

FOR IMMEDIATE RELEASE

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Real Tax Injustice

Statement on recent observations of candidate Mitt Romney, from Nicole Tichon, Executive Director of Tax Justice Network USA

Washington - "Mr. Romney's observation about who does or does not pay tax should ignite a real conversation about tax fairness and tax justice – but perhaps not the one he wants to have.

"To be more constructive in his analysis, Mr. Romney should take a hard look at corporations that use deductions, tax breaks and offshore subsidiaries to reduce their tax bill to zero. He also fails to mention individuals who avoid and evade tax by using foreign bank accounts – which contributes to the \$100 billion¹ loss in revenues on a yearly basis. Failing to recognize these de facto corporate bail outs, tax give-aways and abuses of the tax code is a huge omission. Anyone who believes that families, students and poor people are to blame for the deficit is wrong. It's not what the government spends – it is what the government does not collect from companies that were created, subsidized and grown here in the U.S.

"It is large multinational corporations and the very wealthy who are dependent on the government – they depend on the government for tax breaks and loopholes. They *depend* on the government to keep looking the other way. They hire teams of lobbyists and spend millions of dollars in campaign contributions to keep the current system in place. Many companies benefit from our roads, clean water, court system, research subsidies and national defense – yet they fail to contribute to maintaining any of it. All while reaping massive profits from a large consumer base. Citizens should demand that both candidates reveal what they plan to do about this injustice."

Data and Resources:

For a FACT sheet on corporate tax reform by the numbers, [click here](#).

For a FACT sheet on tax haven abuse by the numbers, [click here](#).

Read [Corporate Tax Dodgers – 2008 – 2010](#) – Citizens for Tax Justice

Read [Offshore Revisited](#) – A TJN Report on Offshore Wealth by James Henry

Read the [Small Business Survey Results on Tax Reform](#)- American Sustainable Business Council, Main Street Alliance and Small Business Majority
Read [Loopholes For Sale](#) - U.S. PIRG and CTJ Report
View movie clip from Sundance Film ["We're Not Broke" here](#).

Key Facts:

Thirty corporations paid less than nothing in aggregate federal income taxes over the entire 2008-10 period. These companies, included:

- Pepco Holdings (-57.6% tax rate)
- General Electric (-45.3%)
- DuPont (-3.4%)
- Verizon (-2.9%)
- Boeing (-1.8%)
- Wells Fargo (-1.4%)
- Honeywell (-0.7%).

Source: *Citizens for Tax Justice*

<http://www.ctj.org/corporatetaxdodgers/CorporateTaxDodgersReport.pdf>

More data:

- 12%: average corporate tax rate on domestic profits, according to the Congressional Budget Office, far from the statutory rate of 35% that is being decried today
- 30%: Corporate share of the nation's tax receipts in the mid 1950s
- 6.6%: Corporate share of the nation's tax receipts in 2009

ⁱ Committee on Homeland Security and Governmental Affairs, Permanent Subcommittee on Investigations. *TAX HAVEN BANKS AND U. S. TAX COMPLIANCE STAFF REPORT*
<http://levin.senate.gov/newsroom/supporting/2008/071708PSIReport.pdf>