

*What's General Electric doing
at this time of national tragedy?*

PROFITEERING IN THE NAME OF PATRIOTISM



This is a moment when Americans are coming together in a spirit of cooperation and community unseen since World War II. There is an air of patriotism and national purpose.

Yet, lobbyists for our largest corporations – GE, GM, IBM and others – are taking advantage of this moment to obtain from their friends in Congress a wish list of tax breaks and special favors they could never hope to win through open political debate in peacetime.

Consider these proposals to “stimulate” the economy, which have already passed the House and are awaiting Senate action.

No Corporate Tax, Forever.

The stimulus bill repeals the Alternative Minimum Tax, which requires that hugely profitable corporations pay at least some federal income tax each year, no matter how good they are at exploiting loopholes.

Repeal means some of these corporations will be able to pay little or no U.S. income tax, forever!

The current version of the stimulus bill would also refund every single penny of alternative tax these companies paid over the past fifteen years. For GE alone, this amounts to a gift of \$671 million. How's that for “bringing good things to life?”

**These corporations
would receive
rebate checks for
15 years' worth of
federal income tax
under the “stimulus”
plan approved by
the House.**

IBM
\$1.4 billion rebate
Ford
\$1 billion rebate
GM
\$833 million rebate
GE
\$671 million rebate
Texas Utilities
\$608 million rebate
DaimlerChrysler
\$600 million rebate
ChevronTexaco
\$572 million rebate
United Airlines
\$371 million rebate
Enron
\$254 million rebate
Phillips Petroleum
\$241 million rebate
American Airlines
\$184 million rebate
IMC Global
\$155 million rebate
Comdisco
\$144 million rebate
CMS Energy
\$136 million rebate
Kmart
\$102 million rebate

*Source: Citizens For Tax Justice,
from corporate annual reports.*

Tax Shelters and the Three-Martini Lunch.

There's more. The financial services divisions of GE and GM would also benefit hugely from a provision that permits banks and other lenders to shelter their U.S. profits from taxation by shifting them, on paper, to foreign tax havens. To top it off, some in Congress want to bring back the fully deductible, three-martini lunch. And for the wealthiest in America, a massive personal tax cut that will lead to years of budget deficits.

The Challenge to Democracy.

How about the average American? Here's a hint: the \$15 billion airline bailout provided not one penny for the 140,000 men and women who were laid off in that industry. House Majority Leader Dick Armey even said that helping these workers is “not commensurate with the American spirit.”

What's needed today is an economic stimulus package that will actually stimulate the economy. That means creating new jobs. It means putting money into the hands of those who will spend it, not bank it, by providing decent unemployment benefits and health insurance for more than 500,000 workers who've been displaced since September 11.

Don't let the corporate profiteers cash in on a national emergency with permanent tax breaks at the expense of our economic future.

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