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Corporate tax chartbook

How corporations rig the rules to dodge the taxes they owe

Report • By Frank Clemente, Hunter Blair, and Nick Trokel • September 19, 2016

Introduction and key findings

In recent years, corporate profits have reached record highs, and so too has the amount of untaxed profits U.S. corporations have stashed offshore: $2.4 trillion. And it is estimated corporations could owe as much as $700 billion on those profits. In short, corporations are dodging more and more of their tax responsibilities.

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While the statutory tax rate on corporate income is 35 percent, estimates of the rate corporations actually pay put the effective rate at about half the statutory rate. Driving this divergence between what corporations are supposed to pay and what they actually pay is a combination of offshore profit shifting and tax avoidance. Multinational corporations pay taxes on between just 3.0 and 6.6 percent of the profits they book in tax havens.

And corporations have become increasingly adept at making their profits appear to be earned in these tax havens; the share of offshore profits booked in tax havens rose to 55 percent in 2013. Almost half of offshore profits are held by health care companies (mostly pharmaceutical companies) and information technology firms. Because of the inherent difficulty in assigning a precise price to intellectual property rights, it is relatively easy for these companies to manipulate the rules so that U.S. profits show up in tax havens.

The use of offshore profit-shifting hinges on a single corporate tax loophole: deferral. Multinational companies are allowed to defer paying taxes on profits from an offshore subsidiary until they pay them back to the U.S. parent as a dividend. Proponents of cutting the corporate tax rate refer to profits held offshore as “trapped.” This characterization is patently false. Nothing prevents corporations from returning these profits to the United States except a desire to pay lower taxes. In fact, corporations overall return about two-thirds of the profits they make offshore, and pay the taxes they owe on them.

Further, there are numerous U.S. investments that these companies can undertake without triggering the tax. In short, deferral provides a mammoth incentive for multinational corporations to disguise their U.S. profits as profits earned in tax havens. And they have responded to this incentive: 82 percent of the U.S. tax revenue loss from income shifting is due to profit shifting to just seven tax-haven countries.

Firms have also become increasingly adept at manipulating the rules here in the United States to avoid taxation. Lower tax rates on “pass-through” business entities and poor regulatory responses have given firms the chance to reorganize as “S-corporations” or opaque partnerships in order to avoid paying any corporate income tax at all.

This intentional erosion of the U.S. corporate income tax base has real consequences. Rich multinational corporations avoiding their fair share of U.S. taxes means that domestic firms and American workers have to foot the bill. It also means that corporations are not paying their fair share for our infrastructure, schools, public safety, and legal systems, despite depending on all of these services for their profitability.

This chartbook details the extent of corporate tax avoidance.

Key findings include:

- **Corporate profits are way up, and corporate taxes are way down.** In 1952, corporate profits were 5.5 percent of the economy, and corporate taxes were 5.9 percent. Today, corporate profits are 8.5 percent of the economy, and corporate taxes are just 1.9 percent of GDP.
- **Corporations used to contribute $1 out of every $3 in federal revenue. Today, despite very high corporate profitability, it is $1 out of every $9.**
- **Many corporations pay an effective tax rate that is one-half (or less) of the official 35 percent tax rate.**
- **As of 2015, U.S. corporations had $2.4 trillion in untaxed profits offshore.** Another study, looking at S&P 500 companies, found they held $2.1 trillion as of 2014. This roughly five-fold increase from $434 billion in 2005 stems largely from anticipation of a tax holiday.
- **Just two industries—high-tech and pharmaceutical/health care—hold half the untaxed offshore profits.**
- **Just 50 companies hold over 75 percent of untaxed offshore profits.** Ten companies hold 39 percent of these profits. Just four companies—Apple, Pfizer, Microsoft, and General Electric—hold one-quarter of all untaxed offshore profits.
- **About 55 percent of U.S. corporate offshore profits are in tax-haven countries.** Corporations pay an average tax rate of between just 3.0 percent and 6.6 percent on profits in tax havens.
- **U.S. corporations pay very low tax rates—6 percent to 10 percent, mainly to foreign governments—on *all* their offshore profits.** A tax break known as “deferral” allows them to delay paying U.S. taxes until the profits are repatriated to the parent corporation in the United States.
- **The U.S. Treasury will lose $1.3 trillion over 10 years—about $126 billion a year—due to the deferral of taxes on offshore profits.**
- **Income shifting—making profits earned in the United States look as if they were earned offshore—erodes our corporate tax base by over $100 billion a year.** U.S. corporations increasingly manipulate transfer pricing and bilateral tax agreements to make their U.S. profits appear to be earned in tax havens.
- **Corporations owe up to $695 billion in U.S. taxes on their $2.4 trillion in offshore profits.** Having paid just 6 percent to 10 percent in taxes to foreign governments, they owe between 29 percent and 25 percent in U.S. taxes, based on a 35 percent tax rate with foreign tax credits.
- **President Obama has proposed taxing the current stock of offshore profits at 14 percent (less foreign taxes paid), which could give corporations a tax cut of $500 billion on their offshore profits.** (Republicans propose an even bigger tax break.) A 14 percent tax rate would raise just $195 billion. This is $500 billion *less* than the up to $695 billion they owe. That’s a tax cut of up to 72 percent for the country’s worst tax dodgers.
- **Some large multinationals adept at tax dodging would receive huge tax breaks under Obama’s plan.** Apple would get a tax break of $36.5 billion, Microsoft $20.7 billion, and Citigroup $7.1 billion (based on the profits they had stashed offshore at the end of 2015).
- **U.S. corporate offshore profits are not “trapped” overseas.** Companies can invest these untaxed profits in any U.S. firm, deposit them in any U.S. bank, or use them to purchase any government

security as long as it is not directly invested in the U.S. parent. A congressional study found that 46 percent of the offshore profits of 27 companies were invested in the United States in 2010. And, of course, nothing stops them from simply returning profits home—except for a desire to not pay taxes.

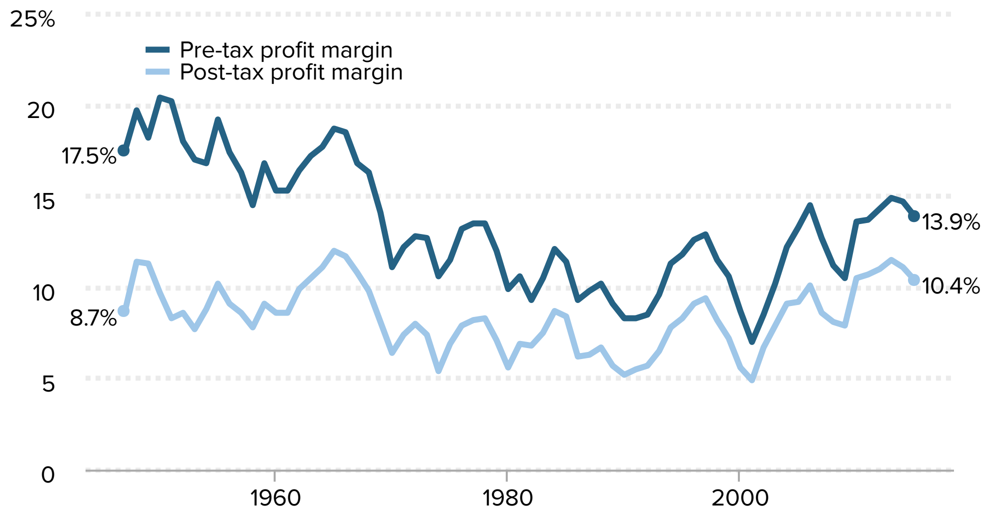
- **Corporate reorganization here in the United States likely further erodes the corporate tax base by $100 billion a year.** In the United States, the business sector has substantially reorganized as pass-through entities in search of lower tax bills.

Note: For source documentation, see the source line of each chart.

1

U.S. corporate tax rate is not hurting corporate profits

U.S. corporate pre- and post-tax profit margin rate, 1947–2015



Note: Figure depicts profit margins in the non-financial corporate sector.

Source: Adapted from Bivens (2015)

Corporate profits don't support the claim that U.S. corporations need tax relief to become more competitive. In recent years, in the U.S. non-financial corporate sector, both pre-tax and post-tax profit margins—the share of revenues claimed by profits rather than employee compensation or other business costs—are at their highest levels since the mid-to-late 1960s.

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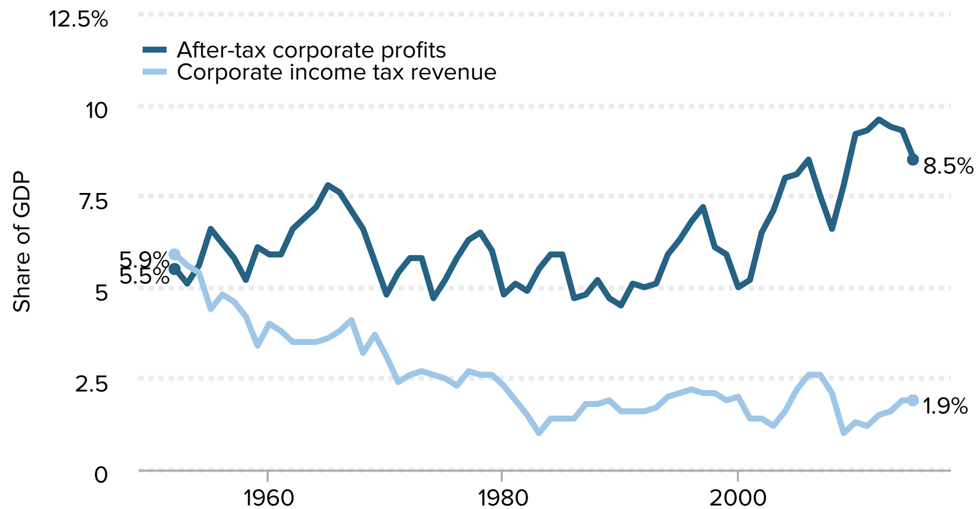
2

Corporate profits are way up, corporate taxes are way down

After-tax corporate profits versus corporate tax revenue, as a share of GDP, 1952–2015



Source: ATF and EPI analysis of BEA (2016) and OMB (2016a)

Corporations complain about high tax rates stifling economic growth and profitability. But since 1952, corporate profits as a share of the economy have risen dramatically (from 5.5 percent to 8.5 percent), while corporate taxes as a share of the economy have plummeted (from 5.9 percent to just 1.9 percent). That is a 55 percent increase in profits and a 68 percent decrease in taxes.

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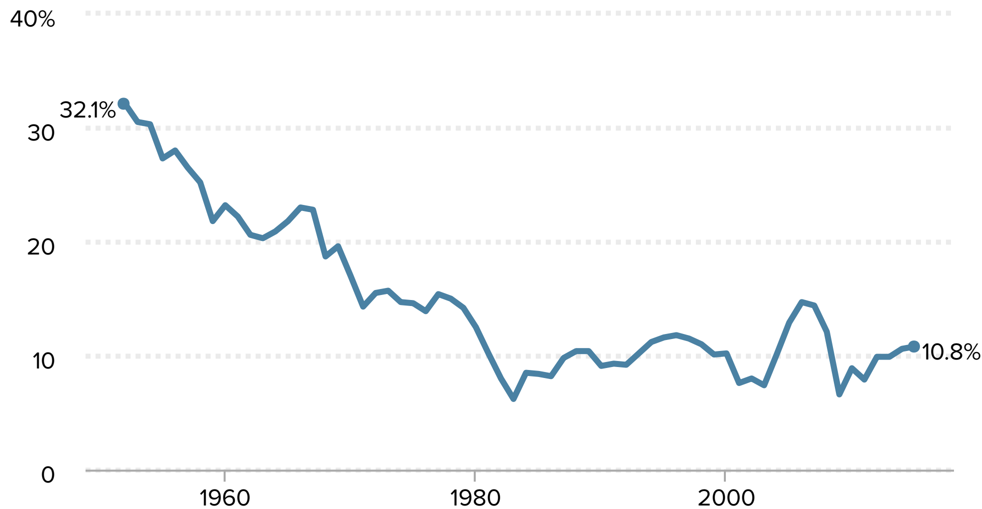
3

Corporations now pay a very low share of federal taxes

Corporate taxes as a share of federal revenue, 1952–2015



Source: ATF and EPI analysis of OMB (2016b)

Federal revenue contributed by corporate taxes has dropped by two-thirds over the last six decades—from 32.1 percent in 1952 to 10.8 percent in 2015. Corporations used to contribute $1 out of every $3 in federal revenue. Today, they contribute just $1 out of every $9—at a time when they have never been more profitable.

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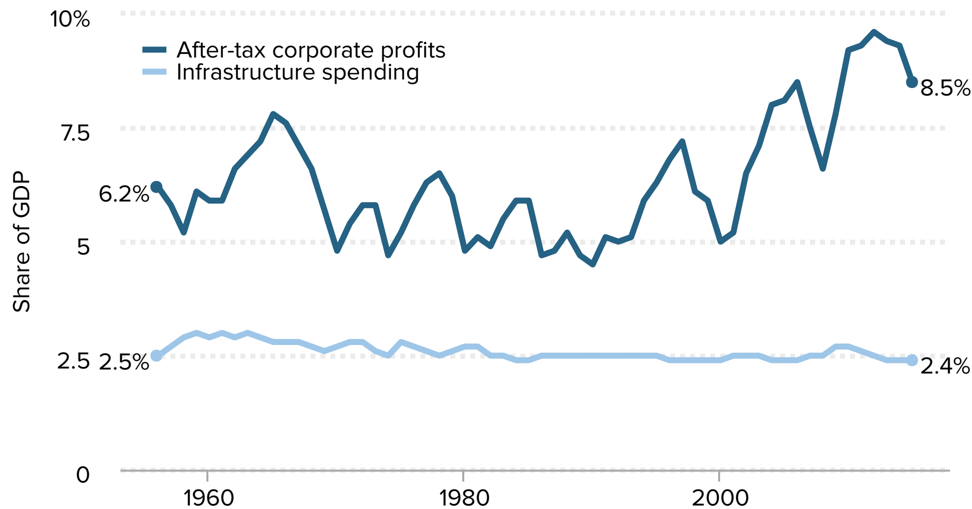
Corporate profits rise while infrastructure spending is flat

After-tax corporate profits versus federal infrastructure spending, as a share of GDP, 1956–2015



Source: ATF and EPI analysis of BEA (2016) and CBO (2015a, Exhibit 3)

When corporations do not pay their fair share of taxes, public investments can suffer. While there may not be a direct cause and effect, it is worth noting that corporate profits as a share of the economy have risen by 37 percent over the last six decades—from 6.2 percent in 1956 to 8.5 percent today. At the same time, federal spending on infrastructure as a share of the economy has remained flat, while the U.S. population has ballooned.

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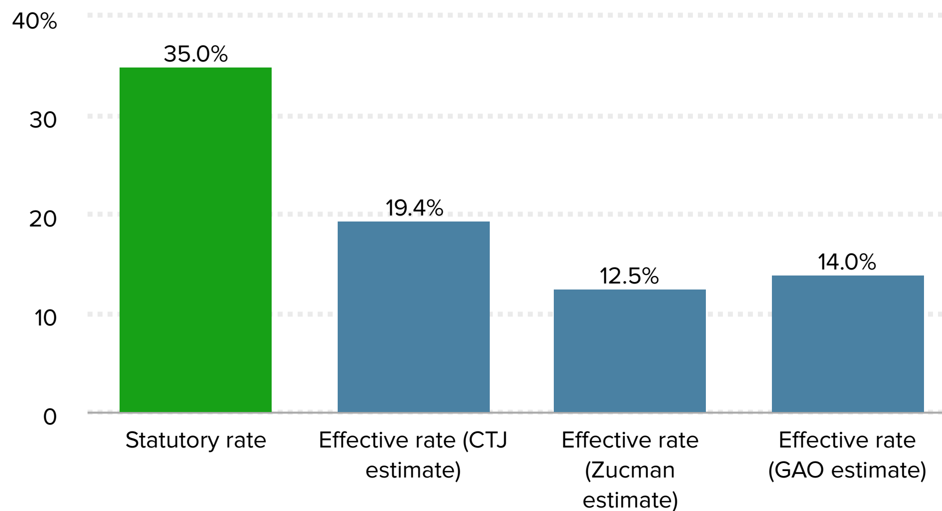
Actual U.S. corporate tax rates are about half the official 35 percent rate

Comparison of U.S. statutory and estimated average effective corporate tax rates



Sources: Americans for Tax Fairness (ATF) and EPI analysis of McIntyre, Gardner, and Phillips (2014a, i); Zucman (2014, 132–133); and GAO (2016, 13)

Many corporations do not pay the official 35 percent federal tax rate on all their profits (domestic and offshore combined). Citizens for Tax Justice (McIntyre, Gardner, and Phillips 2014) found that Fortune 500 companies that were profitable over 5 years paid a 19.4 percent federal corporate income tax rate. Using data from Gabriel Zucman (2014) we find that over 2010–2013, the effective U.S. federal corporate tax rate was 12.5 percent—down from 43 percent in the 1950s. Similarly, the Government Accountability Office (GAO 2014) found that profitable U.S. corporations paid an effective federal tax rate of 14 percent on their worldwide income over 2008–2012.

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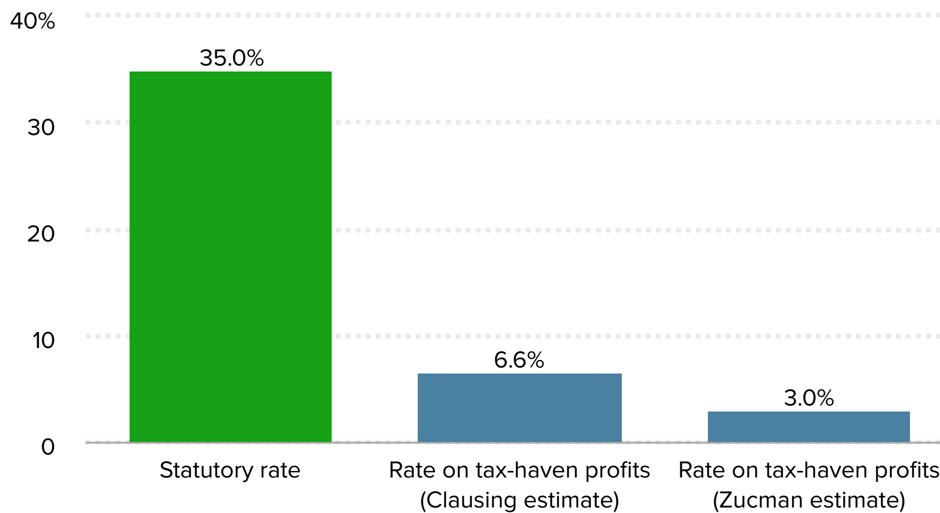
Corporations pay very low tax rates on tax-haven profits

Comparison of U.S. tax rate with estimated tax rates on tax-haven profits, 2011 and 2013



Source: ATF and EPI analysis of Clausing (2016, 13) and Zucman (2014, 130)

The official, or statutory, U.S. corporate tax rate is 35 percent. But that is not what most companies pay, especially multinational corporations that are able to shift profits to tax havens. Two major studies show that the average effective tax rates on profits in tax havens range from just 3.0 percent to 6.6 percent (Clausing 2016; Zucman 2014). Such a low rate for multinationals requires the rest of us to make up the difference. It also gives them an unfair advantage over domestic firms, many of which pay close to the statutory rate.

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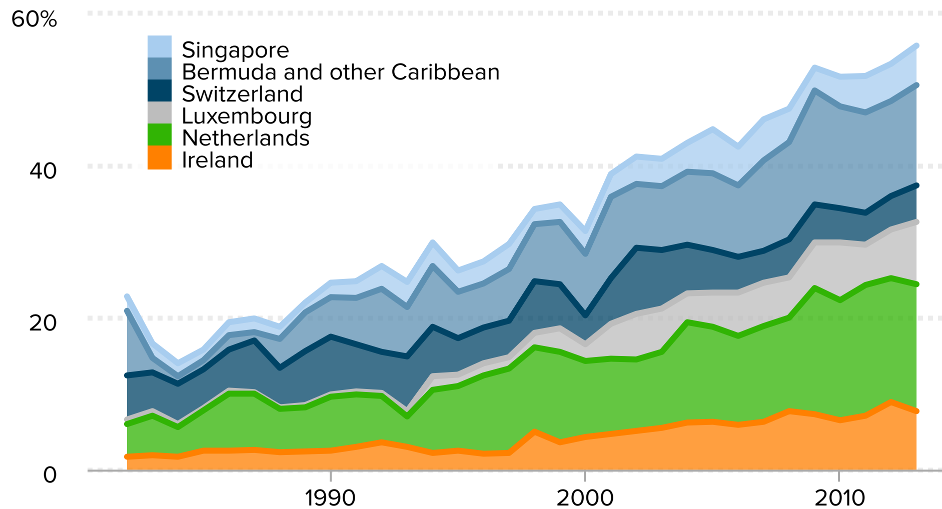
Over half of U.S. corporate offshore profits are in tax-haven countries

Share of offshore U.S. corporate profits by tax haven, 1982–2013



Source: ATF and EPI analysis of Zucman (2014, 128, 130)

The share of U.S. offshore corporate profits that are in tax-haven countries has increased dramatically since 1982—from about 23 percent of the total to 55 percent in 2013. Corporations shift profits to these low-tax jurisdictions—which include Ireland, the Netherlands, Luxembourg, Switzerland, Bermuda, and Singapore—to dodge paying their fair share of taxes.

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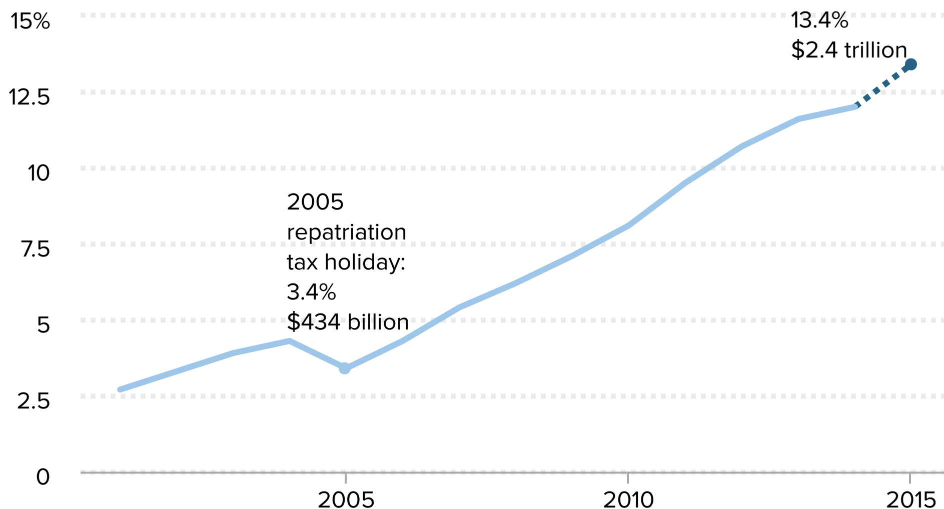
Big U.S. corporations' offshore untaxed profits equal $2.4 trillion

Untaxed profits booked offshore by S&P 500 corporations, as a share of GDP, 2001–2015



Note: 2015 data reflects untaxed profits booked offshore by the Fortune 500.

Source: ATF and EPI analysis of CTJ (2016a)

Corporations had $2.4 trillion in profits booked offshore in 2015 (CTJ 2016a). This is equal to 13.4 percent of U.S. GDP. This has risen from $2.1 trillion as of 2014 (Credit Suisse 2015). Corporations have not paid any U.S. taxes on these profits because our tax system lets them defer paying taxes until that income is brought back to the U.S. parent corporation (i.e., repatriated).

The amount of untaxed offshore profits stood at $434 billion in 2005. This means it has increased nearly five-fold over 10 years—four-fold as a share of GDP. Congress established a one-time repatriation tax holiday in 2004 with a tax rate of just 5.25 percent, which took effect in 2005. Corporations were barred from using the funds for stock buybacks, but it is estimated that up to 92 cents of every dollar repatriated went to shareholders, primarily through stock repurchases (Dharmapala et al. 2009, 26). Since then, offshore profits have increased dramatically in anticipation of another tax holiday.

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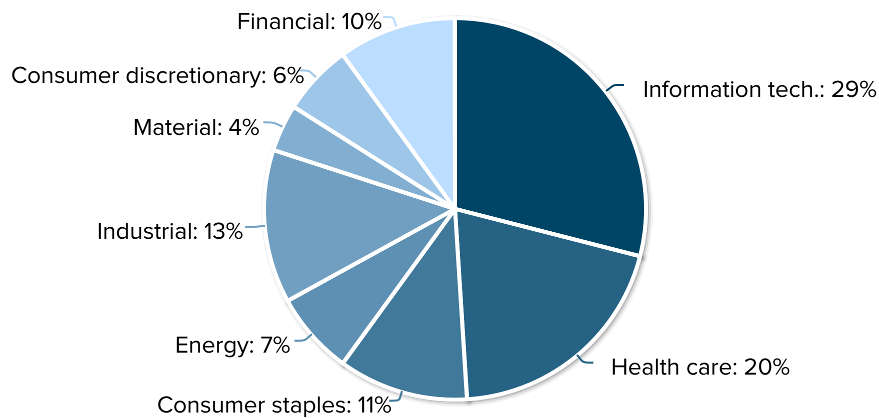
IT and health care industries hold half of offshore profits

Share of U.S. corporate profits held offshore, by industry, 2014



Source: ATF and EPI analysis of Zion, Gomatam, and Graziano (2015, 15)

Just two industries—high-tech/information technology and pharmaceutical/health care—hold about half of offshore profits. Information technology firms hold 29 percent, while health care companies, primarily pharmaceutical firms, hold 20 percent. Companies that earn their profits from intellectual property, such as patents, are best able to shift their profits to tax havens.

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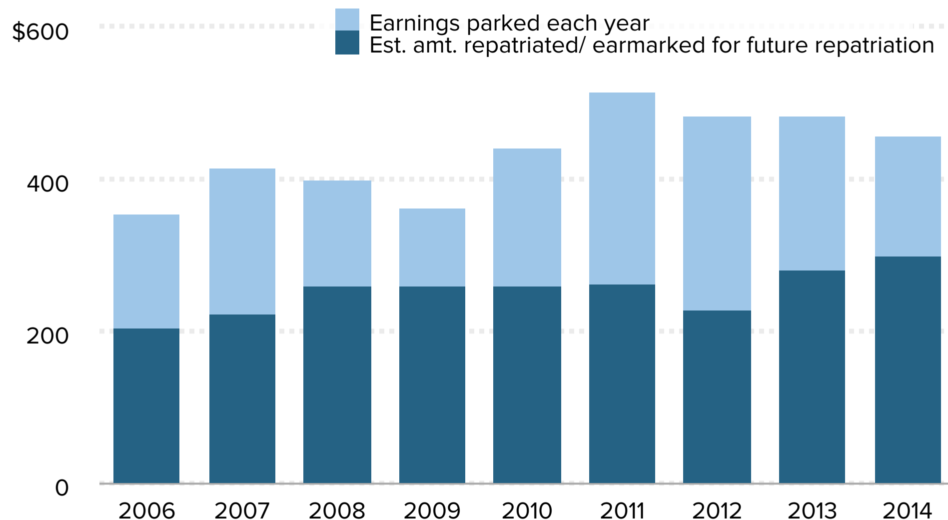
More earnings are repatriated than stashed offshore

Amount of S&P offshore earnings repatriated/earmarked for repatriation or parked offshore (in billions)



Source: ATF and EPI analysis of Zion, Gomatam, and Graziano (2015, 8)

Proponents of corporate tax breaks will often refer to offshore corporate profits as "trapped." For instance, Apple CEO Tim Cook has stated that "almost nobody's bringing back their money" (NPR 2015). However, in reality it is simply that large multinational corporations don't want to pay the taxes they owe. A Credit Suisse report shows that in every year but one between 2006 and 2014, more U.S. offshore earnings were repatriated or were earmarked for future repatriation than were stashed offshore. This tells us that many American corporations are in fact bringing their money back home and paying the taxes they owe. Rather, as detailed in the next few charts, offshore tax avoidance is mainly about particular large multinational corporations that refuse to pay the taxes they owe.

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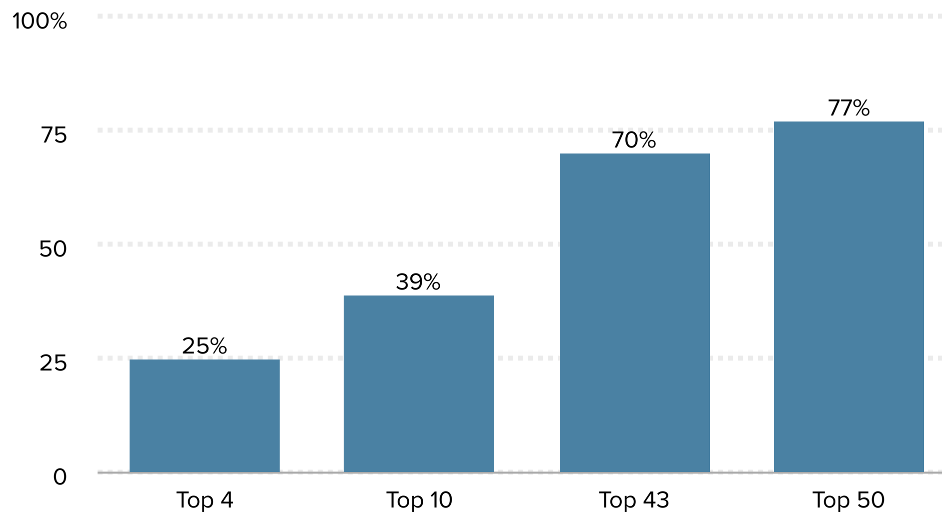
50 companies hold over three-fourths of untaxed offshore profits

Share of offshore profits held by top four, 10, 43, and 50 companies, 2015



Source: ATF and EPI analysis of CTJ (2016a, Appendix A); and Zion, Gomatam, and Graziano (2015, 16)

By the end of 2015, Fortune 500 companies held $2.4 trillion in profits booked offshore. Just four corporations—Apple, Pfizer, Microsoft, and General Electric—had one-quarter of these untaxed profits offshore. Only 10 corporations hold nearly 40 percent of them, and 50 companies hold more than three-quarters of these untaxed offshore profits. (See **Appendix Table A1** for the list of all 50 companies.) These corporations are the most adept at dodging taxes because of their ability to shift profits offshore.

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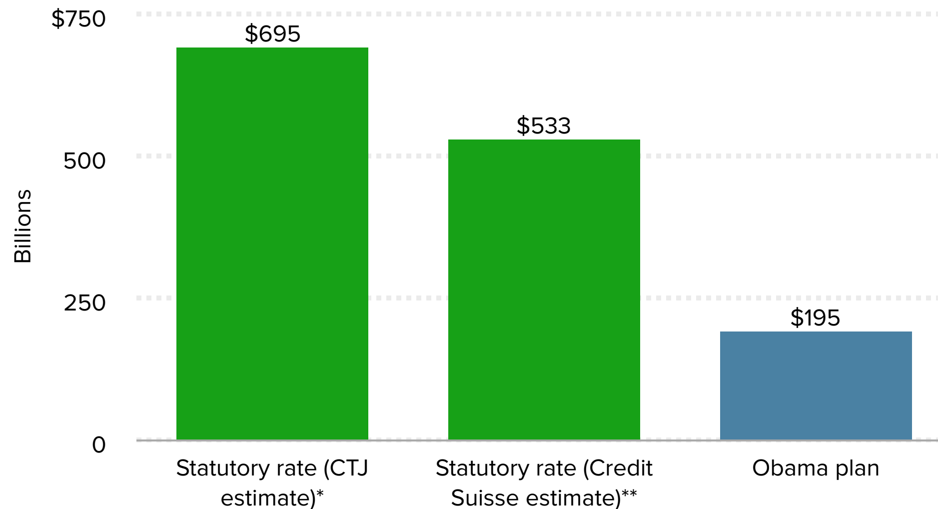
Corporations owe up to $695 billion in U.S. taxes on offshore profits

Tax revenue raised from statutory rate (less foreign taxes paid) versus revenue from Obama tax repatriation proposal



*Based on an estimated $2.4 trillion in offshore profits in 2015
**Based on an estimated $2.1 trillion in offshore profits in 2014

Source: ATF and EPI analysis of CTJ (2016a); Zion, Gomatam, and Graziano (2015); and JCT (2016, 1)

The share of corporate income paid in taxes to foreign governments on offshore profits stands at between 6.4 percent and 10.0 percent, according to respected estimates. That means U.S. corporations will owe to the U.S. Treasury between 28.6 percent and 25 percent when their profits are repatriated, based on a 35 percent tax rate (less deductions for foreign taxes paid). Thus, corporations owe between $533 billion (based on $2.1 trillion in offshore profits in 2014) and $695 billion on those offshore profits (based on $2.4 trillion in offshore profits in 2015).

President Obama's corporate tax reform plan proposes that a mandatory 14 percent tax be assessed on the offshore profits (less credits for foreign taxes paid). A 14 percent rate would raise $195 billion—a tax break of roughly $500 billion from the up to $695 billion that is owed. Republicans have proposed even lower rates that would lose even more revenue.

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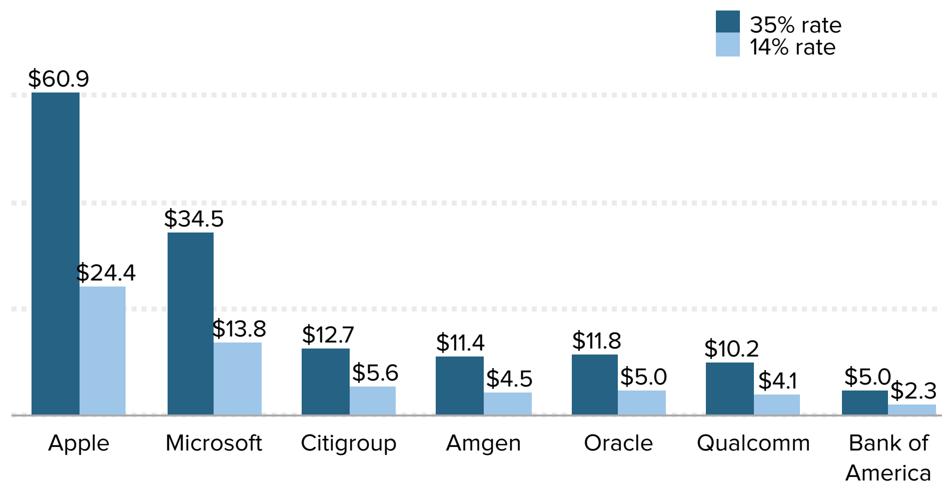
Big corporations would get a multibillion-dollar tax break at 14% tax rate

Estimated taxes major corporations owe on offshore profits, 35% versus proposed 14% tax rate (less foreign taxes paid), 2015 (billions)



Source: ATF and EPI analysis of CTJ (2016b)

Some very large multinational corporations owe a substantial amount of U.S. taxes on their offshore profits because they have paid very little in foreign taxes, as many of these profits are booked in tax havens.

For example, Apple, which reported paying just 4.6 percent in taxes on its offshore profits (CTJ 2016a, 6), owes nearly $61 billion (based on the 35 percent tax rate Apple would owe if it brought its offshore profits home, less the foreign taxes already paid). Microsoft, which reported paying just 3.1 percent on its offshore profits, owes nearly $35 billion. Citigroup owes nearly $13 billion.

But these large multinational corporations would get huge tax breaks under President Obama's proposal to apply a 14 percent tax rate to existing offshore profits. For example, Apple would owe about $24 billion—a tax break of about $37 billion from the 35 percent rate.

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U.S. corporate offshore profits are not “trapped” overseas

Share of major corporations’ offshore profits held in U.S. bank accounts or U.S. investments, 2010

0-25%	26-50%	51-75%	76-100%
Bristol-Meyers Squibb	Coca-Cola	Oracle	Adobe
CA Technologies	Devon Energy	Motorola	Apple
Duke Energy	DuPont	PepsiCo	Broadcom
Eli Lilly	Intel		Cisco
Hewlett-Packard			Google
Honeywell			EMC
IBM			Microsoft
Eastman Kodak			Johnson & Johnson
Merck			Qualcomm
Pfizer			

Note: Table reflects companies' U.S. dollars and investments as a percentage of their undistributed accumulated foreign earnings.

Source: ATF and EPI analysis of U.S. Senate Permanent Subcommittee on Investigations (2011, 5)

Corporations say they want Congress to cut the tax rate on the profits that have accumulated offshore in order to encourage them to bring the money home to make investments. That is not necessary. Corporations are free to invest these untaxed profits in any U.S. firm, deposit them in any U.S. bank, or use them to purchase any federal, state, or local government security as long as it is not directly returned to the U.S. parent in the form of dividends. A congressional study found that 46 percent of the offshore profits of 27 major corporations were already invested in the United States (as of 2010).

And corporations are finding even more clever ways to skirt the rules. Microsoft has used its offshore profits to acquire Skype and LinkedIn, while Apple has used its offshore profits to benefit shareholders by undertaking large share buybacks. They are able to engage in such moves, while still avoiding paying the taxes they owe, by financing the moves with borrowing using their offshore cash as implicit collateral.

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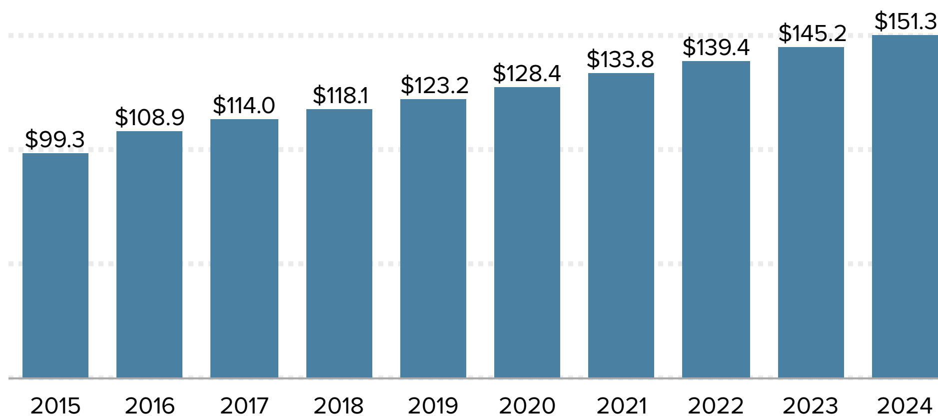
Corporations will avoid almost $1.3 trillion in U.S. taxes in the next decade due to "deferral"

Tax revenue lost from the "deferral" loophole, 2015–2024 (billions)



Source: ATF and EPI analysis of JCT (2015, 29)

Corporations are able to accumulate offshore profits without paying U.S. taxes on them because of a loophole known as "deferral." It lets corporations defer paying taxes on profits earned overseas indefinitely, as long as they claim it is permanently reinvested offshore. Using estimates from the Joint Committee on Taxation, we project the deferral loophole will cost the U.S. Treasury almost $1.3 trillion in tax revenues over 10 years—or $126 billion a year, on average. Ending deferral would also eliminate some incentives to ship jobs offshore, end incentives to shift profits offshore, and make the tax system more equitable so that multinational corporations no longer pay a much lower tax rate than domestic firms.

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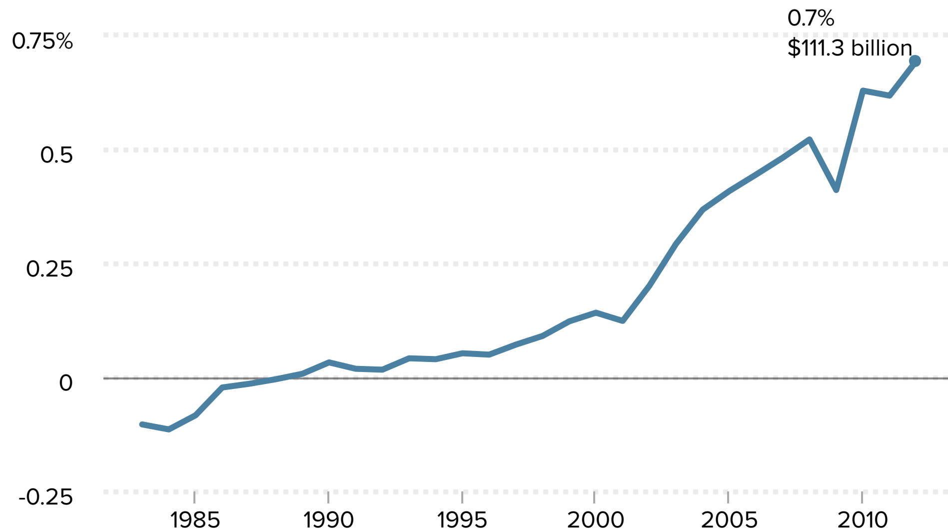
U.S. loses over $100 billion a year in revenue to corporations shifting their profits offshore

Revenue loss due to corporate income shifting, as a share of GDP, 1983–2012



Source: ATF and EPI analysis of Clausing (2016, 24)

The driving forces behind offshore tax avoidance are the deferral loophole and the tax incentives that exist for multinational corporations to shift their U.S. profits to make them appear as offshore profits. That is, much of the offshore earnings that corporations can defer taxes on weren't really earned offshore at all, and corporations have no intention of keeping them offshore. They are simply waiting for Congress to grant a new tax holiday to bring them home at a low tax rate. The resulting revenue loss to the U.S. government is growing substantially—and was $111 billion per year as of 2012. This is equal to roughly 0.7 percent of U.S. GDP.

Multinational corporations can create complicated arrangements through the varied array of bilateral tax agreements that exist between countries, and they can manipulate transfer pricing rules (rules that determine the prices at which multinational corporations exchange goods and services internally). The simplest example is assigning all profits earned from royalty payments on intellectual property assets (patents, for example) to the subsidiaries of U.S. corporations based in low-tax countries.

It is clear that U.S. corporations haven't actually relocated production for the sake of "competitiveness"; they are simply dodging taxes. Of the top 10 profit locations for overseas affiliates, seven are tax havens with effective tax rates of less than 5 percent. Ninety-eight percent of the revenue loss results from profit shifting to countries with corporate tax rates of less than 15 percent. And 82 percent of revenue loss stems from profit shifting to just seven tax-haven countries. These seven tax havens are responsible for 50 percent of all foreign profits of U.S. multinational firms. And those seven tax havens account for only 5 percent of their foreign employment (Clausing 2016).

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Income shifting erodes the U.S. corporate income tax base

Corporate income tax revenue, and corporate income tax revenue with income shifting, as a share of GDP, 1983–2012

Source: ATF and EPI analysis of Clausing (2016, 24) and OMB (2016a)

In recent years, corporate income shifting has increasingly eroded the U.S. corporate tax base. If not for income shifting, corporate income tax revenues as a share of GDP would have been almost 50 percent higher in 2012—2.2 percent rather than 1.5 percent.

The reduction of corporate income tax revenue in 2012 due to income shifting is estimated at $111 billion (Clausing 2016). This is roughly the size of sequestration cuts to federal spending that Congress made in the Budget Control Act (BCA) of 2011 (Kogan 2013). The BCA-driven cuts remain the single biggest reason why full recovery from the Great Recession has taken more than 7 years to arrive (Bivens 2016). In short, the budgetary effects are likely to have been roughly equivalent had Congress tackled corporate income shifting in 2012 rather than enforcing arbitrary spending cuts. And ending corporate income shifting would have provided much less of an economic drag than did the BCA spending cuts.

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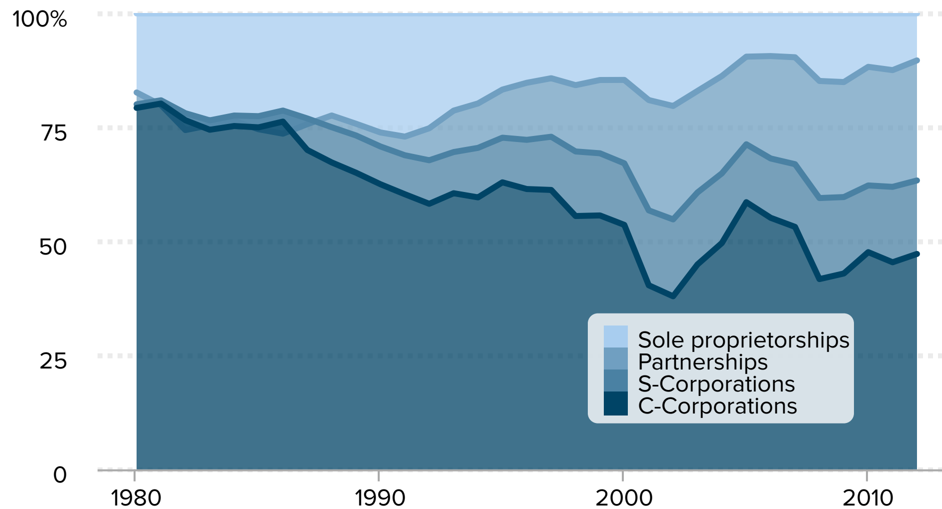
Business sector is reorganizing to avoid taxes

Shares of business income by entity type, 1980–2012



Source: ATF and EPI analysis of Cooper et al. (2015, 31)

While the scale of offshore tax avoidance is enormous, it shouldn't be overlooked that businesses likely avoid taxes about as much here in the United States. Increasingly, the business sector is reorganizing as various "pass-through" entities to avoid taxes. Pass-through entities are businesses whose incomes are not taxed at the corporate level, but instead "passed through" entirely to the business owners and then taxed at individual income-tax levels.

The most dramatic shift is the rise in partnership income. In 1980, partnerships (a relationship where two or more persons join to carry on a trade or business) accounted for 2.6 percent of business income. Today they account for 26 percent.

The rise of pass-through income has eroded the corporate income tax base. Standard C-corporations (which pay the corporate income tax) accounted for almost 80 percent of business income in 1980. By 2012, they accounted for only 47 percent.

Increasingly, evidence points to the rise of pass-through business income being due to tax avoidance. Cooper et al. (2015) note that their inability to unambiguously trace 30 percent of partnership income to an ultimate owner or originating partnership

lends evidence to the belief that firms are organizing opaquely in partnership form to minimize their taxes.

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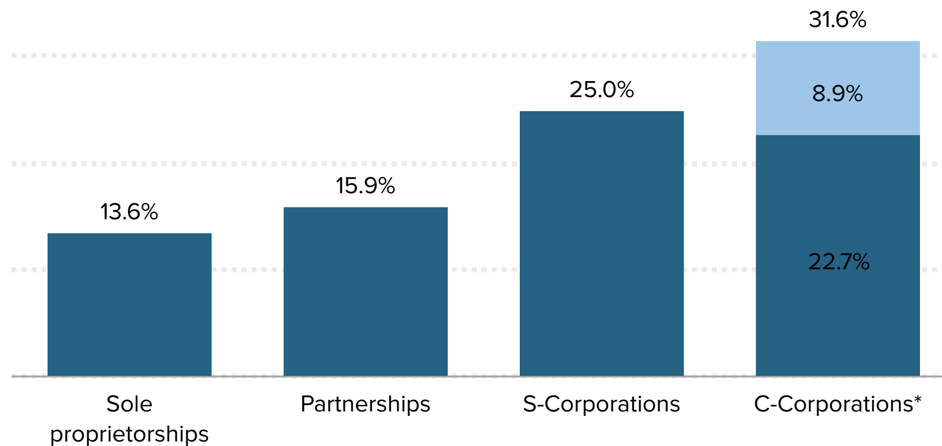
The tax incentives driving reorganization

Average tax rate, by entity type



* The average tax rate on C-Corporations includes both the corporate tax (bottom segment of the bar) as well as dividend taxes paid on distributions to owners (top of the bar).

Source: ATF and EPI analysis of Cooper et al. (2015, 37)

As with the rise of offshore profits, the rise of reorganization is likely due to the available tax incentives. Pass-through entities can avoid the first layer of the corporate income tax (i.e., the 35 percent statutory rate), and further minimize taxes by organizing opaquely. The capital income generated by standard C-corporations faces an average total tax rate of 31.6 percent. This rate includes not just an estimated 22.7 percent rate on C-corporations, but also an effective 8.9 percent tax on dividends. On the other hand, by organizing as an S-corporation, a company can expect an average tax rate of 25 percent. And indeed, it appears businesses have responded to these tax incentives. S-corporations have grown as a share of business income from less than 1 percent in 1980 to about 16 percent today.

Even more lucrative are the tax avoidance strategies available to partnerships. Partnerships face an average tax rate of just 15.9 percent. And one of the largest tax incentives in partnership organization is the ability to organize opaquely. Cooper et al. (2015) find that collapsing all circular partnerships (where partnership income could not be uniquely linked to non-partnership owners) into one would imply they pay a rate of about 8.8 percent.

Like offshore tax avoidance, this costs the rest of us in the form of forgone tax revenue. If pass-through activity had remained at 1980s levels, Cooper et al. (2015) find that 2011 tax revenue would have been approximately $100 billion higher.

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Appendix Table A1

Unrepatriated foreign profits of top 50 major U.S. corporations, 2013–2015 (millions)

Company	Unrepatriated income (millions) 2015	2014	2013	State headquarters
Apple	$200,100	$157,800	$111,300	California
Pfizer	193,587	175,798	162,264	New York
Microsoft	108,300	92,900	76,400	Washington
General Electric	104,000	119,000	110,000	Connecticut
International Business Machines	68,100	61,400	52,300	New York
Merck	59,200	60,000	57,100	New Jersey
Google	58,300	47,400	38,900	California
Cisco Systems	58,000	52,700	48,000	California
Johnson & Johnson	58,000	53,400	50,900	New Jersey
Exxon Mobil	51,000	51,000	47,000	Texas
Hewlett-Packard	47,200	42,900	38,200	California
Chevron	45,400	35,700	31,300	California
Citigroup	45,200	43,800	43,800	New York
Procter & Gamble	45,000	44,000	42,000	Ohio
PepsiCo	40,200	37,800	34,100	New York
Oracle	38,000	32,400	26,200	California
J.P. Morgan Chase & Co.	34,600	31,100	28,500	New York
Amgen	32,600	29,300	25,500	California
Coca-Cola	31,900	33,300	30,600	Georgia
United Technologies	29,000	28,000	25,000	Connecticut
Qualcomm	28,800	25,700	21,600	California
Goldman Sachs Group	28,550	24,880	22,540	New York
Gilead Sciences	28,500	15,600	8,550	California
Medtronic	27,837	20,529	20,499	Minnesota
Intel	26,900	23,300	20,000	California
Eli Lilly	26,500	25,700	23,740	Indiana
Abbvie	25,000	23,000	21,000	Illinois
Bristol-Myers Squibb	25,000	24,000	24,000	New York
Danaher	23,500	11,800	10,600	District of Columbia
Wal-Mart Stores	23,300	21,400	19,200	Arkansas
Abbott Laboratories	22,400	23,000	24,000	Illinois
Dow Chemical	18,773	18,037	16,139	Michigan
Bank of America Corp.	18,000	17,200	17,000	North Carolina
Caterpillar	17,000	18,000	17,000	Illinois
Honeywell International	16,600	15,000	13,500	New Jersey
DuPont	16,053	17,226	15,978	Delaware
McDonald's	14,900	15,400	16,100	Illinois
Kraft Foods	13,200	12,400	10,300	Illinois
3M	12,000	11,200	9,700	Minnesota
EMC	11,800	11,800	10,200	Massachusetts
Corning	11,000	10,300	12,400	New York
Praxair	11,000	10,400	9,300	Connecticut
Berkshire Hathaway	10,400	10,000	9,300	Nebraska
Morgan Stanley	10,209	7,364	6,675	New York

Appendix Table A1 (cont.)

Company	Unrepatriated income (millions)			State headquarters
	2015	2014	2013	
American Express	9,900	9,700	9,600	New York
Occidental Petroleum	9,900	9,900	10,600	Texas
Priceline.com	9,900	7,300	4,900	Connecticut
Celgene	9,667	7,541	6,129	New Jersey
Archer Daniels Midland	9,600	8,600	7,500	Illinois
Western Digital	9,400	8,200	6,800	California

Source: ATF and EPI analysis of CTJ (2016a)

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Appendix Table A2

After-tax corporate profits as share of GDP, and corporate income taxes as share of GDP and federal revenue, 1952–2015

Fiscal Year	Corporate income taxes as a percentage of federal revenue	Corporate income taxes as a share of GDP	After-tax corporate profits as a share of GDP
1952	32.1%	5.9%	5.5%
1953	30.5%	5.6%	5.1%
1954	30.3%	5.4%	5.6%
1955	27.3%	4.4%	6.6%
1956	28.0%	4.8%	6.2%
1957	26.5%	4.6%	5.8%
1958	25.2%	4.2%	5.2%
1959	21.8%	3.4%	6.1%
1960	23.2%	4.0%	5.9%
1961	22.2%	3.8%	5.9%
1962	20.6%	3.5%	6.6%
1963	20.3%	3.5%	6.9%
1964	20.9%	3.5%	7.2%
1965	21.8%	3.6%	7.8%
1966	23.0%	3.8%	7.6%
1967	22.8%	4.1%	7.1%
1968	18.7%	3.2%	6.6%
1969	19.6%	3.7%	5.7%
1970	17.0%	3.1%	4.8%
1971	14.3%	2.4%	5.4%
1972	15.5%	2.6%	5.8%
1973	15.7%	2.7%	5.8%
1974	14.7%	2.6%	4.7%
1975	14.6%	2.5%	5.2%
1976	13.9%	2.3%	5.8%
1977	15.4%	2.7%	6.3%
1978	15.0%	2.6%	6.5%
1979	14.2%	2.6%	6.0%
1980	12.5%	2.3%	4.8%
1981	10.2%	1.9%	5.1%
1982	8.0%	1.5%	4.9%
1983	6.2%	1.0%	5.5%
1984	8.5%	1.4%	5.9%
1985	8.4%	1.4%	5.9%
1986	8.2%	1.4%	4.7%
1987	9.8%	1.8%	4.8%
1988	10.4%	1.8%	5.2%
1989	10.4%	1.9%	4.7%
1990	9.1%	1.6%	4.5%
1991	9.3%	1.6%	5.1%
1992	9.2%	1.6%	5.0%
1993	10.2%	1.7%	5.1%
1994	11.2%	2.0%	5.9%
1995	11.6%	2.1%	6.3%

Appendix Table A2 (cont.)

Fiscal Year	Corporate income taxes as a percentage of federal revenue	Corporate income taxes as a share of GDP	After-tax corporate profits as a share of GDP
1996	11.8%	2.2%	6.8%
1997	11.5%	2.1%	7.2%
1998	11.0%	2.1%	6.1%
1999	10.1%	1.9%	5.9%
2000	10.2%	2.0%	5.0%
2001	7.6%	1.4%	5.2%
2002	8.0%	1.4%	6.5%
2003	7.4%	1.2%	7.1%
2004	10.1%	1.6%	8.0%
2005	12.9%	2.2%	8.1%
2006	14.7%	2.6%	8.5%
2007	14.4%	2.6%	7.5%
2008	12.1%	2.1%	6.6%
2009	6.6%	1.0%	7.8%
2010	8.9%	1.3%	9.2%
2011	7.9%	1.2%	9.3%
2012	9.9%	1.5%	9.6%
2013	9.9%	1.6%	9.4%
2014	10.6%	1.9%	9.3%
2015	10.8%	1.9%	8.5%

Source: ATF and EPI analysis of OMB (2016a; 2016b) and BEA NIPA Table 1.12

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