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## **Corporate-Backed Tax Lobby Groups Proliferating**

In recent years, the corporate tax reform debate in the nation's capital has been invaded by an army of acronyms such as T.I.E., A.C.T. and R.A.T.E., representing different businesses and corporate interest groups. These groups seek to rebrand and build momentum for a corporate tax reform that benefits corporate rather than public interests.

In this report we identify the nine lobby groups most actively and publicly advocating for business interests in the corporate tax debate: the Alliance for Competitive Taxation (ACT), Businesses United for Interest and Loan Deductibility (BUILD), Campaign for a Home Court Advantage (a campaign by the Business Roundtable), Coalition for Fair Effective Tax Rates, Fix the Debt, Let's Invest for Tomorrow (LIFT) America, Reforming America's Taxes Equitably (RATE), Tax Innovation Equality, and the WIN America Campaign.

We also identify the ten U.S. corporations most aggressively pursuing tax reform through these groups based on each of the company's participation in four or more such coalitions.

Though the specific goals of these groups vary, there are common threads between them. For example, five of the nine groups explicitly support moving to a territorial tax system, which would exacerbate corporate tax avoidance overseas and promote the offshoring of jobs.<sup>1</sup> Four of the groups explicitly support revenue-neutral tax reform.<sup>2</sup> And, the WIN America Campaign, BUILD, and TIE each support either protecting or implementing very specific tax breaks that would benefit their corporate backers. For a full inventory of the groups' policy positions see Table 1.

Based just on the lists of corporate members released by these groups (many remain private), they represent at least 359 different corporations and 186 different trade associations. Further, 87 of the corporations are actually supporters of two or more of these corporate tax lobbying efforts, with 31 supporting as many as 3 or more of these groups. See Table 2 for breakdown of the most active corporations and which groups they belong to.

Not surprisingly, many of the companies behind these corporate tax reform coalitions already pay little or even nothing in corporate taxes. See Table 3 for the six corporations that back multiple lobbies for lower taxes even as they paid nothing in corporate income taxes over the 2008-2010 period. See Table 4 for the four corporations that back multiple lobbies supporting a territorial tax system and/or a repatriation holiday and have billions in offshore cash for which they have paid almost nothing so far in taxes. By their own estimates, these four companies admit that they would have to pay almost \$40 billion combined in taxes if they were to bring their offshore money back to the United States.

TABLE 1

<h2 style="text-align: center;">The ABCs of the New Corporate Tax Lobby</h2>		
Group Name	Website	Goals
<b>Alliance for Competitive Taxation (ACT)</b>	<a href="http://actontaxreform.com">actontaxreform.com</a>	<ul style="list-style-type: none"> <li>• Reduce corporate tax rate to 25%</li> <li>• Revenue-neutral reform</li> <li>• Territorial tax system</li> </ul>
<b>BUILD Coalition (Businesses United for Interest and Loan Deductibility)</b>	<a href="http://buildcoalition.org">buildcoalition.org</a>	<ul style="list-style-type: none"> <li>• Keep business debt interest payments 100% deductible</li> </ul>
<b>Campaign for Home Court Advantage (Business Round Table)</b>	<a href="http://usahomecourt.org">usahomecourt.org</a>	<ul style="list-style-type: none"> <li>• Revenue-neutral reform</li> <li>• Territorial tax system</li> </ul>
<b>Coalition for Fair Effective Tax Rates</b>	<a href="http://faireffectivetaxrates.com">faireffectivetaxrates.com</a>	<ul style="list-style-type: none"> <li>• Equalize effective tax rates across industries</li> <li>• Broaden the tax base and lower tax rate</li> </ul>
<b>Fix the Debt</b>	<a href="http://fixthedebt.org">fixthedebt.org</a>	<ul style="list-style-type: none"> <li>• Revenue-positive tax reform overall, unclear on corporate tax reform</li> <li>• Territorial tax system</li> </ul>
<b>LIFT America (Let's Invest for Tomorrow)</b>	<a href="http://liftamericacoalition.org">liftamericacoalition.org</a>	<ul style="list-style-type: none"> <li>• Revenue-neutral reform</li> <li>• Territorial tax system</li> </ul>
<b>RATE Coalition (Reforming America's Taxes Equitably)</b>	<a href="http://ratecoalition.com">ratecoalition.com</a>	<ul style="list-style-type: none"> <li>• Reduce corporate tax rate</li> <li>• Would support some base-broadening</li> </ul>
<b>TIE Coalition (Tax Innovation Equality)</b>	<a href="http://tiecoalition.com">tiecoalition.com</a>	<ul style="list-style-type: none"> <li>• Protect intangible income</li> <li>• Revenue-neutral reform</li> <li>• Territorial tax system</li> </ul>
<b>WIN America Campaign</b>	<a href="http://winamericacampaign.org">winamericacampaign.org</a>	<ul style="list-style-type: none"> <li>• Implement immediate repatriation holiday for foreign profits</li> </ul>

TABLE 2

## Major Corporations are Lobbying Under Multiple Tax Reform Banners

	Alliance for Competitive Taxation	Campaign for Home Court Advantage	Fix the Debt	LIFT America	RATE Coalition	TIE Coalition	WIN America Campaign
Caterpillar	✓	✓	✓	✓			
Cisco	✓	✓	✓	✓			✓
EMC	✓	✓	✓				✓
Honeywell	✓	✓	✓	✓			
Intel	✓	✓		✓	✓		
Microsoft		✓	✓			✓	✓
Pfizer	✓	✓		✓			✓
Qualcomm	✓	✓	✓				✓
Verizon	✓	✓	✓		✓		
Walmart	✓	✓		✓	✓		

TABLE 3

Tax Reform Coalitions Include Major Tax-avoiding Companies							
	2008-2010 Effective Tax Rate*	Alliance for Competitive Taxation	Campaign for Home Court Advantage	Fix the Debt	LIFT America	RATE Coalition	WIN America Campaign
Boeing	-0.8%		✓	✓		✓	
Duke Energy	-3.9%		✓	✓			✓
DuPont	-3.4%	✓	✓				
General Electric	-45.3%	✓	✓	✓			
Honeywell	-0.7%	✓	✓	✓	✓		
Verizon	-5.2%	✓	✓	✓		✓	

\*Citizens for Tax Justice calculations using SEC 10-K Filings

TABLE 4

Tax Reform Coalitions Include Major Companies That Likely Hold Profits in Tax Havens								
	Unrepatriated Income \$ Millions*	Estimated Tax Bill \$ Millions*	Alliance for Competitive Taxation	Campaign for Home Court Advantage	Fix the Debt	LIFT America	TIE Coalition	WIN America Campaign
Eli Lilly	\$20,980	\$7,343	✓	✓		✓		
Microsoft	\$60,800	\$19,400		✓	✓		✓	✓
Oracle	\$20,900	\$6,300	✓			✓		✓
Qualcomm	\$16,400	\$5,800	✓	✓	✓			✓

\*Citizens for Tax Justice, "Apple Is Not Alone," June 2, 2013, [http://www.ctj.org/ctjreports/2013/06/apple\\_is\\_not\\_alone.php](http://www.ctj.org/ctjreports/2013/06/apple_is_not_alone.php)

<sup>1</sup> Citizens for Tax Justice, "Why Congress Should Reject A "Territorial" System and a "Repatriation" Amnesty: Both Proposals Would Remove Taxes on Corporations' Offshore Profits," October 17, 2011, <http://www.ctj.org/pdf/corporateinternationalfactsheet.pdf>

<sup>2</sup> Citizens for Tax Justice, "Revenue-Positive Reform of the Corporate Income Tax," January 25, 2011, <http://www.ctj.org/pdf/corporatetaxreform.pdf>