1 Could you indicate whether the monthly penalty is:

**COLLAPSED TO L12**

**IF NECESSARY, PROBE:** Penalty charges are typically 1 or 2 percent per month on the unpaid balance.

- 1 percent or less .....1
- more than 1 but not more than 2 percent .....2
- more than 2 but not more than 3 percent .....3
- more than 3 but not more than 4 percent .....4
- more than 4 but not more than 5 percent .....5
- more than 5 percent.....6
- DK or RF.....DK or RF

(What is the monthly penalty, if any, for paying after this due date?)

<b>SKIP62A</b>	
IF L12 ≤ 5 OR L12.1 ≤ 5 OR L12.1 = DK/RF	→ <b>GO TO L13</b>
ALL OTHERS	→ <b>GO TO L12.2</b>

L12.2 Is the penalty percentage an annual rate or a monthly rate?

**DROP**

- ANNUAL.....1
- MONTHLY .....2
- DK or RF.....DK or RF

L13. (Thinking now about all of the firm’s suppliers,) has any supplier that offers trade credit to business customers denied a request by your firm for trade credit in the last three years?

- YES..... 1
  - NO..... 2
  - DK or RF ..... DK or RF
- **GO TO SECTION M**  
 → **GO TO SECTION M**

L14. Why did the supplier turn down the request?

**MOVED TO L14R1-L14R3**

**SEE CODEFRAME ON PAGE 212**

**IF R SAYS DK, ASK:** Why do you think they turned you down?

**ALL RESPONSES → GO TO SECTION M**

## QUESTION BY QUESTION NOTES

- M1.** Equity investments provide the investor with an ownership interest in the firm while providing the firm with cash or some other asset. Do not include any funds that the firm obtained from loans, or that must be repaid at some future date.
- M2.** Only positive integer answers allowed
- M2.1** Try to get an estimate. Only positive integer answers are allowed.
- M3.** New equity is sometimes targeted for specific uses, such as purchasing equipment, providing additional working capital (cash), acquiring other firms, and expansion. Enter appropriate response.

**EXPANDED CODEFRAME FOR M3:****EQUITY-PRIMARY USE****What was the primary use of this additional equity capital?****1: Working capital****2: Motor vehicles****3: Other equipment or machinery****4: Leasehold improvements****5: Land and buildings****6: Furniture and fixtures****7: Inventory accumulation****8: Debt relief (other than refinancing)****9: Refinancing****10: Taxes owed****11: Business expansion, acquisition****12: Multiple uses****13: Other not elsewhere classified**

**Subsection M. NEW EQUITY INVESTMENTS IN THE FIRM**

**READ27:** The next questions are about any equity invested in the firm.

<b>SKIP63</b>
IF C-CORPORATION OR S-CORPORATION, B3 = 4, 5, 6, 8 <span style="float: right;">→ GO TO M4</span>

M1. During the last 12 months, did ([FIRM]) obtain any new equity investment from existing owners, or from new or existing partners, excluding retained earnings?

**IF R ASKS WHAT "EQUITY INVESTMENT" MEANS, SAY:** Equity investments provide the investor with an ownership interest in the firm, while providing the firm with cash or some other asset. It does not include any funds that the firm obtained from loans, or funds that must be repaid at a future date.

- YES .....1
- NO .....2 → GO TO SKIP64
- DK or RF .....DK or RF → GO TO SKIP64

M2. What was the dollar amount of this equity investment?

AMOUNT: \$ \_\_\_\_\_ → GO TO M3  
 DK or RF.....DK or RF

M2.1 Could you give an estimate? **COLLAPSED TO M2**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF.....DK or RF

<b>RANGE CHECK: M2 and M2.1 MUST BE A POSITIVE INTEGER NUMBER</b>
---

M3. What was the primary use of this equity investment?

- Working capital.....1
- Motor vehicles .....2
- Other equipment or machinery .....3
- Leasehold improvements .....4
- Land and buildings.....5
- Other .....6

**READ:** Please specify \_\_\_\_\_ **DROP**  
 DK or RF.....DK or RF

**SEE EXPANDED CODEFRAME ON PAGE 214**

<b>SKIP64</b>
<b>GO TO SECTION III</b>

## QUESTION BY QUESTION NOTES

- M4.** Equity investments provide the investor with an ownership interest in the firm while providing the firm with cash or some other asset. Do not include any funds that the firm obtained from loans, or that must be repaid at some future date.
- M5.** Only positive integer answers allowed.
- M5.1** Try to get an estimate. Only positive integer answers allowed
- M6.** New equity is sometimes targeted for specific uses, such as purchasing equipment, providing additional working capital (cash), acquiring other firms, and expansion. Enter appropriate response.

**EXPANDED CODEFRAME FOR M6:****EQUITY-PRIMARY USE****What was the primary use of this additional equity capital?****1: Working capital****2: Motor vehicles****3: Other equipment or machinery****4: Leasehold improvements****5: Land and buildings****6: Furniture and fixtures****7: Inventory accumulation****8: Debt relief (other than refinancing)****9: Refinancing****10: Taxes owed****11: Business expansion, acquisition****12: Multiple uses****13: Other not elsewhere classified**

**S-Corporations and C-Corporations**

M4. During the last 12 months, did ([FIRM]) obtain any new equity investment from new or existing shareholders, excluding retained earnings?

**IF R ASKS WHAT “EQUITY INVESTMENT” MEANS, SAY:** Equity investments entail the transfer of common or preferred stock from the firm to the investor in exchange for cash or some other asset. It does not include any funds that the firm obtained from loans, or funds that must be repaid at some future date.

**IF R ASKS WHAT TO INCLUDE AS EQUITY INVESTMENT, SAY:** Equity includes common stock, preferred stock, convertible preferred stock and warrants.

YES .....1  
 NO .....2 → **GO TO SECTION P**  
 DK or RF .....DK or RF → **GO TO SECTION P**

M5. What was the dollar amount of this equity investment?

AMOUNT: \$ \_\_\_\_\_ → **GO TO M6**  
 DK or RF.....DK or RF

M5.1 Could you give an estimate? **COLLAPSED TO M5**

AMOUNT: \$ \_\_\_\_\_  
 DK or RF.....DK or RF

**RANGE CHECK: M5 and M5.1 MUST BE A POSITIVE INTEGER NUMBER**

M6. What was the primary use of this equity investment?

Working capital.....1  
 Motor vehicles .....2  
 Other equipment or machinery .....3  
 Leasehold improvements .....4  
 Land and buildings.....5  
 Other .....6

**READ:** Please specify \_\_\_\_\_  
 DK or RF.....DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 216**

QUESTION BY QUESTION NOTES

M7.

M8.

**EXPANDED CODEFRAME FOR M8:**

**EQUITY – FROM INDIVIDUALS**

**Thinking about the equity raised from individuals, were these individuals...**

**M8 T1: original founders or purchasers**

**M8 T2: informal investors or "angel" capitalists**

**M8 T3: employees**

**M8 T4: someone else**

M7. Did the firm raise equity from... (CODE ALL THAT APPLY).

**IF R ASKS WHAT “VENTURE CAPITAL FIRM” MEANS, SAY:** A venture capital firm specializes in providing equity financing and managerial expertise to new and growing businesses.

**IF R ASKS WHAT “PUBLIC EQUITY” MEANS, SAY:** Public equity refers to shares of the firm sold to the public, rather than to a specific group of investors or firms. Generally, these public offerings use an investment bank to sell the new equity shares. These stock sales are sometimes referred to as “public offerings” or “initial public offerings.”

- Individual investors .....1
- Venture capital firms.....2
- Public equity .....3
- Some other sources .....4

**I=YES, 2=NO**

**MOVED TO:**

**M7 T1**

**M7 T2**

**M7 T3**

**M7 T4**

**READ:** Please specify \_\_\_\_\_  
 DK or RF.....DK or RF

**DROP**

**SKIP65**

If M7=1  
 ALL OTHERS

→ GO TO M8  
 → GO TO SECTION III

M8. Thinking about the equity raised from individuals, were these individuals... (CODE ALL THAT APPLY).

- Original founders or purchasers of the firm.....1
- Informal investors or “angel” capitalists.....2
- Or someone else.....3

**I=YES, 2=NO**

**MOVED TO:**

**M8 T1**

**M8 T2**

**M8 T3**

**M8 T4**

**READ:** Please specify \_\_\_\_\_  
 DK or RF.....DK or RF

**DROP**

**SEE EXPANDED CODEFRAME ON PAGE 218**

**ALL RESPONSES → GO TO SECTION III**

**QUESTION BY QUESTION NOTES**

- P1.** This question is trying to identify firms that operated for less than a year, including firms that just started, were acquired or purchased during the 2003 fiscal year. For newly started/acquired/purchased firms, the tax records may only cover part of the fiscal year.
- P1.1** Record the month, day and year of the beginning of the fiscal year. Month and day should be two-digit numbers and year should be four digits.



**SECTION III: INCOME AND EXPENSES**

**Subsection P. INCOME AND EXPENSES**

<b>PROGRAMMER NOTE FOR ALL TAX FORM INFO BOXES</b>	
IF B3 = 1 OR 9 AND N2.1 = 1	Show "Sole Proprietorship" and 1040C Tax Form Info
IF B3 = 1 OR 9 AND N2.1 = 2	Show "Sole Proprietorship" and 1040C-EZ Tax Form Info
IF B3 = (1,9) & (N2.1=DK OR RF OR N1≠1)	Show "Sole Proprietorship" and 1040C & EZ Tax Form's
IF B3 = 2,3,OR 7	Show "Partnership" and 1065 Tax Form Info
IF B3 = 5	Show "S-Corporation" and 1120S Tax Form Info
IF B3 = 4,6, OR 8 AND N2.2 = 3	Show "Corporation" and 1120 Tax Form Info
IF B3 = 4,6, OR 8 AND N2.2 = 4	Show "Corporation" and 1120A Tax Form Info
IF B3 = (4,6,8) & (N2.2=DK OR RF OR N1≠1)	Show "Corporation" and 1120 & 1120A Tax Form's

**READ28:** For the following questions I'd like you to think about the fiscal year ending [DATE]. I'll be asking you about the firm's income and expenses. This information can easily be found on the (worksheet if completed and on the) firm's income tax return, and my experience is that these questions will go very quickly if you are able to report from your tax forms or records. It will also be very helpful to have the firm's balance sheet and income statement, if you have them available, to answer the questions in the next section.

**IWER INFO: ALLOW THE RESPONDENT TIME TO RETRIEVE THEIR RECORDS**

P1. First, do [FIRM]'s accounting or tax records cover the entire 12 months of the fiscal year ending [DATE]?

- YES.....1 → GO TO SKIP66
- NO.....2 → GO TO P1.1
- DK or RF.....DK or RF → GO TO P1.2

**NOTE: IF P1=2, AMOUNTS IN SECTION P ARE INFLATED TO FULL YEAR EQUIVALENTS USING A0 ADJUST.**

**SEE INTRODUCTION FOR MORE INFORMATION**

P1.1 What was the beginning date for this accounting period?

**MOVED TO P1 1DAY,  
P1 1MO, P1 1YR**

MONTH: \_\_\_\_\_ DAY: \_\_\_\_\_ YEAR: \_\_\_\_\_  
DK or RF.....DK or RF

**ALL RESPONSES → GO TO SKIP66**

<b>SKIP66</b>	
IF N2.1=2	→ FILL P1.2=1; GO TO P2
ALL OTHERS	→ GO TO P1.2

**RANGE CHECK: BEGINNING YEAR MUST BE SAME YEAR OR YEAR BEFORE ENDING YEAR;  
NUMBER OF MONTHS COVERED BY ACCOUNTING PERIOD MUST BE BETWEEN 1 & 12**

## QUESTION BY QUESTION NOTES

- P1.2** Many small businesses keep their records on the accrual basis and file their returns on a cash basis, although until recently tax forms had to be filed on an accrual basis. We need to know how much accounting differences affect our data.
- P2.** We want to obtain net sales or receipts for the most recently completed calendar or fiscal year. This figure is gross sales (receipts) less any amounts for returned merchandise. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**EXPANDED CODEFRAME FOR P1 2****ACCOUNTING METHODS**

**Did the business use cash or accrual accounting to prepare its financial records for the fiscal year ending [DATE]?**

**1: cash**

**2: accrual**

**3: both**

**4: other/NA**

P1.2 Did the business use cash or accrual accounting to prepare its financial records for the fiscal year ending [DATE]?

**IF R ASKS WHAT “CASH OR ACCRUAL ACCOUNTING” MEANS, SAY:**

The distinction between the cash basis of accounting and the accrual basis of accounting lies in the time at which revenues and expenses are recognized. Under cash basis accounting, revenue is recorded when payment is collected from the customer, rather than when a sale is actually made. Under accrual basis accounting, however, revenue is recorded at the time of the sale even if cash has not yet been collected.

Similarly, expenses are recorded under cash basis when payment is made, rather than when the related goods or services are used. Expenses are recognized when the related goods or services are used, rather than when payment is made, under the accrual basis of accounting.

For example, for a business with a fiscal year ending December 31<sup>st</sup>, interest incurred for the month of December will be recorded as an expense under the accrual basis of accounting, even if payment is not made until the following year. Under the cash basis, however, interest incurred but not paid is not recognized as an expense.

PROMPT: WORKSHEET SIDE 2 LINE 1

**TAX FORM INFO:**  
 Sole Proprietorship: 1040 Schedule C line F  
 Partnership: 1065 Line H  
 S-Corporation: 1120S Schedule B Line 1  
 C-Corporation: 1120 Schedule K Line 1 or 1120A Line F

CASH.....1  
 ACCRUAL .....2  
 OTHER.....3

**READ:** Please specify \_\_\_\_\_

**DROP**

DK or RF.....DK or RF

**SEE EXPANDED CODEFRAME ON PAGE 222**

P2. (For the fiscal year ending [DATE]), what were ([FIRM]’s) total sales or total receipts?

**IF R ASKS WHAT “TOTAL SALES” OR “TOTAL RECEIPTS” MEANS, SAY:** This amount is often referred to as total sales, less amounts for returned merchandise or as “gross receipts or sales less returns and allowances.”

PROMPT: WORKSHEET SIDE 2 LINE 2

**TAX FORM INFO:**  
 Sole Proprietorship: 1040 Schedule C Part I Line 3 or Schedule C-EZ Part II Line 1  
 Partnership: 1065 Line 1c  
 S-Corporation: 1120S Line 1c  
 C-Corporation: 1120 or 1120A Line 1c

AMOUNT: \$ _____	→	<b>GO TO SKIP67</b>
EX.....EX	→	<b>GO TO SKIP67</b>
DK.....DK	→	<b>GO TO P2.2</b>
RF.....RF	→	<b>GO TO P2.3</b>

**QUESTION BY QUESTION NOTES**

**P2.2** Try to get an estimate. We want to obtain net sales or receipts for the most recently completed calendar or fiscal year. This figure is gross sales (receipts) less any amounts for returned merchandise. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**P2.3** Try to get the respondent to select a range. We want to obtain net sales or receipts for the most recently completed calendar or fiscal year. This figure is gross sales (receipts) less any amounts for returned merchandise. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

P2.2 Could you give an estimate? (For the fiscal year ending [DATE], what were ([FIRM]'s) total sales or total receipts?) **COLLAPSED TO P2**

INTERVIEWER: IF NECESSARY, PROBE: This amount is often referred to as total sales, less amounts for returned merchandise, or as “gross receipts or sales less returns and allowances.”

AMOUNT: \$ \_\_\_\_\_ → GO TO SKIP67  
 EX ..... EX → GO TO SKIP67  
 DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, P2 & P2.2 ≥ 0**

P2.3 Could you indicate whether total sales or total receipts were: **COLLAPSED TO P2**

- \$10,000 or less ..... 1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP67**

IF FIRM WAS NOT IN BUSINESS DURING PRIOR FY,  
 i.e. C30.1=[TAX YEAR] OR C30.2=1 OR C32=[TAX YEAR] OR C32.1=1 → GO TO SKIP68A  
 ALL OTHERS → GO TO P3

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

## QUESTION BY QUESTION NOTES

**P3.** We want to compare sales in (2003/fiscal year ending date) to those in (2002/fiscal year ending [DATE – 1 YEAR]).

If the respondent indicates no sales in (2002/fiscal year ending [DATE – 1 YEAR]) and a positive amount in (2003/fiscal year ending date), code LESS (P3=2).

If the respondent indicates positive sales in (2002/fiscal year ending [DATE – 1 YEAR]) and no sales in (2003/fiscal year ending [DATE]), code MORE (P3=1).

**P3.1** We want to compare sales in (2003/fiscal year ending date) to those in (2000/fiscal year ending [DATE – 3 YEARS]).

If the respondent indicates no sales in (2000/fiscal year ending [DATE – 3 YEARS]) and a positive amount in (2003/fiscal year ending date), code LESS (P3=2).

If the respondent indicates positive sales in (2000/fiscal year ending [DATE – 3 YEARS]) and no sales in (2003/fiscal year ending [DATE]), code MORE (P3=1).

P3. Were the firm’s total sales during the fiscal year ending [DATE] more, less or about the same as its total sales during the fiscal year ending [YEAR – 1]?

IF R ASKS WHAT “TOTAL SALES” MEANS, SAY: This amount is often referred to as total sales, less amounts for returned merchandise or as “gross receipts or sales less returns and allowances”.

- MORE IN [YEAR] THAN IN [YEAR – 1] .....1
- LESS IN [YEAR] THAN IN [YEAR – 1].....2
- SAME IN [YEAR] AS IN [YEAR – 1 ].....3
- FIRM NOT IN BUSINESS IN [YEAR – 1 ].....4
- DK or RF.....DK or RF

**SKIP68**

IF FIRM WAS NOT IN BUSINESS THREE YEARS PRIOR TO FY,  
 i.e. C30.1=[TAX YEAR-3] OR C30.2=2 OR C32=[TAX YEAR-3] OR C32.1=2 OR IF P3=4  
 → **GO TO SKIP68A**

ALL OTHERS  
 → **GO TO P3.1**

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

P3.1 Were the firm’s total sales during the fiscal year ending [DATE] more, less or about the same as its total sales during the fiscal year ending [YEAR – 3]?

- MORE IN [YEAR] THAN IN [YEAR – 3] .....1
- LESS IN [YEAR] THAN IN [YEAR – 3].....2
- SAME IN [YEAR] AS IN [YEAR – 3].....3
- FIRM NOT IN BUSINESS IN [YEAR – 3].....4
- DK or RF.....DK or RF

**SKIP68A**

IF N2.1 = 2  
 → **FILL P4 = \$0; GO TO P5**

ALL OTHERS  
 → **GO TO P4**

**QUESTION BY QUESTION NOTES**

- P4.** Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P4.1** Try to get an estimate. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P4.3** Try to get the respondent to select a range. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.



P4. Besides total sales, what was the total amount of any other income ([FIRM]) received (during the fiscal year ending [DATE])?

**PROGRAMMER NOTE**  
IF B3 = 4,5,6, OR 8; USE "CORPS ONLY" PROMPT; ELSE USE NORMAL PROMPT

**IF R ASKS WHAT TO INCLUDE AS "OTHER INCOME," SAY:** This amount is any other business income the firm may have had that was not included in gross receipts or sales, such as federal and state gasoline tax refunds or a fuel tax credit or refund.

**IF R ASKS WHAT TO INCLUDE AS "OTHER INCOME," SAY (CORPS ONLY):** This amount includes all income other than gross receipts.

PROMPT: WORKSHEET SIDE 2 LINE 3

**TAX FORM INFO:**  
Sole Proprietorship: 1040 Schedule C Part I Line 6  
Partnership: 1065 Sum of Lines 4 thru 7 + Schedule K Lines 2 thru 7 + 19 + 20  
S-Corporation: 1120S Line 4 + 5 + Schedule K, Sum of Lines 2, 3c, 4 thru 6 + 17 + 18  
C-Corporation: 1120 or 1120A Sum of Lines 4 thru 10

AMOUNT: \$ \_\_\_\_\_ → **GO TO P5**  
DK..... DK → **GO TO P4.1**  
RF..... RF → **GO TO P4.3**

P4.1 Could you give an estimate? (Besides total sales, what was the total amount of any other income ([FIRM]) received (during the fiscal year ending [DATE])? **COLLAPSED TO P4**

**IF R ASKS WHAT TO INCLUDE AS "OTHER INCOME", SAY:** This amount is any other business income the firm may have had that was not included in gross receipts or sales, such as federal and state gasoline tax refunds or a fuel tax credit or refund.

**IF R ASKS WHAT TO INCLUDE AS "OTHER INCOME", SAY:** This amount includes all income other than gross receipts.

AMOUNT: \$ \_\_\_\_\_ → **GO TO P5**  
DK or RF..... DK or RF

P4.3 Could you indicate whether total amount of any other income was: **COLLAPSED TO P4**

- \$10,000 or less ..... 1
- More than \$10,000 but less than or equal to \$50,000 ..... 2
- More than \$50,000 but less than or equal to \$100,000 ..... 3
- More than \$100,000 but less than or equal to \$500,000 ..... 4
- More than \$500,000 but less than or equal to \$1 million ..... 5
- More than \$1 million but less than \$5 million ..... 6
- \$5 million or more ..... 7
- DK or RF ..... DK or RF

## QUESTION BY QUESTION NOTES

- P5.** We want the total cost of conducting business. That is, we want the sum of the “cost of goods sold” and “selling and administrative expenses. The cost of goods or services sold is the cost of materials and the costs associated with preparing items sold during the last accounting year.

For a manufacturing or service firm, these costs include direct labor costs (wages and benefits of persons producing the goods or services sold), cost of materials used to make the goods or provide the services, and overhead costs (such as supervisory costs; supplies; indirect labor costs such as janitors and guards; property taxes, rent, insurance, or depreciation on production facilities, etc.).

For a retailer or wholesaler, cost of goods sold is the cost of items (including freight) that are acquired and then resold.

Selling and administrative expenses are additional expenses that can be incurred in operating a business. Examples are salesman’s salaries and expenses, clerical salaries, rent or property tax, insurance and depreciation on administrative facilities, and interest paid on bonds, notes, mortgages, and other loans. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

- P5.1** Try to get an estimate. We want the total cost of conducting business. That is, we want the sum of the “cost of goods sold” and “selling and administrative expenses.” The cost of goods or services sold is the cost of materials and the costs associated with preparing items sold during the last accounting year.

For a manufacturing or service firm, these costs include direct labor costs (wages and benefits of persons producing the goods or services sold), cost of materials used to make the goods or provide the services, and overhead costs (such as supervisory costs; supplies; indirect labor costs such as janitors and guards; property taxes, rent, insurance, or depreciation on production facilities, etc.).

For a retailer or wholesaler, cost of goods sold is the cost of items (including freight) that are acquired and then resold.

Selling and administrative expenses are additional expenses that can be incurred in operating a business. Examples are salesman’s salaries and expenses, clerical salaries, rent or property tax, insurance and depreciation on administrative facilities, and interest paid on bonds, notes, mortgages, and other loans. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

P5. Now I want to ask you about the cost of doing business which is the sum of the cost of goods and services sold and the total of selling, general and administrative expenses. (For the fiscal year ending [DATE]), what was the total cost of doing business?

**IF R ASKS WHAT “COST OF DOING BUSINESS” MEANS, SAY:** The cost of doing business is the sum of the cost of all goods and services sold, marketing expenses, administrative expenses, and other expenses.

**IF R ASKS WHAT “COST OF GOODS OR SERVICES SOLD” MEANS, SAY:** The cost of goods or services sold is calculated by summing (1) the value of beginning-year inventory, (2) purchases less the cost of items withdrawn for personal use, (3) the cost of labor, materials and supplies, and (4) other costs and then subtracting year-end inventory. These expenses are subtracted from gross profit and other income to determine the firm’s [net profit or loss/ordinary income from business activities/taxable income], such as salaries, business expenses, overhead, depreciation, and other expenses.

PROMPT: WORKSHEET SIDE 2 LINE 4A

**TAX FORM INFO:**  
 Sole proprietorship: 1040 Schedule C Part I Line 4 + Part II Lines 28 + 30 OR  
 Schedule C-EZ Part II Line 2  
 Partnership: 1065 Lines 2+21 plus Schedule K lines 8 thru 11+ 14a  
 S-Corporation: 1120S Lines 2 + 20 plus Schedule K lines 7 thru 11a  
 C-Corporation: 1120 Lines 2 + 27 OR 1120A Lines 2 + 23

AMOUNT: \$ _____	➔	<b>GO TO SKIP69</b>
EX.....EX	➔	<b>GO TO SKIP69</b>
DK.....DK	➔	<b>GO TO P5.1</b>
RF.....RF	➔	<b>GO TO P5.3</b>

P5.1 Could you give an estimate? (For the fiscal year ending [DATE], what was the total cost of doing business?) **COLLAPSED TO P5**

**INTERVIEWER: IF NECESSARY, PROBE:** The cost of doing business is the sum of the cost of all purchased goods and services, marketing expenses, administrative expenses, and other expenses.

AMOUNT: \$ _____	➔	<b>GO TO SKIP69</b>
EX.....EX	➔	<b>GO TO SKIP69</b>
DK or RF.....DK or RF	➔	<b>GO TO P5.3</b>

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, P5 & P5.1 ≥ 0**

## QUESTION BY QUESTION NOTES

- P5.3** Try to get the respondent to select a range. We want the total cost of conducting business. That is, we want the sum of the “cost of goods sold” and selling and administrative expenses.

The cost of goods or services sold is the cost of materials and the costs associated with preparing items sold during the last accounting year. For a manufacturing or service firm, these costs include direct labor costs (wages and benefits of persons producing the goods or services sold), cost of materials used to make the goods or provide the services, and overhead costs (such as supervisory costs; supplies; indirect labor costs such as janitors and guards; property taxes, rent, insurance, or depreciation on production facilities, etc.). For a retailer or wholesaler, cost of goods sold is the cost of items (including freight) that are acquired and then resold.

Selling and administrative expenses are additional expenses that can be incurred in operating a business. Examples are salesman’s salaries and expenses, clerical salaries, rent or property tax, insurance and depreciation on administrative facilities, and interest paid on bonds, notes, mortgages, and other loans. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

- P5.4** Try to get an estimate. We want the total amount paid in salaries and wages less employment credits in the previous fiscal year. Applicable employment credits are reported on IRS **Form 5884**, Work Opportunity Credit; **Form 8861**, Welfare-to-Work Credit; **Form 8844**, Empowerment Zone and Renewal Community Employment Credit; and **Form 8845**, Indian Employment Credit. Officers’ compensation and guaranteed payments to partners should not be included in the total. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

- P5.4.1** Try to get an estimate. We want the total amount paid in salaries and wages less employment credits in the previous fiscal year. Applicable employment credits are reported on IRS **Form 5884**, Work Opportunity Credit; **Form 8861**, Welfare-to-Work Credit; **Form 8844**, Empowerment Zone and Renewal Community Employment Credit; and **Form 8845**, Indian Employment Credit. Officers’ compensation and guaranteed payments to partners should not be included in the total.

Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

P5.3 Could you indicate whether total amount of total cost of doing business was:

**COLLAPSED TO P5**

- \$10,000 or less ..... 1
- More than \$10,000 but less than or equal to \$50,000 ..... 2
- More than \$50,000 but less than or equal to \$100,000 ..... 3
- More than \$100,000 but less than or equal to \$500,000 ..... 4
- More than \$500,000 but less than or equal to \$1 million..... 5
- More than \$1 million but less than \$5 million ..... 6
- \$5 million or more ..... 7
- DK or RF ..... DK or RF

<b>SKIP69</b>	
IF N2.1=2	→ <b>FILL P5.4=\$0; GO TO SKIP 70</b>
ALL OTHERS	→ <b>GO TO P5.4</b>

**READ28A:** Now, I'd like to collect some information on the breakdown of your firm's expenses.

<b>PROGRAMMER NOTE</b>
<b>FOR P5.4:</b> USE "?" IF B3=1 OR 9; USE "OFFICERS' COMPENSATION" IF B3=4,5,6, OR 8; USE "GUARANTEED PAYMENTS TO PARTNERS" IF B3=2,3, OR 7

P5.4 (For the fiscal year ending [DATE]), what was the total amount the firm paid in salaries and wages, not including employment credits (?/or officers' compensation?/or guaranteed payments to partners?)

PROMPT: WORKSHEET SIDE 2 LINE 4B

<b>TAX FORM INFO:</b>	
Sole Proprietorship:	1040 Schedule C Part II Line 26 + Line 37
Partnership:	1065 Line 9 + Schedule A Line 3
S-Corporation:	1120S Line 8 + Schedule A Line 3
Corporation	1120 Line 13 + Schedule A Line 3 OR 1120A Line 13 + Line 3 from COGS worksheet

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP70**
- EX ..... EX → **GO TO SKIP70**
- DK ..... DK → **GO TO P5.4.1**
- RF ..... RF → **GO TO P5.4.3**

**BACKFILLED: P5 4=0 IF N2 1=2**

P5.4.1 Could you give an estimate? (For the fiscal year ending [DATE]), what was the total amount the firm paid in salaries and wages, not including employment credits (?/or officers' compensation?/or guaranteed payments to partners?)

**COLLAPSED TO P5 4**

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP70**
- EX ..... EX → **GO TO SKIP70**
- DK or RF ..... DK or RF

<b>RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, P5.4 &amp; P5.4.1 ≥ 0</b>
---

**QUESTION BY QUESTION NOTES**

**P5.4.3** Try to get the respondent to select a range. We want the total amount of salaries and wages paid during the previous fiscal year.

**P5.5** We would like the total amount of officers' compensation/guaranteed payments to partners paid in the previous fiscal year. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**P5.5.1** Try to get an estimate. We want the total amount of officers' compensation/guaranteed payments to partners during the previous fiscal year. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

P5.4.3 Could you indicate whether total amount of salaries and wages was:

**COLLAPSED TO P5 4**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP70**

**FOR SOLE PROP (B3 = 1 OR 9):**

IF (P2 OR P2.2), (P4 OR P4.1), AND (P5 OR P5.1) ARE COMPLETE\* → **GO TO SKIP72**  
 ALL OTHERS → **GO TO P6**

**FOR PARTNERSHIP, S-CORPORATION, OR C-CORPORATION (B3 = 2,3,4,5,6,7, OR 8)**

→ **GO TO P5.5**

**\* COMPLETE IS NON-NEGATIVE INTEGER FOR P2, P2.3, P5, P5.3. FOR P4 AND P4.1, ANY INTEGER IS CONSIDERED COMPLETE. COMPLETE DOES NOT INCLUDE EX, DK, OR RF FOR ANY OF THESE VARIABLES.**

P5.5 (For the fiscal year ending [DATE]), what was the total amount of [officers' compensation/guaranteed payments to partners]?

PROMPT: WORKSHEET SIDE 2 LINE 4C

**TAX FORM INFO:**

Partnership: 1065 Line 10  
 S-Corporation: 1120S Line 7  
 Corporation 1120 or 1120A Line 12

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP71**  
 EX ..... EX → **GO TO SKIP71**  
 DK ..... DK → **GO TO P5.5.1**  
 RF ..... RF → **GO TO P5.5.3**

P5.5.1 Could you give an estimate?

**COLLAPSED TO P5 5**

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP71**  
 EX ..... EX → **GO TO SKIP71**  
 DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, P5.5 & P5.5.1 ≥ 0**

**QUESTION BY QUESTION NOTES**

**P5.5.3** Try to get the respondent to select a range. We want the total amount of officers' compensation/guaranteed payments to partners during the previous fiscal year. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.



P5.5.3 Could you indicate whether total amount of the [officers' compensation/guaranteed payments to partners] was: **COLLAPSED TO P5.5**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**PROGRAMMER NOTE**  
**FOR SKIP71: CALCULATE PROFIT = P2 (OR P2.2) + P4 (OR P4.1) - P5 (OR P5.1)**

**SKIP71**

**FOR PARTNERSHIP OR S-CORPORATION (B3 = 2,3,5, OR 7):**  
 IF (P2 OR P2.2), (P4 OR P4.1), AND (P5 OR P5.1) ARE COMPLETE\*      **→ GO TO SKIP74**  
 ALL OTHERS      **→ GO TO P8**

**FOR C-CORPORATION (B3 =4, 6, OR 8):**  
 IF (P2 OR P2.2), (P4 OR P4.1), AND (P5 OR P5.1) ARE COMPLETE\*  
 AND PROFIT>0      **→ GO TO P12**  
 IF (P2 OR P2.2), (P4 OR P4.1), AND (P5 OR P5.1) ARE COMPLETE\*  
 AND PROFIT<=0      **→ GO TO SKIP76**  
 ALL OTHERS      **→ GO TO P10**

**\*COMPLETE IS NON-NEGATIVE INTEGER FOR P2, P2.3, P5, P5.3. FOR P4 AND P4.1, ANY INTEGER IS CONSIDERED COMPLETE. COMPLETE DOES NOT INCLUDE EX, DK, OR RF FOR ANY OF THESE VARIABLES.**

**QUESTION BY QUESTION NOTES**

- P6.** Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P6.1** Try to get an estimate. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P7.** Try to get the respondent to clarify if the firm's income was positive, negative or zero for the fiscal year.
- P7.1** Try to get the respondent to select a range.

**Sole Proprietorships**

P6. Profit is the firm’s income after all expenses and taxes have been deducted. What was ([FIRM]’S) total profit or loss for the fiscal year ending [DATE]? **MOVED TO PROFIT**

**PROFIT IS CALCULATED FOR ALL FIRMS**

IWER INFO: ENTER WHOLE DOLLARS, NO DECIMAL. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

PROMPT: WORKSHEET SIDE 2 LINE 5

**TAX FORM INFO:**  
Sole Proprietorship: 1040 Schedule C Part II Line 31 or Schedule C-EZ Part II, Line 3

AMOUNT: \$ \_\_\_\_\_ → GO TO SKIP72  
 DK.....DK → GO TO P6.1  
 RF.....RF → GO TO P7

P6.1 Could you give an estimate? (What was ([FIRM]’S) total profit or loss for the fiscal year ending [DATE])? **COLLAPSED TO P6**

IWER INFO: ENTER WHOLE DOLLARS, NO DECIMAL. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

AMOUNT: \$ \_\_\_\_\_ → GO TO SKIP72  
 DK or RF.....DK or RF → GO TO P7

P7. Could you tell me whether ([FIRM]) had a profit, loss, or broke even for (the fiscal year ending [DATE])? **DROP**

POSITIVE NET PROFIT/NET GAIN .....1 → GO TO P7.1  
 NEGATIVE NET PROFIT/NET LOSS .....2 → GO TO P7.2  
 NO PROFIT/BREAK EVEN.....3 → GO TO SKIP72  
 DK or RF.....DK or RF → GO TO SKIP72

P7.1 Could you indicate whether the net profit was: **COLLAPSED TO P6**

\$10,000 or less .....1  
 More than \$10,000 but less than or equal to \$50,000.....2  
 More than \$50,000 but less than or equal to \$100,000.....3  
 More than \$100,000 but less than or equal to \$500,000.....4  
 More than \$500,000 but less than or equal to \$1 million ....5  
 More than \$1 million but less than \$5 million.....6  
 \$5 million or more .....7  
 DK or RF.....DK or RF

**ALL RESPONSES → GO TO SKIP72**

**QUESTION BY QUESTION NOTES**

**P7.2** Try to get the respondent to select a range.

**P7.3** We would like the firm to compare profits/losses reported for (2003/fiscal year ending [DATE]) to those in (2002/fiscal year ending [DATE – 1 YEAR]). Code responses relative to net profit, treating losses as negative net profit.

If the firm had losses in (2002/fiscal year ending [DATE – 1 YEAR]) and profits in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had profits in (2002, fiscal year ending [DATE – 1 YEAR]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business a year ago, use the exception code procedure.

P7.2 Could you indicate whether the net loss was:

**COLLAPSED TO P6**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP72**

IF FIRM WAS NOT IN BUSINESS DURING PRIOR FY,  
i.e., C30.1>=[TAX YEAR] OR C30.2>=1 OR C32=[TAX YEAR] OR C32.1>=1

→ GO TO SECTION IV  
→ GO TO P7.3

ALL OTHERS

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

P7.3 Was the firm’s net [profit/loss] during the fiscal year ending [DATE] more, less or about the same as its net [profit/loss] during the fiscal year ending [DATE – 1 YEAR]? **MOVED TO PROFIT 1**

- MORE IN [YEAR] THAN IN [YEAR – 1] .....1
- LESS IN [YEAR] THAN IN [YEAR – 1].....2
- SAME IN [YEAR] AS IN [YEAR – 1] .....3
- FIRM NOT IN BUSINESS IN [YEAR – 1].....4
- DK or RF.....DK or RF

**SKIP73**

IF FIRM WAS NOT IN BUSINESS THREE YEARS PRIOR TO FY  
i.e. C30.1≥[TAX YEAR-3] OR C30.2≥2 OR C32≥[TAX YEAR-3] OR C32.1≥2] OR P7.3≥4

→ GO TO SECTION IV  
→ GO TO P7.4

ALL OTHERS

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

**QUESTION BY QUESTION NOTES**

**P7.4** We would like the firm to compare profits/losses reported for (2003/fiscal year ending [DATE]) to those in (2000/fiscal year ending [DATE – 3 YEARS]). Code responses relative to net profit, treating losses as negative net profit.

If the firm had losses in (2000/fiscal year ending [DATE – 3 YEARS]) and profits in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had profits in (2000, fiscal year ending [DATE – 3 YEARS]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business three years ago, use the exception code procedure.

P7.4 Was the firm's net [profit/loss] during the fiscal year ending [DATE] more, less or about the same as its net [profit/loss] during the fiscal year ending [YEAR - 3]? **MOVED TO PROFIT 3**

- MORE IN [YEAR] THAN IN [YEAR - 3] .....1
- LESS IN [YEAR] THAN IN [YEAR - 3].....2
- SAME IN [YEAR] AS IN [YEAR - 3].....3
- FIRM NOT IN BUSINESS IN [YEAR - 3].....4
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION IV**

**QUESTION BY QUESTION NOTES**

- P8.** Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P8.1** Try to get an estimate. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P9.** Try to get the respondent to clarify if the firm's ordinary income was positive, negative or zero for the fiscal year.



**Partnerships or S-corporations**

P8. For the fiscal year ending [DATE], what was ([FIRM]'s) ordinary income or loss?

**MOVED TO PROFIT**

**PROFIT IS CALCULATED FOR ALL FIRMS**

IF NECESSARY, PROBE: Ordinary income or loss is the total amount of income or loss less the total amount of deductions.

PROMPT: WORKSHEET SIDE 2 LINE 5

ENTER AMOUNT. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

**TAX FORM INFO:**

Partnership: 1065 Analysis of Net Income (Loss) Line 1 (page 4) less Schedule K Lines 5, 17g, and 18b

S-Corporation: Schedule K Line 23 less Lines 15g + 16b

AMOUNT: \$ \_\_\_\_\_ → GO TO SKIP74  
 DK .....DK → GO TO P8.1  
 RF.....RF → GO TO P9

P8.1 Could you give an estimate? (For the fiscal year ending [DATE], what was ([FIRM]'s) ordinary income or loss?) **COLLAPSED TO P8**

AMOUNT: \$ \_\_\_\_\_ → GO TO SKIP74  
 DK or RF.....DK or RF

ENTER AMOUNT. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

P9. Could you indicate whether the ordinary income was . . . **DROP**

Positive ordinary income/net gain .....1 → GO TO P9.1  
 Negative ordinary income/net loss .....2 → GO TO P9.2  
 Zero ordinary income/breakeven .....3 → GO TO SKIP74  
 DK or RF.....DK or RF → GO TO SKIP74

**QUESTION BY QUESTION NOTES**

**P9.1** Try to get the respondent to select a range.

**P9.2** Try to get the respondent to select a range.

P9.1 Could you indicate whether the gain in ordinary income was:

**COLLAPSED TO P8**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SKIP74**

P9.2 Could you indicate whether the loss in ordinary income was:

**COLLAPSED TO P8**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP74**

IF FIRM WAS NOT IN BUSINESS DURING PRIOR FY,  
i.e., C30.1=[TAX YEAR] OR C30.2=1 OR C32=[TAX YEAR] OR C32.1=1

**→ GO TO SECTION IV**  
**→ GO TO P9.3**

ALL OTHERS

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

## QUESTION BY QUESTION NOTES

**P9.3** We would like the firm to compare profits/losses reported for (2003/fiscal year ending [DATE]) to those in (2002/fiscal year ending [DATE – 1 YEAR]). Code responses relative to net profit, treating losses as negative net profit.

If the firm had losses in (2002/fiscal year ending [DATE – 1 YEAR]) and profits in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had profits in (2002, fiscal year ending [DATE – 1 YEAR]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business a year ago, use the exception code procedure.

**P9.4** We would like the firm to compare profits/losses reported for (2003/fiscal year ending [DATE]) to those in (2000/fiscal year ending [DATE – 3 YEARS]). Code responses relative to net profit, treating losses as negative net profit.

If the firm had losses in (2000/fiscal year ending [DATE – 3 YEARS]) and profits in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had profits in (2000, fiscal year ending [DATE – 3 YEARS]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business three years ago, use the exception code procedure.

P9.3 Was the firm’s net [profit/loss] during the fiscal year ending [DATE] more, less or about the same as its net [profit/loss] during the fiscal year ending [YEAR – 1]? **MOVED TO PROFIT 1**

- MORE IN [YEAR] THAN IN [YEAR – 1] .....1
- LESS IN [YEAR] THAN IN [YEAR – 1].....2
- SAME IN [YEAR] AS IN [YEAR – 1].....3
- FIRM NOT IN BUSINESS IN [YEAR – 1].....4
- DK or RF.....DK or RF

**SKIP75**

IF FIRM WAS NOT IN BUSINESS THREE YEARS PRIOR TO FY  
 i.e. C30.1=[TAX YEAR-3] OR C30.2=2 OR C32=[TAX YEAR-3] OR C32.1=2 OR P9.3=4  
**→ GO TO SECTION IV**

ALL OTHERS **→ GO TO P9.4**

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

P9.4 Was the firm’s net [profit/loss] during the fiscal year ending [DATE] more, less or about the same as its net [profit/loss] during the fiscal year ending [YEAR – 3]? **MOVED TO PROFIT 3**

- MORE IN [YEAR] THAN IN [YEAR – 3] .....1
- LESS IN [YEAR] THAN IN [YEAR – 3].....2
- SAME IN [YEAR] AS IN [YEAR – 3].....3
- FIRM NOT IN BUSINESS IN [YEAR – 3].....4
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION IV**

**QUESTION BY QUESTION NOTES**

- P10.** Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P10.1** Try to get an estimate. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P11.** Try to get the respondent to clarify if the firm's taxable income was positive, negative or zero for the fiscal year. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P11.1** Try to get the respondent to select a range.

**Corporations (Not including S-corporations)**

P10. For the fiscal year ending [DATE], what was ([FIRM]'s) taxable income? **MOVED TO PROFIT  
PROFIT IS CALCULATED FOR ALL FIRMS**

IF R ASKS WHAT "TAXABLE INCOME" MEANS SAY: Taxable income is the total amount of income less the total amount of deductions other than net operating loss and special deductions.

ENTER AMOUNT. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

PROMPT: WORKSHEET SIDE 2 LINE 5A

**TAX FORM INFO:**  
C-Corporation: 1120 Line 28 OR 1120A Line 24

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP75A**  
 DK ..... DK → **GO TO P10.1**  
 RF ..... RF → **GO TO P11**

P10.1 Could you give an estimate? **COLLAPSED TO P10**

IF R ASKS WHAT "TAXABLE INCOME" MEANS SAY: Taxable income is the total amount of income less the total amount of deductions. The total amount of deductions includes any net operating loss or special deductions.

ENTER AMOUNT. RECORD LOSSES AS NEGATIVE NUMBERS. IF NEGATIVE NUMBER, PRECEDE WITH MINUS SIGN.

AMOUNT: \$ \_\_\_\_\_ → **GO TO P11**  
 DK or RF ..... DK or RF

**SKIP75A**

IF (P10 OR P10.1) <= 0 → **GO TO SKIP76**  
 IF (P10 OR P10.1) > 0 → **GO TO P12**

P11. Could you tell me whether ([FIRM]) had positive taxable income, negative taxable income, or broke even for (the fiscal year ending [DATE])? **DROP**

POSITIVE TAXABLE INCOME/NET GAIN..... 1 → **GO TO P11.1**  
 NEGATIVE TAXABLE INCOME/NET GAIN ..... 2 → **GO TO P11.2**  
 ZERO TAXABLE INCOME/BREAK EVEN ..... 3 → **GO TO SKIP76**  
 DK or RF ..... DK or RF → **GO TO P12**

P11.1 Could you indicate whether the net gain in taxable income was: **COLLAPSED TO P10**

\$10,000 or less ..... 1  
 More than \$10,000 but less than or equal to \$50,000 ..... 2  
 More than \$50,000 but less than or equal to \$100,000 ..... 3  
 More than \$100,000 but less than or equal to \$500,000 ..... 4  
 More than \$500,000 but less than or equal to \$1 million..... 5  
 More than \$1 million but less than \$5 million ..... 6  
 \$5 million or more ..... 7  
 DK or RF ..... DK or RF

**ALL RESPONSES → GO TO P12**

**QUESTION BY QUESTION NOTES**

- P11.2** Try to get the respondent to select a range.
- P12.** Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- P12.1** Try to get an estimate. Only non-negative integer answers are allowed. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.



P11.2 Could you indicate whether the net loss in taxable income was: **COLLAPSED TO P10**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SKIP76**

P12. (For the fiscal year ending [DATE]), what was the firm’s total corporate tax?

PROMPT: WORKSHEET SIDE 2 LINE 6B

**TAX FORM INFO:**  
C-Corporation: 1120 Line 31 OR 1120A Line 27

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP76**
- DK .....DK → **GO TO P12.1**
- RF .....RF → **GO TO P13**
- EX .....EX → **GO TO SKIP76**

P12.1 Could you give me an estimate? (During the fiscal year ending [DATE]), what was the firm’s total corporate tax? **COLLAPSED TO P12**

INTERVIEWER: IF R SAYS THAT [FIRM] RECEIVED A NET TAX CREDIT, ENTER THE CREDIT AMOUNT PRECEDED BY A MINUS SIGN.

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP76**
- DK or RF.....DK or RF
- EX .....EX → **GO TO SKIP76**

**BACKFILLED: P12 = 0 IF PROFIT ≤ 0**

**RANGE CHECK: P12 and P12\_1 ≥ 0**

**QUESTION BY QUESTION NOTES**

**P13.** Try to get the respondent to select a range.

P13. Could you indicate whether the firm’s total corporate tax expense was: **COLLAPSED TO P12**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP76**

IF FIRM WAS NOT IN BUSINESS DURING PRIOR FY,  
 i.e., C30.1=[TAX YEAR] OR C30.2=1 OR C32=[TAX YEAR] OR C32.1=1      ➔ **GO TO SECTION IV**  
 ALL OTHERS      ➔ **GO TO P14**

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

## QUESTION BY QUESTION NOTES

- P14.** We would like the firm to compare gains/losses reported for (2003/fiscal year ending [DATE]) to those in (2002/fiscal year ending [DATE – 1 YEAR]). Code responses relative to net profit, treating gains as positive net profit and losses as negative net profit.

If the firm had losses in (2002/fiscal year ending [DATE – 1 YEAR]) and gains in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had gains in (2002, fiscal year ending [DATE – 1 YEAR]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business a year ago, use the exception code procedure.

- P15.** We would like the firm to compare gains/losses reported for (2003/fiscal year ending [DATE]) to those in (2000/fiscal year ending [DATE – 3 YEARS]). Code responses relative to net profit, treating gains as positive net profit and losses as negative net profit.

If the firm had losses in (2000/fiscal year ending [DATE – 3 YEARS]) and gains in (2003/fiscal year ending [DATE]), code as LESS (P7.3=2).

If the firm had gains in (2000, fiscal year ending [DATE – 3 YEARS]) and losses in (2003/fiscal year ending [DATE]), code as MORE (P7.3=1).

NOTE: If the respondent says the firm was not in business three years ago, use the exception code procedure.

P14. Was the firm’s net [gain/loss] during the fiscal year ending [DATE] more, less or about the same as its net [gain/loss] during the fiscal year ending [YEAR – 1]? **MOVED TO PROFIT 1**

- MORE IN [YEAR] THAN IN [YEAR – 1] .....1
- LESS IN [YEAR] THAN IN [YEAR – 1].....2
- SAME IN [YEAR] AS IN [YEAR – 1 ].....3
- FIRM NOT IN BUSINESS IN [YEAR – 1 ].....4
- DK or RF.....DK or RF

**SKIP77**

IF FIRM WAS NOT IN BUSINESS THREE YEARS PRIOR TO FY  
 i.e. C30.1=[TAX YEAR-3] OR C30.2=2 OR C32=[TAX YEAR-3] OR C32.1=2 OR P14=4  
 → **GO TO SECTION IV**

ALL OTHERS → **GO TO P15**

IF FISCAL YEAR PRELOAD BETWEEN MAY 1 AND DECEMBER 30 THEN FY 2002  
 IF FISCAL YEAR PRELOAD IS DECEMBER 31 THEN FY 2003  
 IF FISCAL YEAR PRELOAD BETWEEN JANUARY 1 AND APRIL 30 THEN FY 2003

P15. Was the firm’s net [gain/loss] during the fiscal year ending [DATE] more, less or about the same as its net [gain/loss] during the fiscal year ending [YEAR – 3]? **MOVED TO PROFIT 3**

- MORE IN [YEAR] THAN IN [YEAR – 3] .....1
- LESS IN [YEAR] THAN IN [YEAR – 3].....2
- SAME IN [YEAR] AS IN [YEAR – 3].....3
- FIRM NOT IN BUSINESS IN [YEAR – 3].....4
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION IV**

## QUESTION BY QUESTION NOTES

- R1.** We wish to know the total dollar amount of the firm's cash holdings. In this question, "cash" refers to the total amount of cash on hand (i.e., currency and coin used in operations, petty cash, etc.), balances in business checking accounts, and the total balances of all savings accounts, money market accounts (both deposit accounts and mutual fund accounts), time deposits and certificates of deposit (CDs). Make sure only business cash holdings are included. All balances are to be reported as of the fiscal year end date. Entry can be positive or negative. Refer respondent to the appropriate line of their tax return or worksheet, if necessary.
- R1.1** Try to get an estimate. We wish to know the total dollar amount of the firm's cash holdings. In this question, "cash" refers to the total amount of cash on hand (i.e., currency and coin used in operations, petty cash, etc.), balances in business checking accounts, and the total balances of all savings accounts, money market accounts (both deposit accounts and mutual fund accounts), time deposits and certificates of deposit (CDs). Make sure only business cash holdings are included. All balances are to be reported as of the fiscal year end date. Entry can be positive or negative. Refer respondent to the appropriate line of their tax return or worksheet, if necessary.

**SECTION IV - BALANCE SHEET**

**READ29:** Now I'd like to ask about the firm's assets, liabilities, and equity. The first questions are about the firm's assets as of [DATE]. If an asset is used 50 percent or more in the firm, then please consider it a business asset and include it in your answers.

**Subsection R. ASSETS**

R1. First, I am going to ask you about cash, that is, the total amount of cash on hand, and in checking, savings, money market accounts, certificates of deposit, and other time deposits. What was the total dollar amount of the firm's cash holdings as of [DATE]?

PROMPT: WORKSHEET SIDE 2 LINE 6

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 1d  
 S-Corporation: 1120S Schedule L Line 1d  
 C-Corporation: 1120 Schedule L Line 1d OR 1120A Part III Line 1b

**IF ACCOUNT IS USED FOR PERSONAL AND BUSINESS PURPOSES, SAY:** If only a portion of the cash is used in the business, report only that portion.

AMOUNT: \$ _____	→	<b>GO TO R2</b>
DK.....DK	→	<b>GO TO R1.1</b>
RF.....RF	→	<b>GO TO R1.3</b>

R1.1 Could you give me an estimate? (What was the total dollar amount of the firm's cash holdings as of [DATE]?) **COLLAPSED TO R1**

**IF ACCOUNT IS USED FOR PERSONAL AND BUSINESS PURPOSES, SAY:** If only a portion of the cash is used in the business, report only that portion.

AMOUNT: \$ _____	→	<b>GO TO R2</b>
DK or RF.....DK or RF		

## QUESTION BY QUESTION NOTES

**R1.3** Try to get the respondent to select a range. We wish to know the total dollar amount of the firm's cash holdings. In this question, "cash" refers to the total amount of cash on hand (i.e., currency and coin used in operations, petty cash, etc.), balances in business checking accounts, and the total balances of all savings accounts, money market accounts (both deposit accounts and mutual fund accounts), time deposits and certificates of deposit (CDs). Make sure only business cash holdings are included. All balances are to be reported as of the fiscal year end date. Refer respondent to the appropriate line of their tax return or worksheet, if necessary.

**R2.** This question collects the amount of trade notes payable to the firm and accounts receivable, minus any allowance for bad debts. An allowance for bad debts is an amount set aside in advance in case some of the bills due and payable remain outstanding. Refer respondent to the appropriate line of their tax return or worksheet, if necessary.

For some firms, such as a small retail outlet, this item could be zero or very small. Most firms bill some customers for goods and services and do not immediately collect from them when the items are delivered or picked up.

NOTE: This question instructs respondents to subtract Line 2b column b from Line 2a column b. On the 1120A tax form, Line 2b column b is enclosed in parentheses, signifying it as a negative number, i.e. add the numbers together. This question seeks the difference between two positive numbers.

NOTE: If the respondent gives a negative response, use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R2.1** Try to get an estimate. This question collects the amount of trade notes payable to the firm and accounts receivable, minus any allowance for bad debts. An allowance for bad debts is an amount set aside in advance in case some of the bills due and payable remain outstanding. Refer respondent to the appropriate line of their tax return or worksheet, if necessary.

For some firms, such as a small retail outlet, this item could be zero or very small. Most firms bill some customers for goods and services and do not immediately collect from them when the items are delivered or picked up.

NOTE: This question instructs respondents to subtract Line 2b column b from Line 2a column b. On the 1120A tax form, Line 2b column b is enclosed in parentheses, signifying it as a negative number, i.e. add the numbers together. This question seeks the difference between two positive numbers.

NOTE: If the respondent gives a negative response, use the exception code and procedure. Make sure you enter the negative amount in the comment box.



R1.3 Could you indicate whether the firm’s cash holdings were: **COLLAPSED TO R1**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

R2. What was the amount of the firm’s accounts receivable and trade notes, minus allowances for bad debts (as of [DATE])?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, how much money was the firm owed by customers who bought goods or services on account?

PROMPT: WORKSHEET SIDE 2 LINE 7

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 2b(d)  
 S-Corporation: 1120S Schedule L Line 2b(d)  
 C-Corporation: 1120 Schedule L Line 2b(d)  
 OR 1120A Part III Lines 2a(b) less 2b(b)

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP79**  
 EX ..... EX → **GO TO SKIP79**  
 DK ..... DK → **GO TO R2.1**  
 RF ..... RF → **GO TO R2.3**

R2.1 Could you give me an estimate? (What was the amount of the firm’s accounts receivable and trade notes, minus allowances for bad debts (as of [DATE])?) **COLLAPSED TO R2**

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, how much money was the Firm owed by customers who bought goods or services on account?

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP79**  
 EX ..... EX → **GO TO SKIP79**  
 DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R2 & R2.1 ≥ 0**

## QUESTION BY QUESTION NOTES

**R2.3** Try to get the respondent to select a range. This question collects the amount of trade notes payable to the firm and accounts receivable, minus any allowance for bad debts. An allowance for bad debts is an amount set aside in advance in case some of the bills due and payable remain outstanding.

For some firms, such as a small retail outlet, this item could be zero or very small. Most firms bill some customers for goods and services and do not immediately collect from them when the items are delivered or picked up.

NOTE: This question instructs respondents to subtract Line 2b column b from Line 2a column b. On the 1120A tax form, Line 2b column b is enclosed in parentheses, signifying it as a negative number, i.e. add the numbers together. This question seeks the difference between two positive numbers.

**R3.** Inventory typically includes merchandise or production materials. Merchandise held for sale in the normal course of business or materials in the process of production, including raw materials, work in process, or finished goods, are included in this category. This category does not include office equipment and office supplies, such as stationery or pens. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R3.1** Try to get an estimate. Inventory typically includes merchandise or production materials. Merchandise held for sale in the normal course of business or materials in the process of production, including raw materials, work in process, or finished goods, are included in this category. This category does not include office equipment and office supplies, such as stationery or pens. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

R2.3 Could you indicate whether the firm’s accounts receivable and trade notes, minus allowances for bad debts were: **COLLAPSED TO R2**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**SKIP79**

IF N2.1=2 → FILL R3=\$0; GO TO R4  
 ALL OTHERS → GO TO R3

R3. What was the total dollar amount of any inventory of merchandise or production materials held by the firm (as of [DATE])?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, what is the total dollar amount of merchandise for sale or materials for production such as raw materials, work in progress, or finished goods?

PROMPT: WORKSHEET SIDE 2 LINE 8

**TAX FORM INFO:**  
 Sole Proprietorship: 1040 Schedule C Part III line 41  
 Partnership: 1065 Schedule L Line 3d  
 S-Corporation: 1120S Schedule L Line 3d  
 C-Corporation: 1120 Schedule L Line 3d OR 1120A Part III Line 3b

- AMOUNT: \$ \_\_\_\_\_ → GO TO R4
- EX ..... EX → GO TO R4
- DK ..... DK → GO TO R3.1
- RF ..... RF → GO TO R3.3

R3.1 Could you give me an estimate? (What was the total dollar amount of any inventory of merchandise or production materials held by the firm (as of [DATE])?)

**COLLAPSED TO R3**

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, what is the total dollar amount of merchandise for sale or materials for production such as raw materials, work in progress, or finished goods?

- AMOUNT: \$ \_\_\_\_\_ → GO TO R4
- EX ..... EX → GO TO R4
- DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R3 & R3.1 ≥0**

## QUESTION BY QUESTION NOTES

**R3.3** Try to get the respondent to select a range. Inventory typically includes merchandise or production materials. Merchandise held for sale in the normal course of business or materials in the process of production, including raw materials, work in process, or finished goods, are included in this category. This category does not include office equipment and office supplies, such as stationary or pens. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

**R4.** This question determines whether or not the firm had any other current assets, other than those mentioned above (i.e., cash, inventories, notes and accounts receivable). Current assets are assets that can be converted to cash or sold or used up within a year. Such assets generally consist of prepaid expenses, stock, or bonds, including treasury bills or bonds, municipal (state and local government) bonds, and corporate bonds. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

Use the appropriate sections of the PROMPT if the respondent requires additional explanation.

**R4.1** Try to get an estimate. This question determines whether or not the firm had any other current assets, other than those mentioned above (i.e., cash, inventories, notes and accounts receivable). Current assets are assets that can be converted to cash or sold or used up within a year. Such assets generally consist of prepaid expenses, stock, or bonds, including treasury bills or bonds, municipal (state and local government) bonds, and corporate bonds. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

Use the appropriate sections of the PROMPT if the respondent requires additional explanation.

R3.3 Could you indicate whether the amount of any inventory of merchandise or production materials held by the firm was: **COLLAPSED TO R3**

- \$10,000 or less ..... 1
- More than \$10,000 but less than or equal to \$50,000 ..... 2
- More than \$50,000 but less than or equal to \$100,000 ..... 3
- More than \$100,000 but less than or equal to \$500,000 ..... 4
- More than \$500,000 but less than or equal to \$1 million ..... 5
- More than \$1 million but less than \$5 million ..... 6
- \$5 million or more ..... 7
- DK or RF ..... DK or RF

R4. What was the total dollar amount of the firm’s other current assets (as of [DATE])? Do not include cash, accounts receivable and inventory. Other current assets are assets that can be converted to cash, sold, or used up within a year through normal operation of the firm. Examples are bonds, stocks, and prepaid expenses.

**DEFINITIONS IF R ASKS:** Bonds include Treasury bonds and bills, bonds issued by federally sponsored credit agencies, municipal bonds, bonds issued by corporations, and so on. Stocks include publicly traded stocks held as temporary investments. Do not include stocks held for ownership control or long-term investment. Prepaid expenses are payments for items such as insurance, interest, rents, taxes, advertising, and operating supplies that were made in advance but had not been used as of [DATE].

PROMPT: WORKSHEET SIDE 2 LINE 9

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Lines 4d+5d+6d  
 S-Corporation: 1120S Schedule L Lines 4d+5d+6d  
 C-Corporation: 1120 Schedule L Lines 4d+5d+6d OR 1120A Part III Lines 4b+5b+6b

AMOUNT: \$ \_\_\_\_\_ → **GO TO R5**  
 EX ..... EX → **GO TO R5**  
 DK ..... DK → **GO TO R4.1**  
 RF ..... RF → **GO TO R4.3**

R4.1 Could you give me an estimate? (What was the total dollar amount of the firm’s other current assets (as of [DATE])? Do not include cash, accounts receivable and inventory. Other current assets are assets that can be converted to cash, sold, or used up within a year through normal operation of the firm. Examples are bonds, stocks, and prepaid expenses.) **COLLAPSED TO R4**

INTERVIEWER: DEFINITIONS IF R ASKS: **Bonds** include Treasury bonds and bills, bonds issued by federally sponsored credit agencies, municipal bonds, bonds issued by corporations, and so on.

**Stocks** include publicly traded stocks held as temporary investments. Do not include stocks held for ownership control or long-term investment.

**Prepaid expenses** are payments for items such as insurance, interest, rents, taxes, advertising, and operating supplies that were made in advance but had not been used as of [DATE].

AMOUNT: \$ \_\_\_\_\_ → **GO TO R5**  
 EX ..... EX → **GO TO R5**  
 DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R4 & R4.1 ≥ 0**

## QUESTION BY QUESTION NOTES

**R4.3** Try to get the respondent to select a range. This question determines whether or not the firm had any other current assets, other than those mentioned above (i.e., cash, inventories, notes and accounts receivable). Current assets are assets that can be converted to cash or sold or used up within a year. Such assets generally consist of prepaid expenses, stock, or bonds, including treasury bills or bonds, municipal (state and local government) bonds, and corporate bonds. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Use the appropriate sections of the PROMPT if the respondent requires additional explanation

**R5.** In addition to the assets identified in R4 that can be converted to cash in a relatively short period of time, the firm may have other assets that are long-term investments or cannot be readily converted to cash. This question is designed to account for assets that are considered investments. These may include stocks and bonds, land not used for the business operations, long-term loans made to stockholders or other businesses, and other investments. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R5.1** Try to get an estimate. In addition to the assets identified in R4 that can be converted to cash in a relatively short period of time, the firm may have other assets that are long-term investments or cannot be readily converted to cash. This question is designed to account for assets that are considered investments. These may include stocks and bonds, land not used for the business operations, long-term loans made to stockholders or other businesses, and other investments. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

R4.3 Could you indicate whether the amount of the firm’s other current assets was:

**COLLAPSED TO R4**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

R5. (As of [DATE]), what was the total dollar amount of other investments held by the business, such as (all loans to shareholders/partners, and) real estate loans (mortgages) owed to the business? Remember, these are amounts owed **to** the firm, not owed **by** the firm.

**IF R ASKS WHAT “OTHER INVESTMENTS” MEANS, SAY:** Other investments are any items not yet discussed that were purchased by ([FIRM]) with the intent to generate a return on the invested capital. Examples are investments in other companies, or artwork owned by the firm.

PROMPT: WORKSHEET SIDE 2 LINE 10

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Lines 7d + 8d  
 S-Corporation: 1120S Schedule L Lines 7d + 8d + 9d  
 C-Corporation: 1120 Schedule L Lines 7d+8d+9d OR 1120A Part III Lines 7b+8b

AMOUNT: \$ _____	→	<b>GO TO R6</b>
EX.....EX	→	<b>GO TO R6</b>
DK.....DK	→	<b>GO TO R5.1</b>
RF.....RF	→	<b>GO TO R5.3</b>

R5.1 Could you give me an estimate? (What was the total dollar amount of other investments held by the business, such as all real estate loans (mortgages) owed to the business? Remember, these are amounts owed to the firm, not owed by the firm.)

**COLLAPSED TO R5**

**IF R ASKS WHAT “OTHER INVESTMENTS” MEANS, SAY:** **Other investments** are any items not yet discussed that were purchased by the firm with the intent to generate a return on the invested capital. Examples are investments in other companies, or artwork owned by the firm.

AMOUNT: \$ _____	→	<b>GO TO R6</b>
EX.....EX	→	<b>GO TO R6</b>
DK or RF.....DK or RF		

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R5 & R5.1 ≥0**

**QUESTION BY QUESTION NOTES**

**R5.3** Try to get the respondent to select a range. In addition to the assets identified in R4 that can be converted to cash in a relatively short period of time, the firm may have other assets that are long-term investments or cannot be readily converted to cash. This question is designed to account for assets that are considered investments. These may include stocks and bonds, land not used for the business operations, long-term loans made to stockholders or other businesses, and other investments. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

**R6.** Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R6.1** Try to get an estimate. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.



R5.3 Could you indicate whether the amount of [all loans to shareholders/partners], real estate loans (mortgages) owed to the business and other investments was: **COLLAPSED TO R5**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

R6. What was the book value of any land owned by ([FIRM]) (as of [DATE])?

**IF R ASKS WHAT “BOOK VALUE” MEANS, SAY:** Book value of land represents the value of the land at the time the land was acquired by the firm. The value reported should not include the value of buildings or equipment that may have been purchased at the same time as the land.

PROMPT: WORKSHEET SIDE 2 LINE 11

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 11d  
 S-Corporation: 1120S Schedule L Line 12d  
 C-Corporation: 1120 Schedule L Line 12d OR 1120A Part III Line 10b

AMOUNT: \$ \_\_\_\_\_ → **GO TO R7**  
 EX ..... EX → **GO TO R7**  
 DK ..... DK → **GO TO R6.1**  
 RF ..... RF → **GO TO R6.3**

R6.1 Could you give me an estimate? (What was the book value of any land owned by ([FIRM])?) **COLLAPSED TO R6**

**IF R ASKS WHAT “BOOK VALUE” MEANS, SAY:** Book value of land represents the value of the land at the time the land was acquired by the firm. The value reported should not include the value of buildings or equipment that may have been purchased at the same time as the land.

AMOUNT: \$ \_\_\_\_\_ → **GO TO R7**  
 EX ..... EX → **GO TO R7**  
 DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R6 & R6.1 ≥ 0**

## QUESTION BY QUESTION NOTES

- R6.3** Try to get the respondent to select a range. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- R7.** This question asks for the net book value for any depreciable assets, intangible assets, or depletable assets that are used in the operation of the business, including buildings and equipment.
- Assets that are not used in the operation of the business but are held for long-term investment purposes, such as land, are not included in this category and should be included in “other investments” (R5, above).
- Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- Read the PROMPT if the respondent does not understand what depreciable, depletable, or intangible assets are.
- NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.
- R7.1** This question asks for the net book value for any depreciable assets, intangible assets, or depletable assets that are used in the operation of the business, including buildings and equipment.
- Assets that are not used in the operation of the business but are held for long-term investment purposes, such as land, are not included in this category and should be included in “other investments” (R5, above).
- Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- Read the PROMPT if the respondent does not understand what depreciable, depletable, or intangible assets are.
- NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

- R6.3 Could you indicate whether the amount of the book value of any land was: **COLLAPSED TO R6**
- \$10,000 or less ..... 1
  - More than \$10,000 but less than or equal to \$50,000 ..... 2
  - More than \$50,000 but less than or equal to \$100,000 ..... 3
  - More than \$100,000 but less than or equal to \$500,000 ..... 4
  - More than \$500,000 but less than or equal to \$1 million..... 5
  - More than \$1 million but less than \$5 million ..... 6
  - \$5 million or more ..... 7
  - DK or RF ..... DK or RF

R7. What was the net book value (as of [DATE]) of any buildings and equipment and any other depreciable, depletable or intangible assets?

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, what was the acquisition cost minus any accumulated depreciation, depletion, and amortization?

**IF R NEEDS MORE HELP, SAY:** The new book value for buildings should not include the value of the land.

**DEFINITIONS IF R ASKS:** Depreciable assets are assets that wear out as they are used or whose usefulness decreases over time.  
Depletable assets include natural resources such as mines, timberlands, and oil wells.  
Intangible assets include patents, copyrights, franchises, and good will.

PROMPT: WORKSHEET SIDE 2 LINE 12

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Lines 9b(d) + 10b(d) + 12b(d)  
 S-Corporation: 1120S Schedule L Lines 10b(d) + 11b(d) + 13b(d)  
 C-Corporation: 1120 Schedule L Lines 10b(d) + 11b(d) + 13b(d)  
 OR 1120A Part III Line 9a(b) - 9b(b)

- AMOUNT: \$ \_\_\_\_\_ → **GO TO R8**  
 EX ..... EX → **GO TO R8**  
 DK ..... DK → **GO TO R7.1**  
 RF ..... RF → **GO TO R7.3**

R7.1 Could you give me an estimate? (What was the **net** book value of any buildings and equipment and any other depreciable, depletable or intangible assets at the end of [DATE]?)

**COLLAPSED TO R7**

**IF R DOES NOT UNDERSTAND QUESTION, SAY:** That is, what was the acquisition cost minus any accumulated depreciation, depletion and amortization?

**IF R NEEDS MORE HELP, SAY:** The net book value for buildings should **not** include the value of the land.

**DEFINITIONS IF R ASKS:** Depreciable assets are assets that wear out as they are used or whose usefulness decreases over time. Depletable assets include natural resources such as mines, timberlands, and oil wells. Intangible assets include patents, copyrights, franchises, and good will.

- AMOUNT: \$ \_\_\_\_\_ → **GO TO R8**  
 EX ..... EX → **GO TO R8**  
 DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R7 & R7.1 ≥ 0**

## QUESTION BY QUESTION NOTES

**R7.3** Try to get the respondent to select a range. This question asks for the net book value for any depreciable assets, intangible assets, or depletable assets that are used in the operation of the business.

--Assets that are not used in the operation of the business but are held for long-term investment purposes, such as land, are not included in this category.

--Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Read the PROMPT if the respondent does not understand what depreciable, depletable, or intangible assets are.

**R8.** Insurance should be considered an asset only if it will be converted to another asset, such as cash, over time and not due to a "life event", such as fire or death. Therefore, cash surrender value insurance should be considered an asset, whereas term-life or whole-life insurance should not.

**R9.** Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R9.1** Try to get an estimate. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

R7.3 Could you indicate whether the amount the net book value (as of [DATE]) of any buildings and equipment or any other depreciable, depletable or intangible assets were: **COLLAPSED TO R7**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

R8. As of [DATE] did the firm have any other assets that were not yet discussed? Examples of other assets are the cash surrender value of life insurance and security deposits. **DROP**

- YES.....1
- NO.....2 → FILL R9=\$0  
GO TO SKIP80
- DK or RF.....DK or RF → GO TO SKIP80

R9. What was the total dollar amount of these other assets not yet described?

PROMPT: WORKSHEET SIDE 2 LINE 13

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 13d  
 S-Corporation: 1120S Schedule L Line 14d  
 C-Corporation: 1120 Schedule L Line 14d OR 1120A Part III Line 11b

- AMOUNT: \$ \_\_\_\_\_ → GO TO READ31
- EX ..... EX → GO TO READ31
- DK ..... DK → GO TO R9.1
- RF ..... RF → GO TO R9.3

**BACKFILLED: R9=0 IF R8=2**

R9.1 Could you give me an estimate? (What was the total dollar amount of these other assets not yet described?) **COLLAPSED TO R9**

- AMOUNT: \$ \_\_\_\_\_ → GO TO READ31
- EX ..... EX → GO TO READ31
- DK or RF.....DK or RF → GO TO R9.3

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R9 & R9.1 ≥ 0**

## QUESTION BY QUESTION NOTES

- R9.3** Try to get the respondent to select a range. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- R10.** This question is asked only for the three largest other assets included in R8 and R9. If the firm has fewer than three, then enter "NONE" as appropriate.
- R11.** When "NONE" is entered in R10(2) or R10(3), then CATI will fill-in R11 accordingly. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**EXPANDED CODEFRAME FOR R10 (R1-R3):****What are the three largest of these other assets?****11: trust funds****12: permits, licenses, memberships, etc.****13: goodwill, patents****14: deposits-security, utility, worker comp (deposits)****15: research and development****16: cash surrender value of life insurance****97: other****98: not ascertainable****.D Don't Know****.R Refused**

R9.3 Could you indicate whether the total dollar amount of these other assets not yet described was:

**COLLAPSED TO R9**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**READ31:** Please describe the three largest of these other assets.

IWER INFO: ASK **R10** AND **R11** FOR THE THREE LARGEST ASSETS.

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 13d  
 S-Corporation: 1120S Schedule L Line 14d  
 C-Corporation: 1120 Schedule L Line 14d  
 OR 1120A Part III Line 11b

Asset Number	R10. What was the largest/next largest of these <u>other</u> assets?	R11. What was the dollar amount of (ASSET) (as of [DATE])?	R10A Are there any other assets not yet described?
1	R10_1V <b>MOVED TO R10 R1</b>	R11_1 \$, or DK or RF or EX	R10A1 Yes →R10_2V; No, DK, RF →SKIP80
2	R10_2V <b>MOVED TO R10 R2</b>	R11_2 \$, or DK or RF or EX	R10A2 Yes →R10_3V; No, DK, RF →SKIP80
3	R10_3V <b>MOVED TO R10 R3</b>	R11_3 \$, or DK or RF or EX	NA

**SEE CODEFRAME FOR R10 R1-R10 R3 ON PAGE 274**

**RANGE CHECK:** R11\_(1-3) ≤R9 OR R9.1 OR R9.3 RANGE MAXIMUM; R11\_(1-3) NON-NEGATIVE INTEGERS ONLY

**SKIP80**

IF R1 (OR R1.1) THRU R7 (OR R7.1) AND R9 (OR R9.1) ARE COMPLETE\* → **GO TO SECTION S**  
 IF ANY ITEMS R1-R9 ARE EX, DK, RF OR A REPORTED RANGE → **GO TO R12**

\*COMPLETE MEANS NON-NEGATIVE INTEGER FOR ALL R VARIABLES EXCEPT R1 AND R1.1, WHERE COMPLETE MEANS INTEGER. COMPLETE DOES NOT INCLUDE EX, DK, OR RF

**QUESTION BY QUESTION NOTES**

**R12.** This asks for the total dollar value of all the firm's assets. Record the response to the nearest whole dollar. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R12.1** Try to get an estimate. This asks for the total dollar value of all the firm's assets. Record the response to the nearest whole dollar. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**R12.3** Try to get the respondent to select a range. This asks for the total dollar value of all the firm's assets. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.



R12. As of [DATE], what was the total dollar amount of all assets of the firm?

**R12 IS CALCULATED FOR ALL FIRMS**

**IF R ASKS WHAT “ALL ASSETS” MEANS, SAY:** Total assets is equal to the sum of the recorded year-end values of the firm’s assets.

PROMPT: WORKSHEET SIDE 2 LINE 14

**TAX FORM INFO:**

Partnership: 1065 Schedule L Line 14d

S-Corporation: 1120S Schedule L Line 15d

C-Corporation: 1120 Schedule L Line 15d OR 1120A Part III Line 12b

For the businesses that do not complete a balance sheet (because they are not required to if they have less than \$25,000 in assets), they indicate on the face of the return the total assets at the end of the year. For these businesses:

Partnership: Form 1065 Line F

S-Corporation: Form 1120S Line E

C-Corporation: Form 1120, Line D OR Form 1120A Line D

AMOUNT: \$ _____	→	<b>GO TO SECTION S</b>
EX.....EX	→	<b>GO TO SECTION S</b>
DK.....DK	→	<b>GO TO R12.1</b>
RF.....RF	→	<b>GO TO R12.3</b>

R12.1 Could you give me an estimate? (As of [DATE], what was the total dollar amount of all assets of the firm?) **COLLAPSED TO R12**

**IF R ASKS WHAT “ALL ASSETS” MEANS, SAY:** Total assets is equal to the sum of the recorded year-end values of the firm’s assets.

AMOUNT: \$ _____	→	<b>GO TO SECTION S</b>
EX.....EX	→	<b>GO TO SECTION S</b>
DK or RF.....DK or RF	→	<b>GO TO R12.3</b>

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, R12 & R12.1 ≥ 0**

R12.3 Could you indicate whether total assets were: **COLLAPSED TO R12**

\$10,000 or less .....	1
More than \$10,000 but less than or equal to \$50,000 .....	2
More than \$50,000 but less than or equal to \$100,000 .....	3
More than \$100,000 but less than or equal to \$500,000 .....	4
More than \$500,000 but less than or equal to \$1 million.....	5
More than \$1 million but less than \$5 million .....	6
\$5 million or more .....	7
DK or RF .....	DK or RF

**ALL RESPONSES → GO TO SECTION S**

**QUESTION BY QUESTION NOTES**

- S1.** Enter to the nearest whole dollar the total combined amount of all loans, mortgages, notes, and bonds. This represents the firm's total borrowings as of the reference date. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

If a respondent does not know what a "non-recourse" loan is, read the PROMPT.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**Subsection S. LIABILITIES AND EQUITY**

**READ32:** The next questions are about liabilities and equity the firm had as of [DATE]. If the firm is responsible for 50 percent or more of a liability, then please consider it a business liability and include it in your answers.

**PROGRAMMER NOTE  
FOR S1 & S1.3**

IF FIRM IS A PARTNERSHIP (B3 = 2, 3 OR 7) SAY “including any loans from partners and any nonrecourse loans” IN S1 & S1.3  
 IF FIRM IS A CORPORATION (B3 = 4,5,6, OR 8) SAY “including any loans from stockholders”  
 IF FIRM IS A PROPRIETORSHIP (B3 = 1 OR 9) NO FILL

S1. What was the combined amount of the outstanding principal of loans, mortgages, notes, or bonds, or capital leases, [including any loans from partners/stockholders] and any nonrecourse loans that the firm had as of [DATE]?

**IF R ASKS WHAT TO INCLUDE, SAY:** Be sure to include any loans: lines of credit, leases, mortgages, motor vehicle equipment, loans from stockholders or partners, and other loans.

**IF R ASKS IF SHORT AND LONG TERM LOANS SHOULD BE INCLUDED, SAY:** This combined amount refers to both short term loans and long term loans. Short term loans include loan principal due within one year. Long term loans include loan principal due after one year.

**IF R ASKS WHAT “NONRECOURSE LOAN” MEANS, SAY:** With nonrecourse loans, the partners are not personally liable should the firm not repay the debt. Usually, with nonrecourse loans the creditor can only repossess the collateral.

PROMPT: WORKSHEET SIDE 2 LINE 15

IWER INFO: IF THE AMOUNT HAS ALREADY BEEN PRORATED THEN TAKE THE PRORATED AMOUNT. IF THE AMOUNT HAS NOT BEEN PRORATED, THEN TAKE THE TOTAL VALUE.

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Lines 16d + 18d + 19d  
 S-Corporation: 1120S Schedule L Lines 17d + 19d + 20d  
 C-Corporation: 1120 Schedule L Lines 17d + 19d + 20d  
 OR 1120A Part III Lines 15b + 16b

AMOUNT: \$ _____	→	<b>GO TO S2</b>
EX.....EX	→	<b>GO TO S2</b>
DK.....DK	→	<b>GO TO S1.1</b>
RF.....RF	→	<b>GO TO S1.3</b>

**QUESTION BY QUESTION NOTES**

**S1.1** Try to get an estimate. Enter to the nearest whole dollar the total combined amount of all loans, mortgages, notes, and bonds. This represents the firm's total borrowings as of the reference date. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

If a respondent does not know what a "nonrecourse" loan is, read the PROMPT.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S1.3** Try to get the respondent to report a range. This represents the firm's total borrowings as of the reference date. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

If a respondent does not know what a "nonrecourse" loan is, read the PROMPT.

S1.1 Could you give me an estimate? (What was the combined amount of the outstanding principal of loans, mortgages, notes, or bonds, or capital leases, [including any loans from partners/stockholders] including any loans from partners and any nonrecourse loans that the firm had as of [DATE]?) **COLLAPSED TO S1**

IF R ASKS WHAT “NON-RECOURSE” LOAN MEANS, SAY: With nonrecourse loans, the partners are not **personally liable** should the firm not repay the debt. Usually, with nonrecourse loans, the creditor can **only** repossess the collateral.

AMOUNT: \$ \_\_\_\_\_ → GO TO S2  
 EX ..... EX → GO TO S2  
 DK or RF.....DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, S1 & S1.1 ≥ 0**

S1.3 Could you indicate whether the firm’s combined amount of any loans, mortgages, notes, or bonds, or capital leases [, including any loans from stockholders/including any loans from partners and any nonrecourse loans] (as of [DATE]) was:

IF R ASKS WHAT “NON-RECOURSE” LOAN MEANS, SAY: With nonrecourse loans, the partners are not **personally liable** should the firm not repay the debt. Usually, with nonrecourse loans, the creditor can **only** repossess the collateral. **COLLAPSED TO S1**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**QUESTION BY QUESTION NOTES**

**S2.** Enter to the nearest whole dollar the sum of all debts owed to other suppliers for purchases made on account. Accounts payable are current liabilities (short-term) incurred in the normal course of business as a firm purchases supplies with payment due at a later date. If a firm pays before or on delivery for all of its purchases, no accounts payable will appear on the firm's balance sheet. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S2.1** Try to get an estimate. Enter to the nearest whole dollar the sum of all debts owed to other suppliers for purchases made on account. Accounts payable are current liabilities (short-term) incurred in the normal course of business as a firm purchases supplies with payment due at a later date. If a firm pays before or on delivery for all of its purchases, no accounts payable will appear on the firm's balance sheet. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

S2. What was the total amount of the firm’s accounts payable (as of [Date])? Accounts payable is typically money the firm owes to other businesses for supplies and services.

PROMPT: WORKSHEET SIDE 2 LINE 16

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 15d  
 S-Corporation: 1120S Schedule L Line 16d  
 C-Corporation: 1120 Schedule L Line 16d OR 1120A Part III Line 13b

AMOUNT: \$ \_\_\_\_\_ → **GO TO S3**  
 EX ..... EX → **GO TO S3**  
 DK ..... DK → **GO TO S2.1**  
 RF ..... RF → **GO TO S2.3**

S2.1 Could you give me an estimate? (What was the total amount of the firm’s accounts payable (as of [Date])? Accounts payable is typically money the firm owes to other businesses for supplies and services.) **COLLAPSED TO S2**

AMOUNT: \$ \_\_\_\_\_ → **GO TO S3**  
 EX ..... EX → **GO TO S3**  
 DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, S2 & S2.1 ≥ 0**

## QUESTION BY QUESTION NOTES

**S2.3** Try to get the respondent to select a range. Accounts payable are current liabilities (short-term) incurred in the normal course of business as a firm purchases supplies with payment due at a later date. If a firm pays before or on delivery for all of its purchases, no accounts payable will appear on the firm's balance sheet. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

**S3.** Enter to the nearest whole dollar the total amount of all other current liabilities. Other current liabilities include other obligations due within the next year such as customer prepayments or deposits and accrued expenses or taxes payable. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Short-term loans, notes, bonds, or mortgages, i.e. those with remaining maturities one year or less are not included in this category. They are to be included in S1.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S3.1** Try to get an estimate. Enter to the nearest whole dollar the total amount of all other current liabilities. Other current liabilities include other obligations due within the next year such as customer prepayments or deposits and accrued expenses or taxes payable. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Short-term loans, notes, bonds, or mortgages, i.e. those with remaining maturities one year or less are not included in this category. They are to be included in S1.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.



S2.3 Could you indicate whether the firm’s accounts payable (as of [DATE]) was: **COLLAPSED TO S2**

- \$10,000 or less ..... 1
- More than \$10,000 but less than or equal to \$50,000 ..... 2
- More than \$50,000 but less than or equal to \$100,000 ..... 3
- More than \$100,000 but less than or equal to \$500,000 ..... 4
- More than \$500,000 but less than or equal to \$1 million..... 5
- More than \$1 million but less than \$5 million ..... 6
- \$5 million or more ..... 7
- DK or RF ..... DK or RF

S3. What was the total amount of the firm’s other current liabilities (as of [DATE])? Other current liabilities are debts, other than those discussed earlier, that are due within one year. Examples include accrued expenses, taxes payable, and prepayments and deposits or advances from customers. Do not include loans and accounts payable.

**IF R ASKS IF LIABILITIES PREVIOUSLY REPORTED SHOULD BE INCLUDED, SAY:** This amount should not include the liabilities that you just reported in the firm’s loans and accounts payable.

**DEFINITIONS IF R ASKS:** Accrued expenses are expenses that have been incurred but not yet paid such as salaries, taxes, and interest.  
Taxes payable are taxes that are owed but not yet paid like property, payroll, or income tax.  
Prepayments, deposits, and advances from customers are payments made in advance by customers as evidence that they intend to buy a particular product or service.

PROMPT: WORKSHEET SIDE 2 LINE 17

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 17d  
 S-Corporation: 1120S Schedule L Line 18d  
 C-Corporation: 1120 Schedule L Line 18d OR 1120A Part III line 14b

- AMOUNT: \$ \_\_\_\_\_ → **GO TO S4**
- EX ..... EX → **GO TO S4**
- DK ..... DK → **GO TO S3.1**
- RF ..... RF → **GO TO S3.3**

S3.1 Could you give me an estimate? (What was the total amount of the firm’s other current liabilities at the end of [DATE]? Other current liabilities are debts, other than those discussed earlier, that are due within one year. Examples include accrued expenses, taxes payable, and prepayments and deposits or advances from customers. Do not include loans and accounts payable.) **COLLAPSED TO S3**

**IF R ASKS IF LIABILITIES PREVIOUSLY REPORTED SHOULD BE INCLUDED, SAY:** This amount should not include the liabilities that you just reported in the firm’s loans and accounts payable.

**DEFINITIONS IF R ASKS:** **Accrued expenses** are expenses that have been incurred but not yet paid such as salaries, taxes, and interest. **Taxes payable** are taxes that are owed but not yet paid like property, payroll, or income tax. **Prepayments, deposits, and advances from customers** are payments made in advance by customers as evidence that they intend to buy a particular product or service.

- AMOUNT: \$ \_\_\_\_\_ → **GO TO S4**
- EX ..... EX → **GO TO S4**
- DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, S3 & S3.1 ≥ 0**

**QUESTION BY QUESTION NOTES**

**S3.3** Try to get the respondent to select a range. Other current liabilities include other obligations due within the next year such as customer prepayments or deposits and accrued expenses or taxes payable. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Short-term loans, notes, bonds, or mortgages, i.e. those with remaining maturities one year or less are not included in this category. They are to be included in S1.

**S4.** This question identifies if the firm has any other debts or obligations not recorded elsewhere, such as pension/retirement plans, insurance policies, and negative goodwill. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

**S5.** We want to know the monetary amount of the firm's debts or obligations not recorded elsewhere that are identified in question S4.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S5.1** Try to get an estimate. This question identifies if the firm has any other debts or obligations not recorded elsewhere. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

S3.3 Could you indicate whether the firm’s other current liabilities were: **COLLAPSED TO S3**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

S4. (As of [DATE]), did the firm have any other debts or liabilities that were not yet discussed? **DROP**

- YES..... 1
- NO..... 2 → **FILL S5=\$0  
GO TO SKIP82**
- DK or RF ..... DK or RF → **GO TO SKIP82**

S5. (As of [DATE]), how much did ([FIRM]) owe on other debts or liabilities not yet discussed?

**IF R ASKS ABOUT INCLUDING EQUITY, RETAINED EARNINGS, OR CAPITAL ACCOUNTS, SAY:** Equity, retained earnings, and capital accounts are not included in liabilities. These items are accounted for elsewhere.

PROMPT: WORKSHEET SIDE 2 LINE 18

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 20d  
 S-Corporation: 1120S Schedule L Line 21d  
 C-Corporation: 1120 Schedule L Line 21d OR 1120A Part III Line 17b

- AMOUNT: \$ \_\_\_\_\_ → **GO TO READ34**
- EX ..... EX → **GO TO READ34**
- DK ..... DK → **GO TO S5.1**
- RF ..... RF → **GO TO S5.3**

**BACKFILLED: S5=0 IF S4=2**

S5.1 Could you give me an estimate? (As of [DATE]), how much did ([FIRM]) owe on other debts or liabilities not yet discussed? **COLLAPSED TO S5**

**IF THE RESPONDENT ASKS ABOUT INCLUDING EQUITY, RETAINED EARNINGS, OR CAPITAL ACCOUNTS:** Equity, retained earnings, and capital accounts are not included in liabilities. These items are accounted for in the next few questions.

- AMOUNT: \$ \_\_\_\_\_ → **GO TO READ34**
- EX ..... EX → **GO TO READ34**
- DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, S5 & S5.1≥0**

## QUESTION BY QUESTION NOTES

- S5.3** Try to get the respondent to select a range. This question identifies if the firm has any other debts or obligations not recorded elsewhere. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- S6.** This question is asked only for the three largest other liabilities included in S5. If the firm has fewer than three, then enter "NONE" as appropriate.
- S7.** When "NONE" is entered in S6(2) or S6(3), then CATI will fill-in S7 accordingly. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**EXPANDED CODEFRAME FOR S6 (R1-R3):****What are the three largest of these other liabilities?****11: bonds****12: trust fund****13: negative goodwill****14: buying out company/acquisition expenses****15: insurance policies****16: minority or subordinated interest****17: pension, retirement****97: other****98: not ascertainable****.D Don't Know****.R Refused**

S5.3 Could you indicate whether the firm's other current liabilities were: **COLLAPSED TO S5**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000 .....2
- More than \$50,000 but less than or equal to \$100,000 .....3
- More than \$100,000 but less than or equal to \$500,000 .....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million .....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**READ34:** Please describe the three largest of these other liabilities.

IWER INFO: ASK S6 AND S7 FOR THE THREE LARGEST LIABILITIES.

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L for Line 20d  
 S-Corporation: 1120S Schedule L for Line 21d  
 C-Corporation: 1120 Schedule L for Line 21d  
 OR 1120A Part III for Line 17b

Liability Number	S6. What was the largest/next largest of these <u>other</u> liabilities?	S7. What was the dollar amount of (LIABILITY) (as of [DATE])?	S6A Are there any other liabilities not yet described?
1	S6_1V <b>MOVED TO S6 R1</b>	S7_1 \$_____, or DK or RF or EX	S6A1 YES →S6_2V; No, DK, RF →SKIP82
2	S6_2V <b>MOVED TO S6 R2</b>	S7_2 \$_____, or DK or RF or EX	S6A2 YES →S6_3V; No, DK, RF →SKIP82
3	S6_3V <b>MOVED TO S6 R3</b>	S7_3 \$_____, or DK or RF or EX	NA

**SEE CODEFRAME FOR S6 R1-S6 R3 ON PAGE 288**

**RANGE CHECK:** S7\_(1-3) ≤S5 OR S5.1 OR S5.3 RANGE MAXIMUM; S7\_(1-3) NON-NEGATIVE INTEGERS ONLY

**SKIP82**

IF S1 (OR S1.1) THRU S3 (OR S3.1) AND S5 (OR S5.1) ARE COMPLETE\*   ➔   **GO TO SKIP83**  
 IF S1, S2, S3, & S5 ARE EX, DK, RF OR A REPORTED RANGE           ➔   **GO TO S8**

\*COMPLETE IS NON-NEGATIVE INTEGER; COMPLETE DOES NOT INCLUDE EX, DK OR RF

**QUESTION BY QUESTION NOTES**

**S8.** This question asks for the total dollar amount of all the firm's debts and liabilities. Record the response to the nearest whole dollar. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S8.1** Try to get an estimate. This question asks for the total dollar amount of all the firm's debts and liabilities. Record the response to the nearest whole dollar. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

NOTE: If the respondent gives a negative response, then use the exception code and procedure. Make sure you enter the negative amount in the comment box.

**S8.3** Try to get the respondent to report a range. This question asks for the total dollar amount of all the firm's debts and liabilities. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

S8. As of [DATE], what was the total dollar amount owed by ([FIRM]) for all debts and liabilities? Do not include equity. **S8 IS CALCULATED FOR ALL FIRMS**

**IF R ASKS WHAT “ALL DEBTS AND LIABILITIES” MEANS, SAY:** Total liabilities equal the sum of the recorded year-end values for all liability accounts.

PROMPT: WORKSHEET SIDE 2 LINE 19

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L for Lines 15d+16d+17d+18d+19d+20d  
 S-Corporation: 1120S Schedule L for Line 16d+17d+18d+19d+20d+21d  
 C-Corporation: 1120 Schedule L for Line 16d+17d+18d+19d+20d+21d  
 OR 1120A Part III for Line 13b thru 17b

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP83**  
 EX ..... EX → **GO TO SKIP83**  
 DK ..... DK → **GO TO S8.1**  
 RF ..... RF → **GO TO S8.3**

S8.1 Could you give me an estimate? (As of [DATE], what was the total dollar amount owed by ([FIRM]) for all debts and liabilities? Do not include equity.) **COLLAPSED TO S8**

**IF R ASKS WHAT “ALL DEBTS AND LIABILITIES” MEANS, SAY:** Total liabilities equal the sum of the recorded year-end values for all liability accounts.

AMOUNT: \$ \_\_\_\_\_ → **GO TO SKIP83**  
 EX ..... EX → **GO TO SKIP83**  
 DK or RF ..... DK or RF

**RANGE CHECK: NON-NEGATIVE INTEGERS ONLY, S8 & S8.1 ≥ 0**

S8.3 Could you indicate whether total liabilities were: **COLLAPSED TO S8**

\$10,000 or less ..... 1  
 More than \$10,000 but less than or equal to \$50,000 ..... 2  
 More than \$50,000 but less than or equal to \$100,000 ..... 3  
 More than \$100,000 but less than or equal to \$500,000 ..... 4  
 More than \$500,000 but less than or equal to \$1 million ..... 5  
 More than \$1 million but less than \$5 million ..... 6  
 \$5 million or more ..... 7  
 DK or RF ..... DK or RF

**ALL RESPONSES → GO TO SKIP83**

**QUESTION BY QUESTION NOTES**

**S9.** For partnerships, collect total partners' equity in the firm. This includes the amount invested by the partners plus any profits reinvested in the firm (or less any losses) over the life of the business. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Read the PROMPT if the respondent needs additional explanation.

**S9.1** Try to get an estimate. For partnerships, collect total partners' equity in the firm. This includes the amount invested by the partners plus any profits reinvested in the firm (or less any losses) over the life of the business. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

Read the PROMPT if the respondent needs additional explanation.

**S9.3** Try to get the respondent to clarify if the firm's equity was positive, negative or zero for the fiscal year. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.



**SKIP83**

- ALL SOLE PROPRIETORSHIPS, B3=1 OR 9 → **GO TO SECTION U**
- IF OTHER FIRM TYPE AND  
 R1 (OR R1.1) THRU R7 (OR R7.1) & R9 (OR R9.1) ARE COMPLETE\*; AND  
 S1 (OR S1.1) THRU S3 (OR S3.1) & S5 (OR S5.1) ARE COMPLETE\* → **GO TO SECTION U**
- IF PARTNERSHIP, B3=2 OR 3 OR 7 → **GO TO READ35a**
- IF C-CORP OR S-CORP, B3=4 OR 5 OR 6 OR 8 → **GO TO READ35b**

\*COMPLETE IS AN INTEGER FOR R1 AND R1.1, NON-NEGATIVE INTEGER FOR ALL OTHER VALUES, AND NOT EX, DK, OR RF

**S EQUITY IS CALCULATED FOR ALL FIRMS, S EQUITY=R12 - S8 FOR SOLE PROPS**

**EQUITY -- Partnerships**

**READ35a:** Now we are going to ask you about equity. Equity is equal to assets minus liabilities. Equity can be negative or positive. We want the total partners' equity, not just the equity of a single partner.

S9. As of [DATE], what was the total amount of firm's equity? **MOVED TO S EQUITY**  
**IF R ASKS WHAT "EQUITY" MEANS, SAY:** Equity is sometimes referred to as the partners' capital accounts.

PROMPT: WORKSHEET SIDE 2 LINE 20

**TAX FORM INFO:**  
 Partnership: 1065 Schedule L Line 21d

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SECTION U**
- DK.....DK → **GO TO S9.1**
- RF.....RF → **GO TO S9.3**

S9.1 Could you give me an estimate? (As of [DATE], what was the total amount of ([FIRM's]) equity?) **COLLAPSED TO S9**

**IF R ASKS WHAT "EQUITY" MEANS, SAY:** Equity is sometimes referred to as the partners' capital accounts.

- AMOUNT: \$ \_\_\_\_\_ → **GO TO SECTION U**
- DK or RF.....DK or RF

S9.3 Could you tell me whether ([FIRM]) had positive, zero, or negative equity (as of [DATE])? **DROP**

- POSITIVE EQUITY.....1 → **GO TO S9.4**
- ZERO EQUITY.....2 → **GO TO SECTION U**
- NEGATIVE EQUITY.....3 → **GO TO S9.5**
- DK or RF.....DK or RF → **GO TO SECTION U**

**QUESTION BY QUESTION NOTES**

- S9.4** Try to get the respondent to select a range. For partnerships, collect total partners' equity in the firm. This includes the amount invested by the partners plus any profits reinvested in the firm (or less any losses) over the life of the business. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- S9.5** Try to get the respondent to select a range. For partnerships, collect total partners' equity in the firm. This includes the amount invested by the partners plus any profits reinvested in the firm (or less any losses) over the life of the business. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

S9.4 Could you indicate whether the positive equity was:

**COLLAPSED TO S9**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION U**

S9.5 Could you indicate whether the negative equity was:

**COLLAPSED TO S9**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION U**

**QUESTION BY QUESTION NOTES**

- S10.** Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- S10.1** Try to get an estimate. Entry can be positive or negative. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- S10.3** Try to get the respondent to clarify if the firm's equity was positive, negative or zero for the fiscal year. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

**EQUITY -- S-Corporations and C-Corporations**

**READ35b:** Now we are going to ask you about equity. Equity is the sum of the book value of common and preferred stock, additional paid-in-capital, and retained earnings, less the cost of any treasury stock. Equity can be negative or positive.

S10. As of [DATE], what was the total amount of ([FIRM])’s equity? **MOVED TO S EQUITY**

**IF R ASKS WHAT “EQUITY” MEANS, SAY:** Equity is equal to assets minus liabilities.

PROMPT: WORKSHEET SIDE 2 LINE 20

**TAX FORM INFO:**  
 S-Corporation: 1120S Schedule L Lines 22d+23d+24d+25d less 26d  
 C-Corporation: 1120 Schedule L Lines 22d+23d+24d+25d+26d-27d  
 OR 1120A, Part III, 18b+19b+20b+21b-22b

AMOUNT: \$ \_\_\_\_\_ → **GO TO SECTION U**  
 DK.....DK → **GO TO S10.1**  
 RF.....RF → **GO TO S10.3**

S10.1 Could you give me an estimate? (As of [DATE], what was the total amount equity?)

AMOUNT: \$ \_\_\_\_\_ → **COLLAPSED TO S10**  
 DK or RF.....DK or RF.. → **GO TO SECTION U**

**IF R ASKS WHAT “EQUITY” MEANS, SAY:** Equity is equal to assets minus liabilities.

S10.3 Could you tell me whether ([FIRM]) had positive, zero, or negative equity (as of [DATE])?

**DROP**  
 POSITIVE EQUITY .....1 → **GO TO S10.4**  
 ZERO EQUITY .....2 → **GO TO SECTION U**  
 NEGATIVE EQUITY .....3 → **GO TO S10.5**  
 DK or RF.....DK or RF → **GO TO SECTION U**

**QUESTION BY QUESTION NOTES**

- S10.4** Try to get the respondent to select a range. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.
- S10.5** Try to get the respondent to select a range. Refer the respondent to the appropriate line of their tax return or worksheet, if necessary.

S10.4 Could you indicate whether the positive equity was:

**COLLAPSED TO S10**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION U**

S10.5 Could you indicate whether the negative equity was:

**COLLAPSED TO S10**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ...5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

**ALL RESPONSES → GO TO SECTION U**

**QUESTION BY QUESTION NOTES**

- U1.**
- U2.** Be sure to emphasize BUSINESS obligations. If necessary, let the respondent know that we will be asking about personal obligations later. Read prompt for clarification on “obligation,” if necessary.
- U3.** The prompt provides a simple explanation of a judgment and a good example. Read this to the respondent, if necessary.
- U4.**



**Subsection U. CREDIT HISTORY**

**READ36:** These last questions we have are to help us understand the credit history of the firm. For these questions, think only about the experiences of the firm.

U1. Within the past seven years, has the firm declared bankruptcy?

- YES ..... 1
- NO ..... 2
- DK or RF ..... DK or RF

U2. Within the past three years, on how many different business obligations has the firm been 60 or more days delinquent? Please include trade credit or credit from suppliers.

**IF R ASKS WHAT “OBLIGATION” MEANS, SAY:** An obligation is a payment due to a creditor on a particular date. If January and February mortgage payments were both 60 days late, this would count as two different obligations.

- NONE ..... 1
- ONE ..... 2
- TWO ..... 3
- THREE OR MORE ..... 4
- DK or RF ..... DK or RF

U3. Within the past three years, have any judgments been rendered against the firm?

**IF R ASKS WHAT “JUDGMENT” MEANS, SAY:** Judgments are court orders or lawsuits requiring either payment or some action. An example of an action is cessation of infringement on a patent.

- YES ..... 1
- NO ..... 2
- DK or RF ..... DK or RF

**SKIP84**

IF C11=2 or C21=2  
ALL OTHERS

➔ **GO TO SECTION T**  
➔ **GO TO READ37**

**READ37:** The next questions are designed to help us understand the credit history of the principal owner of the firm. In this section, principal owner refers to [OWNER\_1].

U4. Within the past seven years, has [OWNER\_1] declared bankruptcy?

- YES ..... 1
- NO ..... 2
- DK or RF ..... DK or RF

**QUESTION BY QUESTION NOTES**

- U5.** Be sure to emphasize PERSONAL obligations. Read prompt if necessary.
- U6.** The prompt provides a simple explanation of a judgment and a good example. Read this to the respondent, if necessary.
- U7**
- U7.1**
- U7.2** Try to get an estimate.

U5. Within the past three years, on how many different personal obligations has [OWNER\_1] been 60 or more days delinquent?

**IF R ASKS WHAT “OBLIGATION” MEANS, SAY:** An obligation is a payment due to a creditor on a particular date. If January and February mortgage payments were both 60 days late, this would count as two different obligations.

- NONE ..... 1
- ONE ..... 2
- TWO ..... 3
- THREE OR MORE..... 4
- DK or RF ..... DK or RF

U6. Within the past three years, have any judgments been rendered against [OWNER\_1]?

**IF R ASKS WHAT “JUDGMENT” MEANS, SAY:** Judgments are court orders or lawsuits requiring either payment or some action. An example of an action is cessation of infringement on a patent.

- YES..... 1
- NO..... 2
- DK or RF ..... DK or RF

**READ38:** Banks usually require personal guarantees or collateral from the owners when extending credit or making loans to small businesses. The next three questions are about personal assets [OWNER\_1] has available to pledge as collateral or guarantee for credit extended to the business.

U7. (Do you/Does [OWNER\_1]) own (your/his or her) home or primary residence?

- YES..... 1
- NO..... 2 → **GO TO U8**
- DK or RF ..... DK or RF → **GO TO U8**

U7.1 What is the approximate equity in (your/ [OWNER\_1]’s) home or primary residence? Please deduct all primary and secondary mortgages, as well as any other home equity loans, from the market value of the house.

PROMPT: IF SOLE PROP (B3=1 or 9): WORKSHEET SIDE 2 LINE 20  
OTHERWISE: WORKSHEET SIDE 2 LINE 21

- AMOUNT: \$ → **GO TO U8**
- DK..... DK → **GO TO U7.2**
- RF..... RF → **GO TO U7.4**
- EX ..... EX → **GO TO U8**

U7.2 Could you give me an estimate? (What is the approximate equity in (your/ [OWNER\_1]’s) home or primary residence? Please deduct all primary and secondary mortgages, as well as any other home equity loans, from the market value of the house.) **COLLAPSED TO U7.1**

- AMOUNT: \$ \_\_\_\_\_ → **GO TO U8**
- DK or RF ..... DK or RF
- EX ..... EX

**QUESTION BY QUESTION NOTES**

**U7.4** Try to get the respondent to select a range.

**U8.** If the respondent is having trouble with the question, read the prompt.

**U8.1** Try to get an estimate.

U7.4 Could you indicate whether the home’s equity is:

**COLLAPSED TO U7**

- \$10,000 or less .....1
- More than \$10,000 but less than or equal to \$50,000.....2
- More than \$50,000 but less than or equal to \$100,000.....3
- More than \$100,000 but less than or equal to \$500,000.....4
- More than \$500,000 but less than or equal to \$1 million ....5
- More than \$1 million but less than \$5 million.....6
- \$5 million or more .....7
- DK or RF.....DK or RF

U8. Excluding (your/ [OWNER\_1]’s) primary home and the value of [FIRM], what is (your/ [OWNER\_1]’s) approximate total net worth, that is all (your/his or her) assets minus all debts?

**IF R ASKS WHAT “NET WORTH” MEANS, SAY:** Owner’s net worth is the sum of [OWNER\_1]’s personal assets less the sum of the owner’s personal debts and liabilities. For this question, we want to EXCLUDE the net worth of the owner’s house, and net worth of the owner’s share of [FIRM].

PROMPT: IF SOLE PROP (B3=1 or 9): WORKSHEET SIDE 2 LINE 21  
 OTHERWISE: WORKSHEET SIDE 2 LINE 22

- AMOUNT: \$ \_\_\_\_\_ → GO TO SECTION T
- DK.....DK → GO TO U8.1
- RF.....RF → GO TO U8.3
- EX.....EX → GO TO SECTION T

U8.1 Could you give me an estimate? (Excluding (your/ [OWNER\_1]’s) primary home and the value of [FIRM], what is (your/ [OWNER\_1]’s) approximate total net worth, that is all (your/his or her) assets minus all debts?)

**COLLAPSED TO U8**

- AMOUNT: \$ \_\_\_\_\_ → GO TO SECTION T
- DK or RF.....DK or RF →
- EX.....EX → GO TO SECTION T

**QUESTION BY QUESTION NOTES**

**U8.3** Try to get the respondent to select a range.

U8.3 Could you indicate whether (your/ [OWNER\_1]'s) total net worth is: **COLLAPSED TO U8**

\$10,000 or less .....1  
 More than \$10,000 but less than or equal to \$50,000.....2  
 More than \$50,000 but less than or equal to \$100,000.....3  
 More than \$100,000 but less than or equal to \$500,000.....4  
 More than \$500,000 but less than or equal to \$1 million ....5  
 More than \$1 million but less than \$5 million.....6  
 \$5 million or more .....7  
 DK or RF.....DK or RF

**RANGE CHECK: U8 OR U8.1 MUST BE A NON-NEGATIVE INTEGER**

**ALL RESPONSES → GO TO SECTION T**

**QUESTION BY QUESTION NOTES**

**T1.**

**T2.**



**Subsection T. RESPONDENT PAYMENT INFORMATION**

**PROGRAMMER NOTE  
FOR T1**

IF A10.9=1, USE “[Earlier you said you would like \$50 as a token of our appreciation. Is that still the case?]”  
 IF A10.9=2, USE “[Earlier you said you would like the Dun and Bradstreet package of reports as a token of our appreciation. Is that still the case?]”  
 IF A10.9=3, USE “[Earlier you said you did not want \$50 or the Dun and Bradstreet package of reports as a token of our appreciation. Is that still the case?]”  
 IF A10.9=4, USE “[Earlier you said you were not sure if you wanted the \$50 or the Dun and Bradstreet package of reports as a token of our appreciation. Have you decided which one you would like?]”

T1. REMINDER: FOR PASS 2 CASES IN BATCHES 1-3, CHANGE \$50 TO \$100. FOR PASS 2 CASES IN BATCH 4, CHANGE \$50 TO \$200. **DROP**

Thank you for participating. [Earlier you said you would like [\$50/the Dun and Bradstreet package of reports] as a token of our appreciation. Is that still the case?]/[Earlier you said you did not want \$50 or the Dun and Bradstreet package of reports as a token of our appreciation. Is that still the case?]/[Earlier you said you were not sure if you wanted the \$50 or the Dun and Bradstreet package of reports as a token of our appreciation. Have you decided which one you would like?]

IF R ASKS WHAT THE D&B SOLUTIONS PACKAGE IS, DESCRIBE IT USING THE BROCHURE AND REMIND THE R THAT THE BROCHURE IS ALSO IN THE MATERIALS WE SENT TO THEM.

YES .....1  
 NO .....2

**SKIPT1**

IF T1=1 AND A10.9=1 → GO TO T3  
 IF T1=1 AND A10.9=2 → GO TO T4  
 IF T1=1 AND A10.9=3 → GO TO REMARKS  
 IF T1=1 AND A10.9=4 → GO TO T2  
 If T1 = DK/RF → GO TO T2  
 IF T1=2 AND A10.9=1, 2 OR 3 → GO TO T2  
 IF T1=2 AND A10.9=4 → GO TO REMARKS

T2. Which one would you like? **MOVED TO A0 INCENTIVE**  
**A0 INCENTIVE IS CREATED USING A10 9, T3 PRELOAD AND THE SAMPLE CONTROL FILE**

NONE .....0 → GO TO REMARKS  
 D&B PACKAGE .....1 → GO TO T4  
 CASH:  
     \$50.....2  
     \$100.....3 **ADD**  
     \$200.....4 **ADD**  
     \$500.....5 **ADD**

**A0 INCEN LG LARGEST INCENTIVE OFFERED TO THE FIRM ADD**

**QUESTION BY QUESTION NOTES**

**T3.**

**T4.**

T3. Let me confirm the information for sending you your check. You will receive your check in three to four weeks. **DROP**

IWER INFO: EDIT PRELOADS

OWNER NAME: \_\_\_\_\_  
 BUSINESS NAME: \_\_\_\_\_  
 STREET ADDRESS1: \_\_\_\_\_  
 STREET ADDRESS2: \_\_\_\_\_  
 CITY: \_\_\_\_\_  
 STATE: \_\_\_\_\_  
 ZIP: \_\_\_\_\_

**ALL RESPONSES TO T3 → GO TO REMARKS**

T4. Here is the information you need to access the information package. You should probably write this down. **DROP**

Go to the following website: (PRELOAD)  
 Enter your promotional code: (PRELOAD)

**REMARKS:** To resolve any discrepancies that might turn up when my notes are reviewed, we would like to have your worksheet and, with your permission, copies of the firm's balance sheet, income statement or income tax return. I would really appreciate it if you mail the completed worksheet, and these other records, back to NORC. We have provided you with a postage-paid envelope for this purpose.

Can we count on you to mail your worksheet, and copies of any other records you used for this interview? **DO NOT RECORD RESPONSE.**

**IF YES:** That's great, these documents will really help us. You may want to mail them today so that you won't have to remember to do it later.

**IF OTHER RESPONSE:** Of course it is your choice, but by sending us these documents, you would help ensure that all the information you have provided has been recorded accurately.

- If you no longer have a worksheet or the postage-paid return envelope we will be happy to send these to you.
- Let me assure you that your information will be kept strictly confidential. We are prohibited by law from sharing your data with anyone outside of NORC and the Federal Reserve Board.

**PROMPT:** If you do not have the postage-paid envelope, our address is:

National Opinion Research Center  
 at The University of Chicago  
 1 North State Street  
 Suite 1600  
 Chicago, Illinois 60602

Thank you for participating in the survey. We greatly appreciate your time and effort. The Federal Reserve will send you a report summarizing the findings of the survey. Have a nice [day/evening]. Goodbye.