

# **The 35 Percent Corporate Tax Myth**

Corporate Tax Avoidance by Fortune 500 Companies,  
2008 to 2015

**Matthew Gardner**  
**Robert S. McIntyre**  
**Richard Phillips**

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The **Institute on Taxation and Economic Policy (ITEP)** has engaged in tax policy research for over thirty years. ITEP is best known for its unique microsimulation tax model, an important tool that produces critical analyses to help the public and federal, state and local lawmakers understand how current and proposed tax laws affect taxpayers at different income levels.

Since the 1980s, ITEP and its sister organization Citizens for Tax Justice (CTJ) have collaborated on a series of studies about the taxes paid or not paid by America's largest and most profitable corporations. Those eye-opening reports played an important role in educating lawmakers about the tax issues that were ultimately addressed in the Tax Reform Act of 1986. That path-breaking federal legislation curbed tax shelters for corporations and the well-off and cut taxes on low- and middle-income families. *The Washington Post* called the reports a "key turning point" in the tax reform debate that, "had the effect of touching a spark to kindling," and "helped to raise public ire against corporate tax evaders." *The Wall Street Journal* said that the studies, "helped propel the tax-overhaul effort," and the Associated Press reported that they, "assured that something would be done . . . to make profitable companies pay their share." More recently these reports have brought the issue of offshore tax avoidance to the forefront of the public debate.

This new report provides a detailed examination of what has happened to corporate taxation in recent years. It is intended to provide context about the current state of corporate taxes as lawmakers consider another major overhaul of the tax code in the coming year.

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**1616 P Street, NW Suite 200 | Washington, DC 20036**  
**202.299.1066 | [www.itep.org](http://www.itep.org)**

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## EXECUTIVE SUMMARY

Profitable corporations are subject to a 35 percent federal income tax rate on their U.S. profits. But many corporations pay far less, or nothing at all, because of the many tax loopholes and special breaks they enjoy. This report documents just how successful many Fortune 500 corporations have been at using loopholes and special breaks over the past eight years. As lawmakers look to reform the corporate tax code, this report shows that the focus of any overhaul should be on closing loopholes rather than on cutting tax rates.

It's important to note a key piece of this report's methodology. The report only includes corporations that were consistently profitable over the eight-year period from 2008 to 2015. In other words, if a firm had a loss in even one year, it is excluded from this report. By leaving out corporations that had losses (which means they wouldn't pay any tax), this report provides a straightforward picture of average effective tax rates paid by our nation's biggest and consistently profitable companies. Two hundred and fifty-eight Fortune 500 companies were consistently profitable in each of the eight years between 2008 and 2015. Most of these companies were included in our February 2014 report, *The Sorry State of Corporate Taxes*, which looked at the years 2008 through 2012. There are new companies in the report, including Netflix, which entered the Fortune 500 after 2013. In addition, some companies were excluded from the study because they lost money in 2013, 2014 or 2015.

### ***Some Key Findings:***

- As a group, the 258 corporations paid an effective federal income tax rate of 21.2 percent over the eight-year period, slightly over half the statutory 35 percent tax rate.
- Eighteen of the corporations, including General Electric, International Paper, Priceline.com and PG&E, paid no federal income tax at all over the eight-year period. A fifth of the corporations (48) paid an effective tax rate of less than 10 percent over that period.
- Of those corporations in our sample with significant offshore profits, more than half paid higher corporate tax rates to foreign governments where they operate than they paid in the United States on their U.S. profits.

These findings refute the prevailing view inside the Beltway that America's corporate income tax is more burdensome than the corporate income taxes levied by other countries, and that this purported (but false) excess burden somehow makes the U.S. "uncompetitive."

### ***Other Findings:***

- One hundred of the 258 companies (39 percent of them) paid zero or less in federal income taxes in at least one year from 2008 to 2015.

- The sectors with the lowest effective corporate tax rates over the eight-year period were Utilities, Gas and Electric (3.1 percent), Industrial Machinery (11.4 percent), Telecommunications (11.5 percent), Oil, Gas, and Pipelines (11.6 percent), and Internet Services and Retailing (15.6 percent). Each of these industries paid, as a group, less than half the statutory 35 percent tax rate over this eight-year period.
- The tax breaks claimed by these companies are highly concentrated in the hands of a few very large corporations. Just 25 companies claimed \$286 billion in tax breaks over the eight years between 2008 and 2015. That’s more than half the \$527 billion in tax subsidies claimed by all of the 258 companies in our sample.
- Five companies — AT&T, Wells Fargo, J.P. Morgan Chase, Verizon, and IBM — enjoyed more than \$130 billion in tax breaks during the eight-year period.

### ***Recommendations for Reform:***

- Congress should repeal the rule allowing American multinational corporations to indefinitely “defer” U.S. taxes on their offshore profits. This reform would effectively remove the tax incentive to shift profits and jobs overseas.
- Limit the ability of tech and other companies to use executive stock options to reduce their taxes by generating phantom “costs” these companies never incur.
- Having set “bonus depreciation” on a path toward expiration at the end of 2019, Congress should take the next step and repeal the rest of accelerated depreciation, too. At a minimum, lawmakers should resist calls to expand these tax breaks by allowing for the immediate expensing of capital investments.
- Reinstate a strong corporate Alternative Minimum Tax that does the job it was originally designed to do.
- Increase transparency by requiring country-by-country public disclosure of company financial information, including corporate income and tax payments, through filings to the Securities and Exchange Commission.

# INTRODUCTION

For the first time in more than three decades, comprehensive corporate tax restructuring is a serious possibility in Washington. Republican leaders in Congress and President Donald Trump have each put forward corporate tax plans that would cut the corporate tax rate by as much as half. This misguided consensus is largely the result of a long-term aggressive push by corporate lobbyists on Capitol Hill to reduce the federal corporate income tax rate, based on the claim that our corporate tax is uncompetitive and high compared to other developed nations.

This study takes a hard look at federal income taxes paid or not paid by 258 of America's largest and most profitable corporations in the eight years between 2008 and 2015 — and compares those tax payments to the foreign taxes that a multinational subset of these same companies pay on their activities in the rest of the world. The companies in our report are all from Fortune's annual list of America's 500 largest corporations, and all of them were profitable in the United States in each of the eight years analyzed. Over eight years, the 258 companies in our survey reported total pretax U.S. profits of more than \$3.8 trillion.

While the federal corporate tax law ostensibly requires big corporations to pay a 35 percent corporate income tax rate, the 258 corporations in our study on average paid slightly more than half that amount: 21.2 percent over the 2008 to 2015 period. Many companies paid far less, including 18 that paid nothing at all over the entire eight-year period.

We also find that for most of the multinationals in our survey — companies that engage in significant business both in the United States and abroad — the U.S. tax rates these companies paid are lower than the rates they faced abroad. More than half of the multinationals in our survey enjoyed lower U.S. tax rates on their U.S. profits than the foreign tax rates they paid on their foreign profits.

There is wide variation in tax rates paid by the companies surveyed. A quarter of the companies in this study paid effective federal income tax rates on their U.S. profits close to the full 35 percent official corporate tax rate. But almost one-fifth paid less than 10 percent. One hundred of these profitable companies found ways to zero out every last dime of their federal income tax in at least one year during the eight-year period.

There is plenty of blame to share for today's sad situation. Corporate apologists will correctly point out that loopholes and tax breaks that allow corporations to minimize or eliminate their income taxes

are generally legal, and stem from laws passed over the years by Congress and signed by various presidents. But that does not mean that low-tax corporations bear no responsibility. The tax laws were not enacted in a vacuum; they were adopted in response to relentless corporate lobbying, threats and campaign support.

The good news is that the corporate income tax can be repaired. The parade of industry-specific and even company-specific tax breaks that weaken the corporate tax can — and should — be repealed. This includes tax giveaways as narrow as the NASCAR depreciation tax break and as broad as the manufacturing deduction. High-profile multinational corporations that have shifted hundreds of billions of their U.S. income into tax havens for tax purposes, without engaging in any meaningful activity in those tiny countries, will stop doing so if Congress acts to end indefinite deferral of U.S. taxes on their offshore profits. As Congress considers these steps, lawmakers and the Securities and Exchange Commission should act to ensure that they, and the public, have access to basic information about how much big companies are paying in taxes and which tax breaks they're claiming.

This study is the latest in a series of comprehensive corporate tax reports by Citizens for Tax Justice and the Institute on Taxation and Economic Policy, beginning in 1984. Our most recent prior report, issued in 2014, covered corporate taxes in 2008 through 2012. The methodological appendix at the end of the study explains in more detail how we chose the companies and calculated their effective tax rates. The notes on specific companies beginning on page 56 add more details.

## PREVIOUS CORPORATE TAX STUDIES

- *Corporate Income Taxes in the Reagan Years* (CTJ 1984)
- *The Failure of Corporate Tax Incentives* (CTJ 1985)
- *Corporate Taxpayers and Corporate Freeloaders* (CTJ 1985)
- *Money for Nothing* (CTJ & ITEP 1986)
- *130 Reasons Why We Need Tax Reform* (CTJ & ITEP 1986)
- *The Corporate Tax Comeback* (CTJ & ITEP 1986)
- *It's Working, But...* (CTJ & ITEP 1989)
- *Corporate Income Taxes in the 1990s* (ITEP 2000)
- *Corporate Income Taxes in the Bush Years* (CTJ & ITEP 2004)
- *Corporate Taxpayers and Corporate Tax Dodgers* (CTJ & ITEP 2011)
- *The Sorry State of Corporate Taxes* (CTJ & ITEP 2014)

## WHO'S PAYING CORPORATE TAXES — AND WHO'S NOT

On paper at least, federal tax law requires corporations to pay 35 percent of their profits in federal income taxes. In fact, while some of the 258 corporations in this study did pay close to the 35 percent official tax rate, the vast majority paid considerably less. And some paid nothing at all. Over the eight years covered by this study, the average effective tax rate (that is, the percentage of U.S. pretax profits paid in federal corporate income taxes) for all 258 companies was only 21.2 percent.

### Overview:

The table on this page summarizes what the 258 companies paid (or didn't pay) in effective U.S. income tax rates on their pretax U.S. profits.

- 30 companies paid effective eight-year tax rates between zero and 10 percent. Their average effective tax rate was 6.9 percent.
- Even worse is that 18 companies paid less than 0 percent over the eight-year period. Their effective tax rate averaged -4 percent.
- 66 companies (about a quarter of the companies in this report), paid effective eight-year tax rates of more than 30 percent. Their average effective tax rate was 33.6 percent.

### Summary of eight-year tax rates for 258 companies, 2008-2015

Effective tax rate group	# of cos.	% of cos.	2008-15 (\$-billion)			Ave. 8-yr profit (\$-mill.)	
			Profits	Tax	Ave. Rate	Pre-tax	After-tax
<b>Less than 17.5%</b>	83	32%	\$ 1,274.2	\$ 107.5	<b>8.4%</b>	\$ 15,352	\$ 14,057
<b>17.5% to 30%</b>	109	42%	1,627.2	393.7	<b>24.2%</b>	14,929	11,317
<b>More than 30%</b>	66	26%	909.2	305.7	<b>33.6%</b>	13,775	9,143
<b>All 258 companies</b>	<b>258</b>	<b>100%</b>	<b>\$ 3,810.6</b>	<b>\$ 806.9</b>	<b>21.2%</b>	<b>\$ 14,770</b>	<b>\$ 11,642</b>
<b>48 Ultra-low tax companies:</b>							
<b>Zero or less</b>	18	7%	\$ 178.0	\$ -7.2	<b>-4.0%</b>	\$ 9,889	\$ 10,289
<b>0% to 10%</b>	30	12%	584.0	40.5	<b>6.9%</b>	19,467	18,117

### A more detailed look:

During the 2008-2015 period, eight-year effective tax rates for the 258 companies ranged from a low of -27.9 percent for PEPCO Holdings to a high of 47.3 percent for Molina Healthcare. Here are some startling statistics:

## 18 Corporations Paying No Total Income Tax in 2008-2015

Company (\$-millions)	08-15 Profit	08-15 Tax	08-15 Rate
Pepco Holdings	\$ 3,022	\$ -843	-27.9%
PG&E Corp.	10,843	-1,569	-14.5%
Wisconsin Energy	5,894	-592	-10.0%
NiSource	4,399	-352	-8.0%
International Paper	5,010	-386	-7.7%
FirstEnergy	8,842	-465	-5.3%
Priceline.com	698	-31	-4.4%
Atmos Energy	2,826	-114	-4.0%
General Electric	40,057	-1,369	-3.4%
American Electric Power	17,170	-464	-2.7%
Ryder System	2,045	-55	-2.7%
Duke Energy	19,767	-422	-2.1%
NextEra Energy	21,518	-313	-1.5%
Xcel Energy	10,291	-111	-1.1%
Ameren	7,243	-48	-0.7%
CMS Energy	4,666	-26	-0.6%
Sempra Energy	7,000	-34	-0.5%
Eversource Energy	6,703	-11	-0.2%
<b>TOTAL</b>	<b>\$ 177,995</b>	<b>\$ -7,205</b>	<b>-4.0%</b>

- 18 of these corporations paid less than nothing in aggregate federal income taxes over the 2008-15 period. These companies, whose pretax U.S. profits totaled \$178 billion over the eight years, included: Pepco Holdings (-27.9%), PG&E (-14.5%), International Paper (-7.7%), Priceline.com (-4.4%), General Electric (-3.4%), and Ryder System (-2.7%).

- In 2015, 29 companies paid no federal income tax, and received \$1.46 billion in tax rebates. In 2014, 28 companies paid no income tax, and received \$1 billion in rebates. In 2013, 32 companies paid no income tax, and got \$3.9 billion in rebates. (See Appendices with year-by-year results.)

- 83 of the 258 companies paid less than half the 35 percent statutory corporate tax rate for the eight-year period. And more than two-thirds of the companies, 181 of the 258, paid effective tax rates of less than half the 35 percent statutory corporate income tax rate in at least one of the eight years.

- 100 of the 258 companies paid zero or less in federal income taxes in at least one year from 2008 to 2015. Fifty-eight of these companies enjoyed multiple no-tax years, bringing the total number of no-tax years to 246. In the years they paid no income tax, these 100 companies earned \$336 billion in pretax U.S. profits. But instead of paying \$118 billion in federal income taxes, as the 35 percent corporate tax rate requires, these companies generated so many excess tax breaks that they reported negative taxes (often receiving tax rebate checks from the U.S. Treasury), totaling \$32.1 billion. These companies' "negative tax rates" mean that they made more after taxes than before taxes in those no-tax years.<sup>1</sup>

<sup>1</sup> Corporations can receive outright rebates by "carrying back" excess tax breaks to earlier years, and thereby getting a cash refund from the IRS for taxes paid in the past. In addition, companies sometimes obtain favorable settlements of tax disputes with the IRS covering past years. Companies then recognize tax breaks that they did not disclose in their prior financial reports to shareholders because they expected that the IRS would not allow them to keep the money. These settlements can produce what are essentially tax rebates, as the appendix on page 29 explains. In reporting their "current" income taxes paid, companies do not distinguish between the two types of tax breaks.

# 100 Companies Paying Zero Tax or Less in at Least One Year, 2008–2015

Company (\$-millions)	In No-Tax Years			# of zero tax years	Company (\$-millions)	In No-Tax Years			# of zero tax years
	Profit	Tax	Rate			Profit	Tax	Rate	
PG&E Corp.	\$ 10,843	\$ -1,569	-14.5%	8	AGL Resources	852	-101	-11.8%	2
Pepco Holdings	2,641	-852	-32.3%	7	Constellation Brands	1,525	-176	-11.6%	2
Wisconsin Energy	5,245	-681	-13.0%	7	Domtar	189	-21	-10.9%	2
NiSource	3,859	-384	-9.9%	7	Fifth Third Bancorp	1,856	-162	-8.7%	2
Duke Energy	18,209	-482	-2.6%	7	Public Service Enterprise Group	4,473	-371	-8.3%	2
FirstEnergy	5,916	-821	-13.9%	6	Southwest Airlines	838	-69	-8.2%	2
Atmos Energy	2,258	-122	-5.4%	6	Principal Financial	1,986	-156	-7.8%	2
NextEra Energy	15,081	-334	-2.2%	6	Devon Energy	5,321	-389	-7.3%	2
Priceline.com	420	-38	-9.1%	5	MDU Resources	677	-35	-5.2%	2
PPL	3,303	-224	-6.8%	5	FedEx	3,914	-173	-4.4%	2
Ameren	4,526	-257	-5.7%	5	PNC Financial Services Group	7,982	-317	-4.0%	2
Boeing	20,783	-1,021	-4.9%	5	Air Products & Chemicals	1,162	-31	-2.7%	2
Ryder System	1,275	-60	-4.7%	5	Spectra Energy	1,293	-32	-2.5%	2
Sempra Energy	4,584	-175	-3.8%	5	Time Warner	6,646	-100	-1.5%	2
CMS Energy	3,063	-33	-1.1%	5	SpartanNash	101	-1	-1.1%	2
Reinsurance Group of America	1,963	-276	-14.0%	4	HollyFrontier	12	-24	-196.9%	1
American Electric Power	7,751	-806	-10.4%	4	Phillips-Van Heusen	34	-44	-130.9%	1
Interpublic Group	1,270	-63	-5.0%	4	Eli Lilly	202	-208	-102.9%	1
Consolidated Edison	6,601	-252	-3.8%	4	Sonic Automotive	27	-14	-51.0%	1
Xcel Energy	5,533	-195	-3.5%	4	Eastman Chemical	204	-82	-40.2%	1
Dominion Resources	7,038	-176	-2.5%	4	Insight Enterprises	15	-5	-32.3%	1
Cablevision Systems	1,211	-11	-0.9%	4	Texas Instruments	321	-81	-25.2%	1
Corning	2,637	-14	-0.5%	4	Health Net	34	-8	-24.9%	1
International Paper	1,599	-1,024	-64.0%	3	Yum Brands	294	-70	-23.7%	1
General Electric	10,460	-4,737	-45.3%	3	Pitney Bowes	386	-88	-22.7%	1
Facebook	1,062	-429	-40.4%	3	Group 1 Automotive	53	-11	-20.2%	1
State Street Corp.	2,854	-891	-31.2%	3	Wells Fargo	21,141	-3,967	-18.8%	1
Trinity Industries	918	-127	-13.8%	3	Goldman Sachs Group	4,894	-801	-16.4%	1
R.R. Donnelley & Sons	743	-75	-10.1%	3	Travelers Cos.	1,230	-191	-15.5%	1
Verizon Communications	22,731	-1,513	-6.7%	3	Darden Restaurants	191	-28	-14.6%	1
DTE Energy	3,129	-191	-6.1%	3	Community Health Systems	228	-29	-12.7%	1
Oneok	1,582	-58	-3.7%	3	Andersons	34	-4	-12.7%	1
Qualcomm	9,731	-291	-3.0%	3	Capital One Financial	1,259	-152	-12.1%	1
Westrock	1,146	-26	-2.3%	3	DuPont	949	-109	-11.5%	1
Eversource Energy	3,446	-43	-1.2%	3	J.P. Morgan Chase & Co.	12,486	-1,429	-11.4%	1
Williams	4,075	-26	-0.6%	3	Mosaic	223	-25	-11.2%	1
Paccar	148	-136	-91.7%	2	Scana	533	-47	-8.8%	1
Exxon Mobil	2,666	-1,036	-38.8%	2	Time Warner Cable	2,330	-188	-8.1%	1
Windstream	644	-125	-19.4%	2	Reliance Steel & Aluminum	199	-15	-7.4%	1
Honeywell International	2,966	-510	-17.2%	2	McKesson	1,153	-85	-7.4%	1
Entergy	3,287	-481	-14.6%	2	UGI	229	-15	-6.5%	1
Netflix	255	-37	-14.4%	2	HCA Holdings	3,198	-182	-5.7%	1
CBS	2,262	-316	-14.0%	2	International Business Machines	5,787	-321	-5.5%	1

(Continued on next page)

## Companies Paying Zero Tax or Less in at Least One Year, 2008–2015 (cont'd)

Company (\$-millions)	In No-Tax Years			# of zero tax years	Company (\$-millions)	In No-Tax Years			# of zero tax years
	Profit	Tax	Rate			Profit	Tax	Rate	
CenturyLink	992	-49	-4.9%	1	Harris	1,091	-27	-2.5%	1
Southern	3,662	-177	-4.8%	1	Danaher	1,183	-27	-2.3%	1
Casey's General Stores	149	-7	-4.5%	1	Alliance Data Systems	126	-3	-2.2%	1
Rockwell Automation	145	-6	-4.4%	1	Arthur Gallagher	159	-3	-1.8%	1
Praxair	870	-36	-4.1%	1	Merck	5,766	-55	-1.0%	1
DISH Network	973	-36	-3.7%	1	ABM Industries	81	-0	-0.3%	1
AT&T	11,994	-422	-3.5%	1	Deere	907	-1	-0.1%	1
<b>Totals, these 100 companies</b>						<b>\$336,277</b>	<b>\$-32,122</b>	<b>-9.6%</b>	<b>246</b>

### 25 Companies with the Largest TOTAL Tax Subsidies, 2008-15 (\$ - millions)

Company	2008-15 Tax breaks
AT&T	38,068
Wells Fargo	31,428
J.P. Morgan Chase & Co.	22,213
Verizon Communications	21,130
International Business Machines	17,806
General Electric	15,389
Exxon Mobil	12,942
Boeing	11,863
PNC Financial Services Group	8,809
Procter & Gamble	8,515
NextEra Energy	7,844
Twenty-First Century Fox	7,630
Duke Energy	7,341
Devon Energy	7,224
Comcast	7,172
Time Warner	6,720
Southern	6,569
American Electric Power	6,473
Union Pacific	6,333
United Technologies	6,001
Qualcomm	5,934
Exelon	5,898
Time Warner Cable	5,692
Intel	5,521
Goldman Sachs Group	5,455
<b>Total these 25 companies</b>	<b>\$ 285,969</b>
Other 233 companies	240,791
<b>All companies</b>	<b>\$ 526,760</b>

### THE SIZE OF THE CORPORATE TAX SUBSIDIES

Over the 2008 to 2015 period, the 258 companies earned more than \$3.8 trillion in pretax profits in the United States. Had all of those profits been reported to the IRS and taxed at the statutory 35 percent corporate tax rate, then the 258 companies would have paid \$1.3 billion in income taxes over the eight years. But instead, the companies as a group paid just more than 60 percent of that amount. The enormous amount they did not pay was due to hundreds of billions of dollars in tax subsidies that they enjoyed.

- Tax subsidies for the 258 companies over the eight years totaled a staggering \$527 billion, including \$50 billion in 2008, \$65 billion in 2009, \$74 billion in 2010, \$79 billion in 2011, \$65 billion in 2012, \$72 billion in 2013, \$70 billion in 2014, and \$52 billion in 2015. These amounts are the difference between what the companies would have paid if their tax bills equaled 35 percent of their profits and what they actually paid.
- More than half of the total tax-subsidy dollars over the eight years — \$286 billion — went to just 25 companies, each with more than \$5.4 billion in tax subsidies.
- AT&T topped the list of corporate tax-subsidy recipients, with more than \$38 billion in tax subsidies over the eight years.
- Other top tax subsidy recipients included Wells Fargo (\$31.4 billion), J.P.Morgan Chase (\$22.2 billion), Verizon (\$21.1 billion), IBM (\$17.8 billion), and Exxon Mobil (\$12.9 billion).

## TAX RATES (AND SUBSIDIES) BY INDUSTRY

The effective tax rates in our study varied widely by industry. From 2008 to 2015, effective industry tax rates (for our 258 corporations) ranged from a low of 3.1 percent to a high of 32.7 percent.

- Gas and electric utility companies enjoyed the lowest effective federal tax rate over the eight years, paying a tax rate of only 3.1 percent. This industry's taxes declined steadily over the eight years, from 12.8 percent in 2008 to 1.8 percent in 2015. These results were largely driven by the ability of these companies to claim accelerated depreciation tax breaks on their capital investments. None of the 25 utilities in our sample paid more than half the 35 percent statutory tax rate during the 2008 to 2015 period.
- Other low-tax industries, paying less than half the statutory 35 percent tax rate over the entire 2008 to 2015 period, included: Industrial Machinery (11.4%), Telecommunications (11.5%), Oil, Gas & Pipelines (11.6%), and Internet Services & Retailing (15.6%).
- Only two of the industries surveyed paid an effective tax rate of 30 percent or more over the full eight-year period.

Effective tax rates also varied widely within industries. For example, over the eight-year period, average tax rates on oil, gas & pipeline companies ranged from 1.2 percent for Oneok up to 33.3 percent for CVR Energy. Among aerospace and defense companies, eight-year effective tax rates ranged from a low of 5.4 percent for Boeing up to a high of 27 percent for General Dynamics. Pharmaceutical giant Eli Lilly paid only 17 percent, while its competitor Biogen Idec paid 35.3 percent. In fact, as the detailed industry table starting on page 36 of this report illustrates, effective tax rates were widely divergent in almost every industry.

The difference in tax rates between companies, even within the same industry, demonstrates how loopholes in our tax code can create huge economic distortions by giving some companies a tax advantage over their competitors.

*See Effective Corporate Tax Rate for Companies by Industry on Next Page*

## Effective Corporate Tax Rates for 258 Corporations by Industry, 2008–15

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Utilities, gas and electric	\$ 269,367	\$ 8,217	3.1%	\$ 39,364	\$ 706	1.8%	\$ 37,104	\$ 500	1.3%	\$ 31,955	\$ 1,590	5.0%	\$ 160,944	\$ 5,420	3.4%
Industrial Machinery	91,179	10,429	11.4%	6,817	3,050	44.7%	14,350	2,426	16.9%	16,105	2,664	16.5%	53,908	2,288	4.2%
Telecommunications	334,261	38,578	11.5%	60,512	11,499	19.0%	50,466	6,889	13.6%	47,304	6,549	13.8%	175,979	13,642	7.8%
Oil, gas & pipelines	117,722	13,635	11.6%	4,672	412	8.8%	19,755	1,929	9.8%	15,346	1,636	10.7%	77,950	9,657	12.4%
Internet Services & Retailing	15,486	2,409	15.6%	2,831	1,478	52.2%	4,991	251	5.0%	3,235	605	18.7%	4,428	75	1.7%
Publishing, printing	1,611	290	18.0%	226	113	49.9%	6	50	859.7%	66	-15	-23.3%	1,314	143	10.9%
Aerospace & defense	200,483	36,698	18.3%	26,072	6,282	24.1%	29,895	5,865	19.6%	26,841	4,838	18.0%	117,674	19,714	16.8%
Financial	632,651	125,807	19.9%	100,509	25,715	25.6%	102,654	21,056	20.5%	92,589	15,041	16.2%	336,899	63,996	19.0%
Transportation	105,032	21,255	20.2%	17,976	4,654	25.9%	17,364	3,894	22.4%	15,126	3,634	24.0%	54,566	9,073	16.6%
Computers, office equip, software, data	244,399	49,608	20.3%	27,910	5,111	18.3%	33,762	7,809	23.1%	29,830	6,498	21.8%	152,896	30,190	19.7%
Chemicals	76,800	15,730	20.5%	10,699	2,289	21.4%	12,464	3,104	24.9%	11,304	2,051	18.1%	42,333	8,286	19.6%
Household & personal products	83,255	18,304	22.0%	9,843	2,077	21.1%	10,949	2,822	25.8%	11,156	2,137	19.2%	51,307	11,268	22.0%
Miscellaneous services	298,589	68,503	22.9%	42,701	10,769	25.2%	46,935	9,337	19.9%	42,083	10,249	24.4%	166,870	38,147	22.9%
Miscellaneous manufacturing	123,173	28,494	23.1%	20,622	5,247	25.4%	19,796	5,315	26.9%	18,297	3,305	18.1%	64,458	14,626	22.7%
Financial data services	97,962	26,398	26.9%	18,188	5,245	28.8%	20,007	5,815	29.1%	12,156	3,617	29.8%	47,612	11,722	24.6%
Pharmaceuticals & medical products	69,858	19,324	27.7%	6,648	2,542	38.2%	19,070	8,385	44.0%	8,218	1,467	17.9%	35,921	6,930	19.3%
Food & beverages & tobacco	192,203	54,167	28.2%	26,857	9,930	37.0%	22,545	7,931	35.2%	26,865	6,935	25.8%	115,936	29,370	25.3%
Engineering & construction	10,274	2,964	28.8%	1,411	417	29.6%	1,396	435	31.2%	1,542	500	32.4%	5,924	1,611	27.2%
Retail & wholesale trade	643,990	199,925	31.0%	95,177	30,971	32.5%	92,232	30,239	32.8%	88,516	29,571	33.4%	368,064	109,145	29.7%
Health care	202,285	66,206	32.7%	32,663	12,773	39.1%	29,072	10,713	36.8%	25,813	8,267	32.0%	114,737	34,454	30.0%
<b>ALL INDUSTRIES</b>	<b>\$ 3,810,577</b>	<b>\$ 806,942</b>	<b>21.2%</b>	<b>\$ 551,698</b>	<b>\$ 141,281</b>	<b>25.6%</b>	<b>\$ 584,814</b>	<b>\$ 134,763</b>	<b>23.0%</b>	<b>\$ 524,346</b>	<b>\$ 111,138</b>	<b>21.2%</b>	<b>\$ 2,149,719</b>	<b>\$ 419,759</b>	<b>19.5%</b>

## 2008-15 Effective Tax Rates & Total Tax Subsidies, by Industry

\$-millions

Industry & Company	Effective Tax Rate	Total Tax Subsidies	% of total Subsidies	% of total U.S. Profits
Financial	19.9%	95,620	18.2%	16.6%
Utilities, gas and electric	3.1%	86,062	16.3%	7.1%
Telecommunications	11.5%	78,413	14.9%	8.8%
Miscellaneous services	22.9%	36,003	6.8%	7.8%
Computers, office equip, software, data	20.3%	35,932	6.8%	6.4%
Aerospace & defense	18.3%	33,471	6.4%	5.3%
Oil, gas & pipelines	11.6%	27,568	5.2%	3.1%
Retail & wholesale trade	31.0%	25,471	4.8%	16.9%
Industrial Machinery	11.4%	21,484	4.1%	2.4%
Transportation	20.2%	15,506	2.9%	2.8%
Miscellaneous manufacturing	23.1%	14,616	2.8%	3.2%
Food & beverages & tobacco	28.2%	13,104	2.5%	5.0%
Chemicals	20.5%	11,150	2.1%	2.0%
Household & personal products	22.0%	10,836	2.1%	2.2%
Financial data services	26.9%	7,888	1.5%	2.6%
Pharmaceuticals & medical products	27.7%	5,126	1.0%	1.8%
Health care	32.7%	4,594	0.9%	5.3%
Internet Services & Retailing	15.6%	3,011	0.6%	0.4%
Engineering & construction	28.8%	632	0.1%	0.3%
Publishing, printing	18.0%	273	0.1%	0.0%
<b>ALL INDUSTRIES</b>	<b>21.2%</b>	<b>\$ 526,760</b>	<b>100%</b>	<b>100%</b>
<b>Financial, Utilities, Telecommunications and Oil, gas &amp; pipelines</b>	<b>10.5%</b>	<b>287,663</b>	<b>54.6%</b>	<b>35.5%</b>

## Tax Subsidies by Industry:

We also looked at the size of the total tax subsidies received by each industry for the 258 companies in our study. Among the notable findings:

- 55 percent of the total tax subsidies went to just four industries: financial, utilities, telecommunications, and oil, gas & pipelines — even though these companies only enjoyed 35.5 percent of the U.S. profits in our sample.

- Other industries receive a disproportionately small share of tax subsidies. Companies engaged in retail and wholesale trade, for example, represented 17 percent of the eight-year U.S. profits in our sample, but enjoyed less than 5 percent of the tax subsidies.

It seems rather odd, not to mention highly wasteful, that the industries with the largest subsidies are ones that would seem to need them least. Regulated utilities, for example, make investment decisions in concert with their regulators based on needs of communities they serve. Oil and gas companies are so profitable that even President George W. Bush said they did not need tax breaks. He could have said the same about telecommunications companies. Financial companies get so much federal support that adding huge tax breaks on top of that seems unnecessary.

## HISTORICAL COMPARISONS OF TAX RATES AND TAX SUBSIDIES

How do our results for 2008 to 2015 compare to corporate tax rates in earlier years? The answer illustrates how corporations have managed to get around some of the corporate tax reforms enacted in 1986, and how tax avoidance has surged with the help of our political leaders.

By 1986, President Ronald Reagan fully repudiated his earlier policy of showering tax breaks on corporations. Reagan's Tax Reform Act of 1986 closed tens of billions of dollars in corporate loopholes, so that by 1988, our survey of large corporations (published in 1989) found that the overall effective corporate tax rate was up to 26.5 percent, compared to only 14.1 percent in 1981-83.<sup>2</sup> That improvement occurred even though the statutory corporate tax rate was cut from 46 percent to 34 percent as part of the 1986 reforms.<sup>3</sup>

In the 1990s, however, many corporations began to find ways around the 1986 reforms, abetted by changes in the tax laws as well as by tax-avoidance schemes devised by major accounting firms. As a result, in our 1996 to 1998 survey of 250 companies, we found that their average effective corporate tax rate had fallen to only 21.7 percent. Our September 2004 study found that corporate tax cuts adopted in 2002 had driven the effective rate down to only 17.2 percent in 2002 and 2003. The eight-year average rate found in the current study is only slightly higher, at 21.2 percent.

As a share of GDP, overall federal corporate tax collections in fiscal 2002 and 2003 fell to only 1.24 percent. At the time, that was their lowest sustained level as a share of the economy since World War II. Corporate taxes as a share of GDP recovered somewhat in the mid-2000s after the 2002-enacted tax breaks expired, averaging 2.3 percent of GDP from fiscal 2004 through fiscal 2008. But over the past five fiscal years (2011 to 2015) that this study examines, total corporate income tax payments fell back to only 1.6 percent of GDP on average.

Corporate taxes paid for more than a quarter of federal outlays in the 1950s and a fifth in the 1960s. They began to decline during the Nixon administration and remained low in the Reagan era. By fiscal year 2015, corporate taxes paid for a mere 10.6 percent of the federal government's expenses.

In this context, it seems odd that anyone would insist that corporate tax reform should be "revenue neutral." If we are going to get our nation's fiscal house back in order, increasing corporate income tax revenues should play an important role.

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<sup>2</sup> The 1986 Tax Reform Act was expected to increase corporate tax payments by about a third. It may have done even better than that.

<sup>3</sup> The statutory rate was increased to 35 percent in President Bill Clinton's 1993 deficit reduction act.

## U.S. CORPORATE INCOME TAXES VS. FOREIGN INCOME TAXES

Corporate lobbyists relentlessly tell Congress that companies need tax subsidies from the government to be successful. They promise more jobs if they get the subsidies, and threaten economic harm if they are denied them. A central claim in the lobbyists’ arsenal is the assertion that their clients need still more tax subsidies to “compete” because U.S. corporate taxes are allegedly much higher than foreign corporate taxes. But the figures that most of these corporations report to their shareholders indicate the exact opposite, that they pay higher corporate income taxes in the other countries where they do business than they pay here in the U.S.

U.S. Profits & U.S. Federal Income Taxes versus Foreign Profits & Foreign Income Taxes, 2008-15 for companies with significant foreign profits, \$-million							
	US profits & federal income taxes			Foreign profits & for. income taxes			US rate – For rate
	US profit	US tax	US rate	For. profit	For. tax	For. rate	
<b>64 with lower US rate (60%)</b>	\$ 754,370	\$ 130,312	17.3%	\$ 568,543	\$ 151,937	26.7%	<b>-9.45%</b>
<b>43 with lower foreign rate (40%)</b>	822,034	253,513	30.8%	442,220	94,272	21.3%	<b>+9.5%</b>
<b>Totals for 107 companies</b>	<b>\$ 1,576,404</b>	<b>\$ 383,825</b>	<b>24.3%</b>	<b>\$ 1,010,763</b>	<b>\$ 246,209</b>	<b>24.4%</b>	<b>-0.0%</b>
<b>% that average foreign effective tax rate exceeds average US tax rate (107 cos.):</b>							<b>+0%</b>

We examined the 107 companies in our survey that had significant pretax foreign profits (i.e., equal to at least 10 percent of their total worldwide pretax profits), and compared their 2008-15 U.S. (federal & state) effective tax rates to the foreign effective tax rates they paid. Here is what we found:

- About 60 percent of these U.S. companies paid higher foreign tax rates on their foreign profits than they paid in U.S. taxes on their U.S. profits.
- Overall, the effective foreign tax rate on the 107 companies was roughly equal to their U.S. effective tax rate.

A table showing U.S. and foreign tax rates for each of the 107 companies begins on page 53.

How do these figures square with the well-known practice of corporations shifting their profits to countries like the Cayman Islands where they are not taxed at all? The figures here show what corporations report to their shareholders as U.S. profits and foreign profits, and therefore are likely to reflect profits genuinely earned in the U.S. and those genuinely earned offshore, respectively. But many of these corporations are likely to report something very different to the IRS by using various legal but arcane accounting maneuvers. Some of the profits correctly reported to shareholders as U.S. profits are likely to be reported to the IRS as profits earned in tax-haven countries like Bermuda or the Cayman Islands, where they are not taxed at all. Indeed, this partly explains the low effective U.S. income tax rates that many corporations enjoy. This “profit-shifting” problem will exist so long as our tax laws allow corporations to “defer” paying U.S. taxes on their “offshore” profits, providing an incentive to make U.S. profits appear to be earned in offshore tax havens.

The figures make clear that most American corporations are paying higher taxes in other countries where they engage in real business activities than they pay in U.S. taxes on their true U.S. profits.

One might note that paying higher foreign taxes to do business in foreign countries rather than in the United States has not stopped American corporations from shifting operations and jobs overseas over the past several decades. But this is just more evidence that corporate income tax levels are usually not a significant determinant of what companies do. Instead, companies have shifted jobs overseas for a variety of non-tax reasons, such as low wages and weaker labor and environmental regulations in some countries, a desire to serve growing foreign markets, and the development of vastly cheaper costs for shipping goods from one country to another than used to be the case.

## HOW COMPANIES PAY LOW TAX BILLS

Why do we find such low tax rates on so many companies and industries? The company-by-company notes starting on page 56 detail, where available, reasons why particular corporations paid low taxes. Here is a summary of several of the major tax-lowering items that are revealed in the companies' annual reports — plus some that aren't disclosed.

**Offshore tax sheltering.** The high-profile congressional hearings on tax-dodging strategies of Apple and other tech companies over the past couple of years told lawmakers and the general public what some of us have been pointing out for years: multinational corporations and their accounting firms have become increasingly aggressive in seeking ways to shift their U.S. profits, on paper, to offshore tax havens to avoid their U.S. tax obligations. This typically involves various artificial transactions between U.S. corporations and their foreign subsidiaries, in which revenues are shifted to low- or no-tax jurisdictions (where these corporations are not actually doing any real business), while deductions are created in the United States.<sup>4</sup>

The cost of this tax-sheltering is difficult to determine precisely, but is thought to be enormous. In November 2010, the congressional Joint Committee on Taxation estimated that international corporate tax reforms proposed by Sen. Ron Wyden (D-Ore.) would increase U.S. corporate taxes by about \$70 billion a year.<sup>5</sup> Other analysts have pegged the cost of corporate offshore tax sheltering as even higher than that. Presumably, the effects of these offshore shelters in reducing U.S. taxes on U.S. profits are reflected in bottom-line U.S. corporate taxes reported in this study, even though companies do not directly disclose them.

Sadly, most Republicans in Congress, along with some Democrats, seem intent on making the problem of offshore tax sheltering even worse by replacing our current system, under which U.S. taxes on offshore profits are indefinitely “deferred,” with a so-called “territorial” system in which profits that companies can style as “foreign” are permanently exempt from U.S. taxes. This terrible approach, along with its cousin, a “repatriation holiday,” would encourage even more offshore tax avoidance.

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<sup>4</sup> These artificial transactions (often called “transfer pricing” abuses) are particularly available to companies with valuable “intangible property,” such as brand names, secret formulas for soda or drugs, and so forth. By transferring such intangibles to subsidiaries set up in offshore tax havens, companies can then have those foreign subsidiaries “charge” the U.S. parents big fees to use the brand names and so forth, thereby shifting U.S. profits to the havens for tax purposes.

<sup>5</sup> Wyden's international tax reforms are part of a larger tax overhaul bill that he co-sponsored with then-Sen. Judd Gregg (R-NH) and later with Sen. Dan Coats (R-IN).

**Accelerated depreciation.** The tax laws generally allow companies to write off their capital investments faster than the assets actually wear out. This “accelerated depreciation” is technically a tax deferral, but so long as a company continues to invest, the tax deferral tends to be indefinite. While accelerated depreciation tax breaks have been available for decades, temporary tax provisions have increased their cost in the past eight years. In early 2008, in an attempt at economic stimulus for the flagging economy, Congress and President George W. Bush dramatically expanded depreciation tax breaks by creating a supposedly temporary “50 percent bonus depreciation” provision that allowed companies to immediately write off as much as 75 percent of the cost of their investments in new equipment right away.<sup>6</sup> This provision has been repeatedly extended and is set to phase down and then expire at the end of 2019. These changes to the depreciation rules, on top of the already far too generous depreciation deductions allowed under pre-existing law, certainly did reduce taxes for many of the companies in this study by tens of billions of dollars. But limited financial reporting makes it hard to calculate exactly how much of the tax breaks we identify are depreciation-related tax breaks.

Even without bonus depreciation, the tax law allows companies to take much bigger accelerated depreciation write-offs than is economically justified. This subsidy distorts economic behavior by favoring some industries and some investments over others, wastes huge amounts of resources, and has little or no effect in stimulating investment. A recent report from the Congressional Research Service, reviewing efforts to quantify the impact of depreciation breaks, found that “the studies concluded that accelerated depreciation in general is a relatively ineffective tool for stimulating the economy.”<sup>7</sup>

Combined with rules allowing corporations to deduct interest expenses, accelerated depreciation can result in very low, or even negative, tax rates on profits from particular investments. A corporation can borrow money to purchase equipment or a building, deduct the interest expenses on the debt and quickly deduct the cost of the equipment or building thanks to accelerated depreciation. The total deductions can then make the investments more profitable after-tax than before-tax.

**Stock options.** Most big corporations give their executives (and sometimes other employees) options to buy the company’s stock at a favorable price in the future. When those options are exercised, companies can take a tax deduction for the difference between what the employees pay for the stock and what it’s worth.<sup>8</sup>

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<sup>6</sup> Under “bonus depreciation,” in the first full year that most equipment is placed in service, the depreciation write-offs include: a 20 percent regular write-off for the first half of the year, plus 50 percent bonus depreciation, plus a 6 percent write-off for the second half of the first full year.

<sup>7</sup> Gary Guenther, “Section 179 and Bonus Depreciation Expensing Allowances: Current Law, Legislative Proposals in the 112th Congress, and Economic Effects,” Congressional Research Service, September 10, 2012. <http://www.fas.org/sgp/crs/misc/RL31852.pdf>

<sup>8</sup> Employees exercising stock options must report the difference between the value of the stock and what they pay for it as wages on their personal income tax returns.

Stock options are also attractive because companies don't have to reduce the profits they report to their shareholders by the amount that they deducted on their tax returns as the “cost” of the stock options. It does not make sense for companies to treat stock options inconsistently for tax purposes versus shareholder-reporting or “book” purposes. This non-cash “expense” should not be deductible for either tax or book purposes. Because of the complaints about inconsistency, rules in place since 2006 now require companies to lower their “book” profits to take some account of options. But the book write-offs are still usually considerably less than what the companies take as tax deductions. That’s because the oddly-designed rules require the value of the stock options for book purposes to be calculated — or guessed at — when the options are issued, while the tax deductions reflect the actual value when the options are exercised.

Because companies low-ball the estimated values for book purposes, they usually end up with bigger tax deductions than they deduct from the profits they report to shareholders.<sup>9</sup>

Some members of Congress have taken aim at this remaining inconsistency. In February of 2013, Senator Carl Levin (D-MI) introduced the “Cut Unjustified Loopholes Act,” which includes a provision requiring companies to treat stock options the same for both book and tax purposes, as well as making stock option compensation subject to the \$1 million cap on corporate tax deductions for top executives’ pay.

### Top 25 Tax Savings from Stock Options, 2008-15

Company (\$-millions)	2015	2014	2013	2008-12	8 yrs
Facebook	\$ 1,721	\$ 1,869	\$ 609	\$ 1,581	<b>\$ 5,780</b>
Goldman Sachs Group	407	782	98	1,589	<b>2,876</b>
J.P. Morgan Chase & Co.	—	407	137	1,313	<b>1,857</b>
Wells Fargo	453	453	271	543	<b>1,720</b>
Qualcomm	103	280	231	883	<b>1,497</b>
Oracle	124	244	250	857	<b>1,475</b>
Exxon Mobil	2	115	48	1,082	<b>1,247</b>
Amazon.com	119	6	78	1,014	<b>1,217</b>
Walt Disney	313	255	204	373	<b>1,145</b>
Nike	281	218	132	334	<b>965</b>
Comcast	282	267	205	199	<b>953</b>
HCA Holdings	235	134	113	351	<b>833</b>
PepsiCo	133	114	117	450	<b>814</b>
McDonald's	51	71	93	581	<b>796</b>
General Mills	94	75	69	475	<b>713</b>
CBS	88	243	148	198	<b>677</b>
Time Warner	151	179	179	116	<b>625</b>
3M	154	167	92	203	<b>616</b>
Intel	159	122	49	283	<b>613</b>
United Technologies	64	103	115	324	<b>606</b>
Boeing	157	114	128	205	<b>604</b>
Monsanto	44	72	79	362	<b>557</b>
Union Pacific	62	118	76	298	<b>554</b>
Time Warner Cable	92	141	93	148	<b>474</b>
Yum Brands	50	42	44	336	<b>472</b>
<b>These 25 companies</b>	<b>\$ 5,339</b>	<b>\$ 6,590</b>	<b>\$ 3,658</b>	<b>\$ 14,099</b>	<b>\$ 29,686</b>
Other 233 companies	3,893	3,832	3,575	10,673	21,974
<b>All 258 companies</b>	<b>\$ 9,233</b>	<b>\$ 10,423</b>	<b>\$ 7,233</b>	<b>\$ 24,771</b>	<b>\$ 51,660</b>

Note: figures include both federal and state tax savings.

<sup>9</sup> The value of these “excess tax benefits” from stock options is reported in corporate annual reports, and we take it into account in calculating the taxes that companies actually pay. See the Methodology at the end of this study for more details.

Levin calculates that over the past eight years U.S. companies have consistently taken far higher stock-option tax write-offs than they reported as book expenses.

199 corporations in the sample disclosed their “excess stock-option tax benefits” for at least one year in the 2008-15 period, which lowered their taxes by a total of \$51.6 billion over eight years. (Some other companies enjoyed stock option benefits, but did not disclose them fully.) The tax benefits ranged from as high as \$5.8 billion for Facebook over the eight years to only tiny amounts for a few companies. Just 25 companies enjoyed 57 percent of the total excess tax benefits from stock options disclosed by all of our 258 companies, getting \$29.7 billion of the \$51.6 billion total.

**Industry-specific tax breaks.** The federal tax code also provides tax subsidies to companies that engage in certain activities. For example: research (very broadly defined); drilling for oil and gas; providing alternatives to oil and gas; making video games; ethanol production; maintaining railroad tracks; building NASCAR race tracks; making movies; and a wide variety of activities that special interests have persuaded Congress need to be subsidized through the tax code.

One of these special interest tax breaks is of particular importance to long-time tax avoider General Electric. It is oxymoronically titled the “active financing exception” (the joke is that financing is generally considered to be a quintessentially passive activity). This tax break allows financial companies (GE has a major financial branch) to pay no taxes on foreign (or ostensibly foreign) lending and leasing, apparently while deducting the interest expenses of engaging in such activities from their U.S. taxable income. (This is an exception to the general rule that U.S. corporations can defer their U.S. taxes on offshore profits only if they take the form of active income rather than passive income.) This tax break was repealed in 1986, which helped put GE back on the tax rolls. But the tax break was reinstated, allegedly “temporarily,” in 1997, and has been periodically extended ever since, at a current cost of more than \$5 billion a year. We don’t know how much of this particular tax subsidy goes to GE, but in its annual report, GE has singled out the potential expiration of the “active financing” loophole as one of the significant “Risk Factors” the company faces.<sup>10</sup>

Notably, the “active financing” loophole is one of dozens of narrowly-targeted temporary tax giveaways that were made permanent at the end of 2015. These tax breaks, known collectively as the “extenders,” have been routinely renewed temporarily for decades. Perhaps the most significant step toward tax

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<sup>10</sup> GE’s 2012 Annual Report states: “GE’s effective tax rate is reduced because active business income earned and indefinitely reinvested outside the United States is taxed at less than the U.S. rate. A significant portion of this reduction depends upon a provision of U.S. tax law that defers the imposition of U.S. tax on certain active financial services income until that income is repatriated to the United States as a dividend. . . . In the event the provision is not extended after 2013, . . . we expect our effective tax rate to increase significantly after 2014.”

fairness that Congress could take would be to reverse course and eliminate those tax extenders that it made permanent and allow the rest of the extenders to expire once and for all.

## **“MANUFACTURING” DOES NOT MEAN WHAT YOU THINK IT MEANS**

When Congressional tax writers signaled their intention to enact a new tax break for domestic manufacturing income in 2004, lobbyists began a feeding frenzy to define both “domestic” and “manufacturing” as expansively as possible. As a result, current beneficiaries of the tax break include mining and oil, coffee roasting (a special favor to Starbucks, which lobbied heavily for inclusion) and even Hollywood film production. The Walt Disney corporation has disclosed receiving \$1.48 billion in tax breaks from this provision over the past eight years, presumably from its film production work. World Wrestling Entertainment has disclosed receiving tax breaks for its “domestic manufacturing” of wrestling-related films. And we were surprised to find that Silicon Valley-based OpenTable, which “manufactures” only online restaurant reservations, has somehow found a way to claim this tax break.

President Obama sensibly proposed scaling back the domestic manufacturing deduction to prevent big oil and gas companies from claiming it, but a better approach would be to simply repeal this tax break. At a minimum, Congress and the Trump Administration should take steps to ensure that the companies claiming this misguided giveaway are engaged in something that can at least plausibly be described as manufacturing.

**What about the AMT?** The corporate Alternative Minimum Tax (AMT) was revised in 1986 to ensure that profitable corporations pay some substantial amount in income taxes no matter how many tax breaks they enjoy under the regular corporate tax. The corporate AMT (unlike the much-maligned personal AMT) was particularly designed to curb leasing tax shelters that had allowed corporations such as General Electric to avoid most or all of their regular tax liabilities.

But laws enacted in 1993 and 1997 at the behest of corporate lobbyists sharply weakened the corporate AMT, and now hardly any companies pay the tax. In fact, many are getting rebates for past AMT payments. In late 2001, U.S. House of Representatives leaders attempted to repeal the corporate AMT entirely and give companies instant refunds for any AMT they had paid since 1986. Public outcry stopped that outrageous plan, but the AMT remains a shell of its former self that will require substantial reform if it is to once again achieve its goal of curbing corporate tax avoidance.

## WHO LOSES FROM CORPORATE TAX AVOIDANCE?

Low- and no-tax companies may be happy about their ability to avoid huge amounts in taxes every year, but our current corporate income tax mess is not good for the rest of us. The losers under this system include:

**The general public.** As a share of the economy, corporate tax payments have fallen dramatically over the last quarter century. So one obvious group of losers from growing corporate tax avoidance is the general public, which has to pay more for — and/or get less in — public services, or else face mounting national debt burdens that must be paid for in the future.

**Disadvantaged companies.** Almost as obvious is how the wide variation in tax rates among industries, and among companies within particular industries, gives relatively high-tax companies and industries a legitimate complaint that federal tax policy is helping their competitors at their expense. The table on page 8 showed how widely industry tax rates vary. The detailed industry tables starting on page 36 show that discrepancies within industries also abound. For example:

- Honeywell International and Deere both produce industrial machinery. But over the 2008-15 period, Deere paid 31 percent of its profits in U.S. corporate income taxes, while Honeywell paid a tax rate of only 14.9 percent.
- Aerospace giant Boeing paid an eight-year federal tax rate of 5.4 percent, while competitor General Dynamics paid 27.0 percent.
- Household products maker Kimberly-Clark paid an eight-year rate of 16.9 percent, while competitor Clorox paid 28.1 percent.
- Pharmaceutical firm Eli Lilly paid 17 percent of its eight-year U.S. profits in federal income taxes, while Biogen IDEC paid 35.3 percent.
- Time Warner Cable paid 7.8 percent over eight years, while its competitor Comcast paid 23.9 percent.

**The U.S. economy.** Besides being unfair, the fact that the government is offering much larger tax subsidies to some companies and industries than others is also poor economic policy. Such a system artificially boosts the rate of return for tax-favored industries and companies and reduces the relative rate of return for those industries and companies that are less favored. To be sure, companies that push for tax breaks argue that the “incentives” will encourage useful activities.

But the idea that the government should tell businesses what kinds of investments to make conflicts with our basic economic philosophy that consumer demand and free markets should be the test of which private investments make sense.

To be sure, most of the time, tax breaks don't have much effect on business behavior. After all, companies don't lobby to have the government tell them what to do. Why would they? Instead, they ask for subsidies to reward them for doing what they would do anyway. Thus, to a large degree, corporate tax subsidies are simply an economically useless waste of resources.

Indeed, corporate executives (as opposed to their lobbyists) often insist that tax subsidies are not the basis for their investment decisions. Other things, they say, usually matter much more, including demand for their products, production costs and so forth.

But not all corporate tax subsidies are merely useless waste. Making some kinds of investments more profitable than others through tax breaks will sometimes shift capital away from what's most economically beneficial and into lower-yield activities. As a result, the flow of capital is diverted in favor of those industries that have been most aggressive in the political marketplace of Washington, D.C., at the expense of long-term economic growth.

**State governments and state taxpayers.** The loopholes that reduce federal corporate income taxes cut state corporate income taxes, too, since state corporate tax systems generally take federal taxable income as their starting point in computing taxable corporate profits.<sup>11</sup> Thus, when the federal government allows corporations to write off their machinery faster than it wears out or to shift U.S. profits overseas or to shelter earnings from oil drilling, most states automatically do so, too. It's a mathematical truism that low and declining state revenues from corporate income taxes means higher state taxes on other state taxpayers or diminished state and local public services.

**The integrity of the tax system and public trust therein.** Ordinary taxpayers have a right to be suspicious and even outraged about a tax code that seems so tilted toward politically well-connected companies. In a tax system that by necessity must rely heavily on the voluntary compliance of tens of millions of honest taxpayers, maintaining public trust is essential — and that trust is endangered by the specter of widespread corporate tax avoidance. The fact that the law allows America's biggest companies to shelter almost half of their U.S. profits from tax, while ordinary wage-earners have to report every penny of their earnings, has to undermine public respect for the tax system.

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<sup>11</sup> Over the past decade, companies have been extremely aggressive at avoiding state taxes by shifting profits not only offshore, but also from states that would tax them into states that don't. In addition, most states also provide their own set of business tax breaks or abatements beyond the federal ones, although these often involve taxes other than corporate income taxes.

## A PLEA FOR BETTER DISCLOSURE

Determining tax rates paid by the nation’s biggest and most profitable corporations shouldn’t be hard. Lawmakers, the media and the general public should all have a straightforward way of knowing whether our tax system requires companies like General Electric to pay their fair share. But in fact, it’s an incredibly difficult enterprise. Even veteran analysts struggle to understand the often cryptic disclosures in corporate annual reports. And many amateurs come up with (and unfortunately publish) hugely mistaken results. The fact that it took us so much time and effort to complete this report illustrates how desirable it would be if companies would provide the public with clearer and more detailed information about their federal income taxes.

The best way to provide the media, lawmakers and the public the information they need to make informed decisions about our nation’s tax code would be to require companies to publicly disclose key financial data on a country-by-country basis. Ideally, this would include the disclosure of total revenues, profit, income tax paid, tax cash expense, stated capital, accumulated earnings, number of employees on a full-time basis, and book value of tangible assets on a country-by-country basis. For many companies that will already have to file country-by-country reports to the Internal Revenue Service (IRS) in the coming years, providing this information in financial statements would represent little to no additional cost.

At a minimum, we need a straightforward statement of what they paid in federal taxes on their U.S. profits, and the reasons why those taxes differed from the statutory 35 percent corporate tax rate. This information would be a major help, not only to analysts but also to policymakers.

### A Minimum Benchmark for Corporate Tax Disclosure in Annual Financial Reports

1	Pretax profits as reported to shareholders	U.S. profits		Foreign profits		
2	<b>Income taxes on those profits—</b>	<b>On US profits</b>		<b>On foreign profits</b>		
	(a) Income taxes paid or payable on return for year, including effects of carrybacks	To US govt	To state govts	To foreign govts	To US govt	To state govts
	(b) Income taxes deferred (not yet paid and not payable on return for year)	By US govt	By state govts	By foreign govts	By US govt	By state govts
3	<b>Details on income taxes paid and not paid</b>	<b>On US profits</b>		<b>On foreign profits</b>		
	(a) List of all significant items reducing or increasing taxable income compared to profits reported above (with dollar amounts)	US federal	state	Foreign govts	US federal	US state
	(b) Taxable income (profits less items listed above)	US federal	state	Foreign govts	US federal	US state
	(c) Tax paid or payable on return for year before credits, including the effects of carrybacks	US federal	state	Foreign govts	US federal	US state
	(d) Credits taken on return for taxable year (listing details and dollar amounts) including the effects of carrybacks	US federal	state	Foreign govts	US federal	US state
	(e) Tax after credits (should equal line 2(a) above)	US federal	state	Foreign govts	US federal	US state

Notes: "Significant" means any item that reduces or increases taxable income by more than 3 percent, or in the case of credits reduces tax before credits by more than 1 percent. Items not listed separately because they are not "significant" should be reported in the aggregate. Tax items that under current reporting are not listed in the tax footnote, for example, tax benefits from stock options, should be included in the tax figures reported under the rules outlined above.

## TAX REFORM (& DEFORM) OPTIONS

More than thirty years after major loophole-closing corporate tax reforms were enacted under Ronald Reagan in 1986, many of the problems that those reforms were designed to address have re-emerged — along with a dizzying array of new corporate tax-avoidance techniques. But these problems can be resolved. The discussion of tax giveaways elsewhere in this report provides a clear roadmap to the types of reforms lawmakers should consider:

- Repealing the rule allowing U.S. corporations to “defer” their U.S. taxes on their offshore profits so there would be no tax incentive to shift profits to offshore tax havens or jobs to lower-tax countries. Relatedly, companies should be required to immediately pay what they owe on their unrepatriated earnings.
- Limiting the ability of tech and other companies to use executive stock options to reduce their taxes by generating phantom “costs” these companies never actually incur.
- Having set “bonus depreciation” on a path toward expiration at the end of 2019, Congress could take the next step and repeal the rest of accelerated depreciation, too. At a minimum, lawmakers should not expand these tax breaks by allowing for the immediate expensing of capital investments.
- Reinstating a strong corporate Alternative Minimum Tax that really does the job it was originally designed to do.
- Increase transparency by requiring country-by-country public disclosure of company financial information, through filings to the Securities and Exchange Commission. (see page 20)

Sadly, these sensible proposals bear little resemblance to the “reform” ideas put forth by some members of Congress. Corporate tax legislation now being promoted by many on Capitol Hill seems fixated on the misguided notion that as a group, corporations are now either paying the perfect amount in federal income taxes or are paying too much. Many members of Congress seem intent on making changes that would make it easier and more lucrative for companies to shift taxable profits, and potentially jobs, overseas. Lawmakers should reject the push to a territorial tax system or the implementation of border adjustment, both of which would likely increase, not decrease, offshore tax avoidance.

Real, revenue-raising corporate tax reform is what most Americans want and what our country needs.<sup>12</sup> Our elected officials should stop kowtowing to the loophole lobbyists and stand up for the majority of Americans.

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<sup>12</sup> CTJ’s comprehensive plan for fair, revenue-raising tax reform can be found at [www.ctj.org/pdf/taxreformdetails.pdf](http://www.ctj.org/pdf/taxreformdetails.pdf).

## YEAR-BY-YEAR DETAILS ON COMPANIES PAYING NO INCOME TAX

### 29 Corporations Paying No Income Tax in 2015

Company (\$-millions)	2015 Profit	2015 Tax	2015 Rate	Company (\$-millions)	2015 Profit	2015 Tax	2015 Rate
Netflix	97	-28	-28.7%	Exxon Mobil	159	-2	-1.0%
Andersons	34	-4	-12.7%	Dominion Resources	2,746	-26	-1.0%
Devon Energy	1,861	-236	-12.7%	Pepco Holdings	435	-3	-0.7%
PG&E Corp.	850	-89	-10.5%	State Street Corp.	1,025	-6	-0.6%
Wisconsin Energy	962	-97	-10.1%	DTE Energy	954	-3	-0.3%
Constellation Brands	599	-57	-9.6%	Reinsurance Group of America	493	-1	-0.3%
International Business Machines	5,787	-321	-5.5%	Ameren	946	-2	-0.2%
Qualcomm	2,993	-166	-5.5%	Eversource Energy	1,382	-2	-0.1%
Consolidated Edison	1,760	-86	-4.9%	Atmos Energy	504	—	—
Southern	3,662	-177	-4.8%	CMS Energy	772	—	—
Sempra Energy	1,135	-49	-4.3%	Duke Energy	3,840	—	—
PPL	943	-26	-2.8%	Nisource	334	—	—
Harris	1,091	-27	-2.5%	Spectra Energy	359	—	—
Xcel Energy	1,525	-36	-2.4%	Williams	87	—	—
AGL Resources	556	-11	-2.0%	<b>TOTAL</b>	<b>\$ 37,891</b>	<b>\$ -1,456</b>	<b>-3.8%</b>

### 28 Corporations Paying No Income Tax in 2014

Company (\$-millions)	2014 Profit	2014 Tax	2014 Rate	Company (\$-millions)	2014 Profit	2014 Tax	2014 Rate
Phillips-Van Heusen	34	-44	-130.9%	Air Products & Chemical	548	-6	-1.1%
FirstEnergy	243	-132	-54.3%	Sempra Energy	941	-10	-1.1%
Pepco Holdings	406	-137	-33.7%	Dominion Resources	1,748	-11	-0.6%
Darden Restaurants	191	-28	-14.6%	Time Warner	4,616	-26	-0.6%
CBS	1,790	-235	-13.1%	Consolidated Edison	1,601	-9	-0.6%
Community Health Systems	228	-29	-12.7%	Ryder System	270	-1	-0.3%
Priceline.com	73	-9	-12.3%	Williams	3,267	-9	-0.3%
Wisconsin Energy	872	-44	-5.1%	Eversource Energy	1,273	-3	-0.3%
Xcel Energy	1,536	-73	-4.8%	State Street Corp.	1,097	-1	-0.0%
PG&E Corp.	1,836	-84	-4.6%	Atmos Energy	471	—	—
Ameren	1,001	-37	-3.7%	CMS Energy	703	—	—
Qualcomm	3,213	-98	-3.1%	Duke Energy	3,544	—	—
Interpublic Group	365	-6	-1.6%	Nextera Energy	3,674	—	—
DTE Energy	1,251	-16	-1.3%	Nisource	830	—	—
				<b>TOTAL</b>	<b>\$ 37,623</b>	<b>\$ -1,048</b>	<b>-2.8%</b>

## 32 Corporations Paying No Income Tax in 2013

Company (\$-millions)	2013 Profit	2013 Tax	2013 Rate	Company (\$-millions)	2013 Profit	2013 Tax	2013 Rate
International Paper	489	-697	-142.5%	Netflix	158	-9	-5.7%
Domtar	35	-15	-41.0%	Duke Energy	3,357	-123	-3.7%
PPL	195	-75	-38.5%	Spectra Energy	934	-32	-3.4%
Pepco Holdings	438	-128	-29.2%	Boeing	5,946	-199	-3.3%
Priceline.com	38	-9	-24.6%	Xcel Energy	1,425	-46	-3.2%
FirstEnergy	500	-118	-23.6%	Williams	721	-17	-2.4%
R.R. Donnelley & Sons	66	-15	-23.3%	American Electric Power	2,081	-45	-2.2%
PG&E Corp.	1,122	-218	-19.4%	Westrock	614	-13	-2.2%
Ameren	804	-118	-14.7%	NiSource	762	-16	-2.1%
Windstream	228	-27	-11.9%	Verizon Communications	12,282	-197	-1.6%
J.P. Morgan Chase & Co.	12,486	-1,429	-11.4%	Ryder System	299	-4	-1.3%
Mosaic	223	-25	-11.2%	Principal Financial	1,090	-10	-0.9%
Reinsurance Group of America	473	-52	-11.0%	Cablevision Systems	197	-1	-0.6%
Sempra Energy	883	-70	-7.9%	Oneok	427	-1	-0.3%
Wisconsin Energy	840	-50	-6.0%	Atmos Energy	365	—	—
NextEra Energy	2,452	-145	-5.9%	CMS Energy	720	—	—
				<b>TOTAL</b>	<b>\$ 52,651</b>	<b>\$ -3,905</b>	<b>-7.4%</b>

## 34 Corporations Paying No Income Tax in 2012

Company (\$-millions)	2012 Profit	2012 Tax	2012 Rate	Company (\$-millions)	2012 Profit	2012 Tax	2012 Rate
Facebook	1,062	-429	-40.4%	Eversource Energy	792	-38	-4.8%
Dominion Resources	392	-125	-32.0%	Praxair	870	-36	-4.1%
Texas Instruments	321	-81	-25.2%	Oneok	571	-22	-3.8%
Health Net	34	-8	-24.9%	Entergy	1,296	-48	-3.7%
Principal Financial	896	-146	-16.3%	DISH Network	973	-36	-3.7%
Pepco Holdings	480	-76	-15.8%	Westrock	369	-13	-3.5%
NiSource	620	-95	-15.3%	American Electric Power	1,787	-52	-2.9%
Wisconsin Energy	786	-113	-14.3%	Duke Energy	1,792	-46	-2.6%
Cablevision Systems	43	-6	-12.9%	Ryder System	230	-5	-2.3%
Public Service Enterprise Group	2,013	-204	-10.1%	Trinity Industries	369	-6	-1.7%
FirstEnergy	1,295	-122	-9.4%	Corning	495	-4	-0.8%
Sempra Energy	404	-36	-8.9%	Interpublic Group	363	-3	-0.8%
MDU Resources	344	-27	-7.8%	Qualcomm	3,525	-27	-0.8%
McKesson	1,153	-85	-7.4%	Consolidated Edison	1,712	-13	-0.8%
PG&E Corp.	1,034	-74	-7.2%	Priceline.com	84	-1	-0.7%
Southwest Airlines	673	-45	-6.7%	NextEra Energy	2,589	-4	-0.2%
UGI	229	-15	-6.5%	PPL	996	—	—
				<b>TOTAL</b>	<b>\$ 30,593</b>	<b>\$ -2,039</b>	<b>-6.7%</b>

## 32 Corporations Paying No Income Tax in 2011

Company (\$-millions)	2011 Profit	2011 Tax	2011 Rate	Company (\$-millions)	2011 Profit	2011 Tax	2011 Rate
Wisconsin Energy	715	-228	-31.9%	Air Products & Chemicals	614	-25	-4.0%
AGL Resources	296	-90	-30.3%	Atmos Energy	306	-11	-3.7%
Windstream	417	-98	-23.5%	AT&T	11,994	-422	-3.5%
Pitney Bowes	386	-88	-22.7%	Ameren	834	-27	-3.2%
FirstEnergy	1,440	-243	-16.9%	NiSource	468	-14	-3.0%
Travelers Cos.	1,230	-191	-15.5%	MDU Resources	333	-8	-2.5%
Boeing	5,105	-641	-12.6%	Danaher	1,183	-27	-2.3%
Priceline.com	139	-15	-10.6%	Duke Energy	1,759	-37	-2.1%
International Paper	893	-78	-8.7%	Interpublic Group	407	-6	-1.5%
R.R. Donnelley & Sons	131	-10	-7.9%	Reinsurance Group of America	453	-7	-1.4%
PG&E Corp.	1,146	-77	-6.7%	NextEra Energy	2,441	-35	-1.4%
Oneok	583	-35	-6.1%	SpartanNash	50	-0	-0.8%
HCA Holdings	3,198	-182	-5.7%	Dominion Resources	2,153	-13	-0.6%
FedEx	2,706	-135	-5.0%	Cablevision Systems	401	-2	-0.4%
CenturyLink	992	-49	-4.9%	Westrock	163	-0	-0.2%
Devon Energy	3,459	-154	-4.4%	Corning	966	-2	-0.2%
				<b>TOTAL</b>	<b>\$ 47,362</b>	<b>\$ -2,950</b>	<b>-6.2%</b>

# Appendix 1: METHODOLOGY

This study is an in-depth look at corporate taxes over the past eight years. It is similar to a series of widely-cited and influential studies by Citizens for Tax Justice and the Institute on Taxation and Economic Policy, starting in the 1980s and most recently in 2014. The new report covers 258 large Fortune 500 corporations, and analyzes their U.S. profits and corporate income taxes from 2008 to 2015. Over the eight-year period, these companies reported \$3.8 trillion in pretax U.S. profits, and, on average, paid tax on just over half that amount.

## 1. *Choosing the Companies*

Our report is based on corporate annual reports to shareholders and the similar 10-K forms that corporations are required to file with the Securities and Exchange Commission. We relied on electronic versions of these reports from the companies' web sites or from the SEC web site.

As we pursued our analysis, we gradually eliminated companies from the study based on two criteria: either (1) a company lost money in any one of the eight years; or (2) a company's report did not provide sufficient information for us to accurately determine its domestic profits, current federal income taxes, or both. This left us with the 258 companies in our report.

Some companies did not report data for all of the eight years between 2008 and 2015, either because their initial public offering occurred after 2008 or because they were spun off of parent companies after 2008. We included these companies in the sample only if they reported data for at least 6 of the 8 years.

The total net federal income taxes reported by our 258 companies over the eight years amounted to 40 percent of all net federal corporate income tax collections in that period.

## 2. *Method of Calculation*

Conceptually, our method for computing effective corporate tax rates was straightforward. First, a company's domestic profit was determined and then current state and local taxes were subtracted to give us net U.S. pretax profits before federal income taxes. (We excluded foreign profits since U.S. income taxes rarely apply to them, because the taxes are indefinitely "deferred" or are offset by credits for taxes paid to foreign governments.) We then determined a company's federal current income taxes. Current taxes are those that a company is obligated to pay during the year; they do not include taxes "deferred" due to various federal "tax incentives" such as accelerated depreciation. Finally, we divided current U.S. taxes by pretax U.S. profits to determine effective tax rates.<sup>13</sup>

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<sup>13</sup> The effective federal income tax rates we report in this study should not be confused with an item that companies include in their annual reports with the unfortunately similar name "effective tax rate." This latter number is a conglomeration of U.S., state and foreign income taxes, including income taxes paid and income taxes not paid (i.e., deferred). It is meaningless for understanding what companies actually pay in U.S. taxes.

## **A. Issues in measuring profits.**

The pretax U.S. profits reported in the study are generally as the companies disclosed them. In a few cases, if companies did not separate U.S. pretax profits from foreign, but foreign profits were obviously small, we made our own geographic allocation, based on a geographic breakdown of operating profits minus a prorated share of any expenses not included therein (e.g., overhead or interest), or we estimated foreign profits based on reported foreign taxes or reported foreign revenues as a share of total worldwide profits.

Many companies report “noncontrolling interest” income, which is usually included in total reported pretax income. This is income of a subsidiary that is not taxable income of the parent company. When substantial noncontrolling income was disclosed, we subtracted it from U.S. and/or foreign pretax income.

Where significant, we adjusted reported pretax profits for several items to reduce distortions. In the second half of 2008, the U.S. financial system imploded, taking our economy down with it. By the fourth quarter of 2008, no one knew for sure how the federal government’s financial rescue plan would work. Many banks predicted big future loan losses, and took big book write-offs for these pessimistic estimates. Commodity prices for things like oil and gas and metals plummeted, and many companies that owned such assets booked “impairment charges” for their supposed long-term decline in value. Companies that had acquired “goodwill” and other “intangible assets” from mergers calculated the estimated future returns on these assets, and if these were lower than their “carrying value” on their books, took big book “impairment charges.” All of these book write-offs were non-cash and had no effect on either current income taxes or a company’s cash flow.

As it turned out, the financial rescue plan, supplemented by the best parts of the economic stimulus program adopted in early 2009, succeeded in averting the Depression that many economists had worried could have happened. Commodity prices recovered, the stock market boomed, and corporate profits zoomed upward. But in one of the oddities of book accounting, the impairment charges could not be reversed.

Here is how we dealt with these extraordinary non-cash charges, plus “restructuring charges,” that would otherwise distort annual reported book profits and effective tax rates:

### ***1. Smoothing adjustments***

Some of our adjustments simply reassign booked expenses to the years that the expenses were actually incurred. These “smoothing” adjustments avoid aberrations in one year to the next.

- a. “Provisions for loan losses”* by financial companies: Rather than using estimates of future losses, we generally replaced companies’ projected future loan losses with actual loan charge-offs less

recoveries. Over time, these two approaches converge, but using actual loan charge-offs is more accurate and avoids year-to-year distortions. Typically, financial companies provide sufficient information to allow this kind of adjustment to be allocated geographically.

*b. “Restructuring charges”:* Sometimes companies announce a plan for future spending (such as the cost of laying off employees over the next few years) and will book a charge for the total expected cost in the year of the announcement. In cases where these restructuring charges were significant and distorted year-by-year income, we reallocated the costs to the year the money was spent (allocated geographically).

## **2. “Impairments”**

Companies that booked “impairment” charges typically went to great lengths to assure investors and stock analysts that these charges had no real effect on the companies’ earnings. Some companies simply excluded impairment charges from the geographic allocation of their pretax income. For example, Conoco-Phillips assigned its 2008 pretax profits to three geographic areas, “United States,” “Foreign,” and “Goodwill impairment,” implying that the goodwill impairment charge, if it had any real existence at all, was not related to anything on this planet. In addition, many analysts have criticized these non-cash impairment charges as misleading, and even “a charade.”<sup>14</sup> Here is how we treated “impairment charges”:

*a.* Impairment charges for goodwill (and intangible assets with indefinite lives) do not affect future book income, since they are not amortizable over time. We added these charges back to reported profits, allocating them geographically based on geographic information that companies supplied, or as a last resort by geographic revenue shares.

*b.* Impairment charges to assets (tangible or intangible) that are depreciable or amortizable on the books will affect future book income somewhat (by reducing future book write-offs, and thus increasing future book profits). But big impairment charges still hugely distort current year book profit. So as a general rule, we also added these back to reported profits if the charges were significant.

*c.* Caveat: Impairments of assets held for sale soon were not added back.

All significant adjustments to profits made in the study are reported in the company-by-company notes.

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<sup>14</sup> One article describes goodwill impairment charges as “a ludicrous charade” “which everyone and their brothers and sisters dismiss as merely the result of an arbitrary recalculation of an arbitrary calculation.”

## **B. Issues in measuring federal income taxes.**

The primary source for current federal income taxes was the companies' income tax notes to their financial statements. From reported current taxes, we subtracted "excess tax benefits" from stock options (if any), which reduced companies' tax payments but which are not reported as a reduction in current taxes, but are instead reported separately (typically in companies' cash-flow statements). We divided the tax benefits from stock options between federal and state taxes based on the relative statutory tax rates (using a national average for the states). All of the non-trivial tax benefits from stock options that we found are reported in the company-by-company notes.

### **3. Negative tax rates**

A "negative" effective tax rate means that a company enjoyed a tax rebate. This can occur by carrying back excess tax deductions and/or credits to an earlier year or years and receiving a tax refund check from the U.S. Treasury Department. Negative tax rates can also result from recognition of tax benefits claimed on earlier years' tax returns, but not reported as tax reduction in earlier annual reports because companies did not expect that the IRS would allow the tax benefits. If and when these "uncertain tax benefits" are recognized, they reduce a companies reported current income tax in the year that they are recognized. See the appendix on page 30 for a fuller discussion of "uncertain tax benefits."

### **4. High effective tax rates**

Ten of the companies in our study report effective eight-year U.S. federal income tax rates that are slightly higher than the 35 percent official corporate tax rate. Indeed, in particular years, some companies report effective U.S. tax rates that are much higher than 35 percent. This phenomenon is usually due to taxes that were deferred in the past but that eventually came due. Such "turnarounds" often involve accelerated depreciation tax breaks, which usually do not turn around so long as companies are continuing to increase or maintain their investments in plant and equipment. But these tax breaks can turn around if new investments fall off (for example, because a bad economy makes continued new investments temporarily unprofitable).

### **5. Industry classifications**

Because some companies do business in multiple industries, our industry classifications are far from perfect. We generally, but not always, based them on Fortune's industry classifications.

## APPENDIX 2:

### Why the “current” federal income taxes that corporations disclose in their annual reports are the best (and only) measure of what corporations really pay (or don’t pay) in federal income tax

Some analysts and journalists, along with some corporations, have complained that the “current income taxes” reported by corporations under oath in their annual reports are not a true measure of the income taxes that corporations actually pay. This complaint is mostly incorrect. In fact, “current income taxes,” with a sometimes important downward adjustment that we make for “excess stock option tax benefits,” are a good assessment of companies’ tax situations, and are the only available measure of what corporations pay in income taxes broken down by payments to the federal government, state governments and foreign governments.

Our report focuses on the federal income tax that companies are currently paying on their U.S. profits. So we look at the current federal tax expense portion of the income tax provision in the financial statements. The “deferred” portion of the tax provision is tax based on the current year income but not due yet because of the differences between calculating income for financial statement purposes and for tax purposes. When those timing differences turn around, if they ever do, the related taxes will be reflected in the current tax expense.<sup>15</sup>

The federal current tax expense is just exactly what the company expects its current year tax bill to be when it files its tax return. If the calculation of the income tax provision was done perfectly, the current tax expense (after adjusting for excess stock option tax benefits) would exactly equal the total amount of tax shown on the tax return. But the income tax provision is calculated in February as the company is preparing its 10-K for filing with the Securities and Exchange Commission (SEC), and the company’s tax return isn’t usually filed until September. While the company’s tax return is prepared over those several months, things will be found that weren’t accounted for in the financial statement income tax provision, and numbers that were estimated in February will be refined for the actual return. Those small differences will be included in the following year’s current tax expense, but the impact on our calculations is minimal (especially because we look at the rates over a period of years). If the differences in any one year were material, accounting rules would require the company to restate their prior year financials.

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<sup>15</sup> Companies also explain in their tax footnote why the income tax provision isn’t exactly 35% (the U.S. statutory rate) in their “rate reconciliation.” It might show, for example, that “U.S. Business Credits” reduced their total worldwide effective tax rate by 4.4% or that “Tax on Global Activities” reduced their total worldwide effective tax rate by 19.7%. But this disclosure is a reconciliation of their worldwide effective rate, based on the total of current and deferred taxes, and doesn’t tell you much, if anything, about what they are currently paying in U.S. taxes.

The complaints that “current income taxes” are not an accurate measure of taxes actually paid make two main points:

**A. Excess stock option tax benefits:** The first, easily dismissed complaint is that “current income taxes” do not include some of the tax benefits that corporations enjoy when employees exercise stock options. That is certainly true. But our study does subtract those “excess stock option tax benefits” from current income taxes in the tax results we report.

**B. Dubious tax benefits:** A more interesting, but also flawed argument against the use of current income taxes (less stock option tax benefits) involves the accounting treatment of dubious tax benefits that companies claim on their tax returns but are not allowed to report on their books until and if these claimed tax benefits are allowed.

Dubious tax benefits, officially known as “uncertain tax positions” and “unrecognized tax benefits,” are tax reductions that corporations claim when they file their tax returns but which they expect the IRS (or other taxing authority) to disallow.

For example, suppose a corporation on its 2013 tax return tells the IRS that it owes \$700 million in federal income tax for the year. But the corporation’s tax staff believes that on audit, the corporation will most likely owe an additional \$300 million, because \$300 million in tax benefits that the company claimed on its tax return are unlikely to be approved by the IRS. As a result, the corporation’s current income tax for 2013 that it reports to shareholders (and that we calculate in our reports) will be \$1,000 million, the amount that the corporation expects to actually owe in income taxes.<sup>16</sup>

After that, two things, in general, can happen:

**1. More often than not.** Suppose that, as the corporation’s tax staff predicted, the IRS in 2015 disallows the \$300 million in dubious tax benefits claimed on the company’s 2013 tax return. In this case, the \$1,000 million in reported current income tax for 2013 will turn out to have been correct. In 2015, when the dubious tax benefits are disallowed, the company will have to pay back the \$300 million (plus interest and penalties) to the IRS. Reasonably enough, the corporation will not report that 2015 payback in its 2015 annual report to shareholders, since it had already reported it as paid back in 2013.

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<sup>16</sup> Dubious tax benefits are not booked as either a current or a “deferred” tax benefit until and if they lose their dubiousness. In its 2012 annual report, Amgen offers a concise explanation of how dubious tax benefits are treated in financial statements: “We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities based on the technical merits of the position. . . . The amount of UTBs [unrecognized tax benefits] is adjusted as appropriate for changes in facts and circumstances, such as significant amendments to existing tax law, new regulations or interpretations by the taxing authorities, new information obtained during a tax examination, or resolution of an examination.” Amgen 2015 10-K, p. 54 (pdf p. 56).

**2. Occasionally.** Suppose instead that to the surprise of the corporation's tax staff, the IRS in 2015 allows some or part of the \$300 million in dubious tax benefits claimed back in 2013. In this case, the corporation will reduce its 2015 "current income tax" reported to shareholders by the allowed amount of the dubious tax benefits previously claimed on the corporation's 2013 tax return. But, argue some analysts, isn't the right answer to go back and reassign the eventually allowed dubious tax benefits to 2013, the year they were claimed on the corporation's tax return? The answer is no, for two reasons:

First, booking the corporation's tax windfall in 2015, the year it was allowed by the IRS, makes logical sense. That's because until the IRS allowed the dubious tax benefits, it was the judgment of the company's tax experts that the company was probably not legally entitled to those tax benefits. In essence, the IRS's allowance of all or part of the dubious tax benefits claimed on the company's 2013 tax return is the same as the corporation receiving an unexpected tax refund in 2015.

It's as if the company had initially borrowed the money from the IRS, but expected to pay it back (with interest). When and if the IRS "forgives" part or all of the "loan," then the company recognizes the tax benefit. Likewise, suppose you borrow money from your employer with the expectation that you'll pay it back. But later, your employer forgives your debt. You didn't have to declare the loan as income when you borrowed the money, but you do have to declare it as income when the loan is forgiven.

Second, even if one believed that the 2015 tax windfall ought to be reassigned to 2013, there is simply no way to do so. That's because corporations do not disclose sufficient information in their annual reports to make such a retroactive reallocation.<sup>17</sup>

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<sup>17</sup> Companies do provide information on the growth or decline in the amount of dubious tax benefits they have outstanding. This info is not provided on a geographic basis, however. Moreover, it does not distinguish between benefits allowed (which reduces the amount of outstanding dubious tax benefits) and benefits not allowed (which also reduced the amount of outstanding dubious tax benefits). For these two reasons, the currently provided information on dubious tax benefits is useless for our goal of measuring U.S. income taxes paid on U.S. profits.

**C. A final point here, regarding a potentially useful measure called “cash income taxes paid”:** In their annual reports to shareholders, corporations also report something called “cash income taxes paid.” Cash income taxes paid is net of stock option tax benefits and does not include “deferred” taxes.<sup>18</sup> Unlike current taxes, however, cash income taxes paid subtracts dubious tax benefits that are likely to be reversed later (and adds those dubious tax benefits if and when they are later reversed).

“Cash income taxes paid” is sometimes interesting, but it is useless for purposes of measuring the federal income taxes that U.S. multinational corporations pay on their U.S. profits. That’s because “cash income taxes paid” are not broken down by taxing jurisdiction. Instead, this measure lumps together U.S. federal income taxes, U.S. state income taxes, and foreign income taxes. Since most big corporations are multinationals these days, and almost all are subject to both federal and state income taxes, that’s a fatal defect.<sup>19</sup>

Even for purely domestic corporations, “cash income taxes paid” is a problematic measure. It often fails to match income in a given year with the taxes paid for that year (since companies don’t settle up with the IRS until after a given year is over). The cash payments made during the year include quarterly estimated tax payments for the current year, balances due on tax returns for prior years, and any refunds or additional taxes due as a result of tax return examinations or loss carrybacks.

To be sure, if “cash income taxes paid” were reported by taxing jurisdiction and better linked with the pretax income in a given year, then this measure could be useful. But as of now, it is not, except in one way: it supports our use of current taxes as a measure of how much in taxes corporations are really paying. If you compare a company’s total current taxes (after subtracting the excess stock benefits) to cash taxes paid over a period of years, you will see that they are generally very close. The differences, if any, suggest that the effective rate corporations are paying may be even less than what we’ve calculated.

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<sup>18</sup> Both current and cash income taxes also include refunds of taxes paid in the past if a company “carries back” “tax losses” to earlier years and gets a refund of previously paid taxes. This can occur even if a company reports book profits. Current and cash income taxes also automatically include payments of taxes “deferred” in the past in the relatively unusual occasions when those “deferred” taxes actually come due and are not offset by additional tax deferrals. (“Deferred taxes” are taxes that are not paid in the current year, but may or may not come due in future years).

<sup>19</sup> The good news regarding worldwide “cash income taxes paid” is that, over time, they are usually very similar to worldwide “current income taxes” (less stock option tax benefits). In fact, for the 258 corporations in our study, the overall difference between worldwide cash and current taxes over the 2008-15 period was less than 1 percent.

For individual companies, the 8-year current and cash tax figures were also quite similar in most cases. For half of the companies, the eight-year world-wide current and cash effective tax rates were essentially identical (plus or minus 1 percentage point). For 70 percent of the companies, the 8-year worldwide current and cash effective tax rates were within 3 percentage points of each other, and for 84 percent of the companies the 8-year worldwide current and cash effective tax rates were within 5 percentage points of each other. For the handful of outliers, going back a few more years usually brings cash and current taxes back into line with one another. The relatively small exceptions generally seems to involve companies that are very aggressive in claiming dubious tax benefits year after year. Since it takes time for the tax authorities to disallow these dubious tax benefits, worldwide cash taxes paid over time by such companies are typically somewhat lower than “current income taxes” (less stock option benefits).

## **APPENDIX 3:**

### **Fifteen multinational corporations that do not provide plausible geographic breakdowns of their pretax profits**

Noticeably missing from our sample of 258 profitable companies are some well-known multinational corporations, such as Apple and Microsoft. They are excluded because we do not believe the geographic breakdown of their profits between the U.S. and foreign countries that they report to shareholders.

For multinational companies, we are at the mercy of companies accurately allocating their pretax profits between U.S. and foreign in their annual reports. Hardly anyone but us cares about this geographic book allocation, yet fortunately for us, it appears that the great majority of companies were reasonably honest about it. Even companies that are shifting U.S. profits to offshore tax havens generally do not make the implausible claim to their shareholders that such U.S. profits were actually “foreign.”

Some companies, however, report geographic profit allocations that we find to be obviously ridiculous. Indicators of ridiculousness include:

- A company reports that all or even more than all of its pretax profits were foreign, even though most of its revenues and assets are in the United States.
- A company reports U.S. taxes that are a very high share of what it calls its U.S. profits, while its foreign taxes are a very low share of what it calls its foreign profits.
- A company admits that it has used tax schemes to move profits to low- or no-tax jurisdictions.
- A company has a large amount of “unrecognized tax benefits” relative to the current income taxes it reports. These “UTBs” are tax reductions that companies have claimed on their tax returns but do not expect to be allowed when their returns are audited (and are thus not allowed to be reported as tax savings to their shareholders). A substantial portion of UTBs involve schemes to shift profits to tax havens.

In our previous corporate studies, we generally left out such suspicious companies. In a few cases, with grave reservations, we included some potential “liar companies” that we highly suspected made a lot more in the U.S. and less overseas than they reported to their shareholders.

In our current report, we have done better. We have left out of our main analysis 15 companies whose geographic allocations we do not trust (and that we highly suspect have shifted a significant portion of their U.S. profits, on paper, into tax havens). We have included in this appendix some information on

these 15 companies. In a table on this page, we show the worldwide pretax profits for these suspicious companies over the 2008-15 period, along with their worldwide income taxes and worldwide effective tax rates.

Here are some of the specific reasons why we are suspicious of the 15 multinational companies we excluded from our main study:

### 15 multinational corporations that do not provide plausible geographic breakdowns of their pretax profits

Company	2008-15 Worldwide pretax profits	Worldwide cash income tax rate
Broadcom	\$ 4.1	3.3%
Western Digital	9.3	4.4%
NetApp	4.3	11.1%
Amgen	43.5	11.8%
eBay	23.6	15.2%
Apple	305.7	16.5%
Google	102.1	16.5%
Celgene	9.7	17.8%
Gilead Sciences	58.1	17.8%
Western Union	8.8	18.1%
EMC	23.1	18.1%
Johnson & Johnson	131.0	18.2%
Abbott Laboratories	38.4	19.5%
Microsoft	188.3	19.8%
Cisco Systems	77.5	20.6%
<b>All 15 companies</b>	<b>\$ 1,027.6</b>	<b>17.5%</b>

•Abbott Laboratories says that only 7 percent of its 2008-15 pretax profits were earned in the United States, despite the fact that it says 40 percent of its revenues were in the U.S. The company also says that its current U.S. federal income tax rate on that tiny share of its profits was 98 percent! In contrast, Abbott says its foreign current tax rate on its purported foreign profits was only 16.2 percent.

•Amgen says that only 38 percent of its profits were earned in the U.S., despite the fact that it says 78 percent of its revenues were in the U.S. It claims to have paid a 25.3 percent tax rate in the U.S. on its U.S. profits, while paying a mere 5.3 percent tax rate on its foreign profits.

•Apple claims to have paid a 40 percent U.S. tax rate on its claimed U.S. profits, but only 5.8 percent on its foreign profits. The low “foreign” rate mainly reflects the fact that

Apple, for tax purposes, has moved about two-thirds of its worldwide profits to Ireland, where those profits are taxed neither by Ireland nor by the U.S. or any other government.

- Celgene says that 60 percent of its revenues were in the U.S., but only 12 percent of its profits were U.S. Using Celgene’s breakdown of profit, its U.S. tax rate on U.S. profits would be 39.5 percent, while its foreign tax rate on “foreign” profits would be only 4.1 percent.
- Cisco says that its U.S. taxes were 57.3 percent of its U.S. profits, while its foreign tax rate was a mere 7.2 percent.
- eBay claims to have paid a U.S. tax rate of 50.1 percent on its U.S. profits, while paying only a 5.1 percent foreign tax rate on its purported foreign profits. (eBay says only a quarter of its worldwide profits were earned in the U.S., even though it says half of its revenues were in the U.S.).
- EMC claims to have paid a 34.5 percent U.S. tax rate on its claimed U.S. profits, versus a foreign tax rate on foreign profits of only 9.4 percent.
- Gilead Sciences claims to have paid a 34 percent U.S. tax rate on its U.S. profits, versus a foreign tax rate of only 1.9 percent.
- Google claims to have paid a U.S. tax rate of 34.3 percent, versus a foreign tax rate of only 5.5 percent.
- Microsoft says that only a quarter of its profits are in the U.S., even though it says that more than half its revenues are in the U.S. Microsoft would like us to believe that its U.S. tax rate on its U.S. profits was 45.7 percent, while its foreign tax rate on foreign profits was only 9.6 percent.
- NetApp claims to have paid a 53.7 percent tax rate on its U.S. profits, but only 7.0 percent on its purported foreign profits. It says that half of its revenues are in the U.S., but only a sixth of its profits.
- Western Digital claims to have paid a U.S. tax rate of 50.7 percent, versus a foreign tax rate of only 3.0 percent.
- Western Union claims a U.S. tax rate of 75.6 percent on its U.S. profits, versus a foreign tax rate of only 6.6 percent.

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
<b>Aerospace &amp; defense</b>															
Boeing	40,026.7	2,146.7	5.4%	6,828.0	1,966.0	28.8%	6,779.7	581.7	8.6%	5,946.0	-199.0	-3.3%	20,473.0	-202.1	-1.0%
United Technologies	24,421.2	2,546.2	10.4%	2,819.0	264.0	9.4%	4,240.8	263.8	6.2%	3,622.9	520.9	14.4%	13,738.5	1,497.5	10.9%
Rockwell Collins	6,315.0	1,134.0	18.0%	826.2	158.2	19.2%	751.0	105.0	14.0%	745.6	143.6	19.3%	3,992.1	727.1	18.2%
L-3 Communications	7,613.8	1,461.6	19.2%	481.6	38.5	8.0%	758.9	72.9	9.6%	855.7	181.7	21.2%	5,517.5	1,168.5	21.2%
Raytheon	21,037.0	4,335.8	20.6%	2,482.0	718.1	28.9%	2,868.0	798.1	27.8%	2,612.0	709.8	27.2%	13,075.0	2,109.7	16.1%
Northrop Grumman	21,383.0	4,712.0	22.0%	2,706.0	207.0	7.6%	2,897.0	620.0	21.4%	2,751.0	760.0	27.6%	13,029.0	3,125.0	24.0%
Precision Castparts	12,428.8	3,001.2	24.1%	1,015.9	265.9	26.2%	2,112.2	515.2	24.4%	2,158.7	491.8	22.8%	7,142.0	1,728.3	24.2%
Lockheed Martin	35,509.0	8,880.6	25.0%	4,966.0	1,817.0	36.6%	5,369.0	2,020.0	37.6%	4,252.0	1,204.0	28.3%	20,922.0	3,839.6	18.4%
SAIC	4,074.0	1,043.1	25.6%	171.0	42.7	25.0%	697.0	63.5	9.1%	171.0	40.0	23.4%	3,035.0	896.8	29.5%
Alliant Techsystems	2,954.1	763.2	25.8%	265.0	27.2	10.2%	143.0	36.8	25.8%	503.5	146.9	29.2%	2,042.5	552.4	27.0%
General Dynamics	24,720.3	6,674.2	27.0%	3,511.3	777.3	22.1%	3,278.4	787.4	24.0%	3,223.0	838.0	26.0%	14,707.7	4,271.5	29.0%
<b>Aerospace &amp; defense</b>	<b>200,482.7</b>	<b>36,698.4</b>	<b>18.3%</b>	<b>26,072.1</b>	<b>6,282.0</b>	<b>24.1%</b>	<b>29,895.2</b>	<b>5,864.6</b>	<b>19.6%</b>	<b>26,841.3</b>	<b>4,837.5</b>	<b>18.0%</b>	<b>117,674.2</b>	<b>19,174.3</b>	<b>16.8%</b>
<b>Chemicals</b>															
Air Products & Chemicals	4,117.4	439.5	10.7%	727.7	149.7	20.6%	548.0	-6.2	-1.1%	428.5	66.2	15.4%	2,413.2	229.8	9.5%
Celanese	2,857.3	326.3	11.4%	221.8	18.8	8.5%	520.2	94.2	18.1%	789.1	61.1	7.7%	1,326.3	152.3	11.5%
Mosaic	6,814.1	912.7	13.4%	668.9	61.9	9.3%	301.1	46.0	15.3%	223.3	-25.0	-11.2%	5,620.8	829.8	14.8%
Eastman Chemical	5,134.0	723.0	14.1%	596.0	87.0	14.6%	621.0	64.0	10.3%	1,407.0	143.0	10.2%	2,510.0	429.0	17.1%
Praxair	6,142.3	1,036.3	16.9%	950.3	189.3	19.9%	974.4	265.4	27.2%	871.0	56.0	6.4%	3,346.7	525.7	15.7%
DuPont	8,678.0	1,602.0	18.5%	1,390.0	218.0	15.7%	2,718.0	778.0	28.6%	939.0	160.0	17.0%	3,631.0	446.0	12.3%
Sherwin-Williams	7,294.6	1,467.2	20.1%	1,488.7	325.5	21.9%	1,208.2	251.5	20.8%	1,052.9	190.7	18.1%	3,544.9	699.5	19.7%
Monsanto	15,236.3	3,241.4	21.3%	2,155.2	638.6	29.6%	2,383.5	588.5	24.7%	2,346.7	366.7	15.6%	8,351.0	1,647.6	19.7%
Ecolab	4,649.3	1,040.2	22.4%	734.9	185.5	25.2%	905.6	256.3	28.3%	710.2	249.1	35.1%	2,298.7	349.4	15.2%
PPG Industries	4,135.5	1,169.0	28.3%	801.2	158.0	19.7%	328.5	128.0	39.0%	505.4	153.0	30.3%	2,500.3	730.0	29.2%
CF Industries Holdings	11,741.6	3,772.2	32.1%	964.5	256.9	26.6%	1,956.0	638.0	32.6%	2,031.0	630.3	31.0%	6,790.0	2,247.0	33.1%
<b>Chemicals</b>	<b>76,800.4</b>	<b>15,729.8</b>	<b>20.5%</b>	<b>10,699.2</b>	<b>2,289.1</b>	<b>21.4%</b>	<b>12,464.4</b>	<b>3,103.5</b>	<b>24.9%</b>	<b>11,303.9</b>	<b>2,051.0</b>	<b>18.1%</b>	<b>42,332.9</b>	<b>8,286.1</b>	<b>19.6%</b>
<b>Computers, office equip, software, data</b>															
Corning	7,458.0	71.0	1.0%	406.0	40.0	9.9%	2,352.0	38.0	1.6%	1,262.0	3.0	0.2%	3,438.0	-10.0	-0.3%
Qualcomm	20,581.7	1,269.7	6.2%	2,993.0	-166.0	-5.5%	3,213.0	-98.0	-3.1%	3,798.0	108.0	2.8%	10,577.7	1,425.7	13.5%
International Business Machines	64,728.0	4,849.0	7.5%	5,787.0	-321.0	-5.5%	6,968.0	1,134.0	16.3%	6,679.0	1,406.0	21.1%	45,294.0	2,630.0	5.8%
Pitney Bowes	3,408.7	796.2	23.4%	485.9	115.6	23.8%	360.5	71.7	19.9%	281.3	78.3	27.8%	2,281.0	530.7	23.3%
Harris	5,877.6	1,492.5	25.4%	1,090.6	-27.0	-2.5%	443.0	150.0	33.9%	723.1	213.0	29.5%	3,620.9	1,156.5	31.9%
Intel	77,498.3	21,603.3	27.9%	8,787.5	2,696.5	30.7%	11,548.1	3,273.1	28.3%	9,314.5	2,689.5	28.9%	47,848.2	12,944.2	27.1%
Oracle	39,856.5	11,643.2	29.2%	3,783.5	1,198.5	31.7%	4,952.5	1,951.2	39.4%	5,103.3	1,406.3	27.6%	26,017.3	7,087.3	27.2%
Texas Instruments	16,387.1	4,954.1	30.2%	3,218.0	1,034.0	32.1%	2,684.0	820.0	30.6%	1,507.0	215.0	14.3%	8,978.1	2,885.1	32.1%
CA	5,733.2	1,913.2	33.4%	679.7	281.7	41.4%	700.5	281.5	40.2%	667.0	185.0	27.7%	3,685.9	1,164.9	31.6%
Cognizant Technology Solutions	2,869.6	1,015.7	35.4%	679.1	258.7	38.1%	540.2	187.8	34.8%	495.0	193.7	39.1%	1,155.2	375.5	32.5%
<b>Computers, office equip, software, data</b>	<b>244,398.6</b>	<b>49,607.8</b>	<b>20.3%</b>	<b>27,910.3</b>	<b>5,110.9</b>	<b>18.3%</b>	<b>33,761.8</b>	<b>7,809.3</b>	<b>23.1%</b>	<b>29,830.2</b>	<b>6,497.8</b>	<b>21.8%</b>	<b>152,896.2</b>	<b>30,189.8</b>	<b>19.7%</b>
<b>Engineering &amp; construction</b>															
NVR	2,653.0	591.6	22.3%	571.1	161.6	28.3%	426.3	140.4	32.9%	391.9	120.6	30.8%	1,263.7	169.0	13.4%
Tutor Perini	1,065.1	298.1	28.0%	70.2	5.3	7.6%	159.5	44.4	27.9%	118.9	28.1	23.6%	716.5	220.3	30.7%
Quanta Services	2,248.8	639.9	28.5%	258.3	85.3	33.0%	286.7	72.9	25.4%	485.6	170.9	35.2%	1,218.3	310.8	25.5%
Emcor Group	1,782.7	558.1	31.3%	243.8	93.0	38.2%	253.9	74.0	29.1%	217.2	56.6	26.1%	1,067.8	334.5	31.3%
Jacobs Engineering Group	2,524.1	876.3	34.7%	267.5	71.8	26.9%	269.9	103.6	38.4%	328.6	124.0	37.7%	1,658.2	577.0	34.8%
<b>Engineering &amp; construction</b>	<b>10,273.8</b>	<b>2,964.0</b>	<b>28.8%</b>	<b>1,410.9</b>	<b>417.1</b>	<b>29.6%</b>	<b>1,396.2</b>	<b>435.4</b>	<b>31.2%</b>	<b>1,542.2</b>	<b>500.1</b>	<b>32.4%</b>	<b>5,924.5</b>	<b>1,611.5</b>	<b>27.2%</b>
<b>Financial</b>															
Reinsurance Group of America	3,774.3	14.1	0.4%	493.3	-1.4	-0.3%	768.9	21.5	2.8%	473.2	-52.0	-11.0%	2,038.9	45.9	2.3%
State Street Corp.	10,310.2	565.2	5.5%	1,025.1	-5.9	-0.6%	1,097.5	-0.5	-0.0%	1,486.7	109.7	7.4%	6,701.0	462.0	6.9%
Principal Financial	7,790.0	514.4	6.6%	1,406.1	169.9	12.1%	1,474.5	99.3	6.7%	1,090.2	-9.8	-0.9%	3,819.2	255.0	6.7%
PNC Financial Services Group	32,952.7	2,724.7	8.3%	5,343.0	903.0	16.9%	5,272.8	1,060.8	20.1%	5,128.0	98.0	1.9%	17,208.9	662.9	3.9%
Loews	11,055.2	1,276.2	11.5%	366.0	79.0	21.6%	1,305.0	370.0	28.4%	1,751.0	171.0	9.8%	7,633.2	656.2	8.6%
Arthur Gallagher	1,630.0	190.8	11.7%	294.4	43.9	14.9%	244.5	38.8	15.9%	218.5	29.0	13.3%	872.6	79.1	9.1%
J.P. Morgan Chase & Co.	114,769.5	17,956.3	15.6%	22,414.7	3,160.0	14.1%	20,331.0	1,273.4	6.3%	12,486.0	-1,429.3	-11.4%	59,537.9	14,952.2	25.1%
Wells Fargo	185,024.8	33,330.6	18.0%	31,044.4	10,447.4	33.7%	31,475.4	6,946.4	22.1%	29,375.9	4,376.9	14.9%	93,129.1	11,559.9	12.4%
Travelers Cos.	30,729.0	5,870.5	19.1%	4,621.0	1,098.0	23.8%	4,898.9	1,168.9	23.9%	4,804.0	1,014.0	21.1%	16,405.1	2,589.6	15.8%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

\$-millions Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
BB&T Corp.	18,531.0	3,837.0	20.7%	2,810.0	585.0	20.8%	2,617.0	551.0	21.1%	2,812.0	1,004.0	35.7%	10,292.0	1,697.0	16.5%
Alleghany Corporation	3,297.4	702.2	21.3%	373.6	93.3	25.0%	628.9	115.4	18.3%	611.4	68.4	11.2%	1,683.5	425.1	25.3%
Fifth Third Bancorp	11,009.0	2,387.0	21.7%	2,208.0	662.0	30.0%	1,702.0	424.0	24.9%	2,295.0	494.0	21.5%	4,804.0	807.0	16.8%
W.R. Berkley	4,411.7	1,023.6	23.2%	687.6	177.7	25.8%	906.3	254.7	28.1%	593.5	112.3	18.9%	2,224.3	478.9	21.5%
Goldman Sachs Group	50,210.4	12,118.9	24.1%	3,455.0	709.0	20.5%	6,782.9	1,261.3	18.6%	6,446.0	2,508.0	38.9%	33,526.5	7,640.7	22.8%
U.S. Bancorp	49,331.0	12,191.0	24.7%	7,590.0	1,956.0	25.8%	7,502.0	1,888.0	25.2%	7,527.0	1,885.0	25.0%	26,712.0	6,462.0	24.2%
Capital One Financial	31,122.5	8,602.2	27.6%	6,157.5	1,991.0	32.3%	6,022.5	1,934.0	32.1%	5,322.8	1,360.0	25.6%	13,619.7	3,317.2	24.4%
H&R Block	5,122.1	1,469.1	28.7%	538.5	167.2	31.1%	648.0	245.5	37.9%	718.0	195.3	27.2%	3,217.6	861.1	26.8%
Unum Group	5,982.4	1,897.4	31.7%	690.4	280.5	40.6%	67.3	128.4	190.7%	980.9	277.9	28.3%	4,243.8	1,210.6	28.5%
Discover Financial Services	22,538.1	7,459.6	33.1%	3,469.0	1,245.0	35.9%	3,527.0	1,215.0	34.4%	3,833.0	1,059.0	27.6%	11,709.1	3,940.6	33.7%
Charles Schwab	12,806.6	4,257.5	33.2%	2,180.0	740.0	33.9%	2,043.0	747.0	36.6%	1,648.0	598.0	36.3%	6,935.6	2,172.5	31.3%
Raymond James Financial	3,800.3	1,354.2	35.6%	755.4	273.1	36.1%	687.3	254.4	37.0%	503.0	180.7	35.9%	1,854.5	646.1	34.8%
American Financial Group	4,698.8	1,710.1	36.4%	641.0	216.0	33.7%	571.0	265.0	46.4%	654.0	308.0	47.1%	2,832.8	921.1	32.5%
Franklin Resources	11,753.6	4,354.9	37.1%	1,945.2	724.8	37.3%	2,080.5	793.5	38.1%	1,830.8	682.8	37.3%	5,897.1	2,153.8	36.5%
<b>Financial</b>	<b>632,650.8</b>	<b>125,807.5</b>	<b>19.9%</b>	<b>100,509.2</b>	<b>25,714.5</b>	<b>25.6%</b>	<b>102,654.2</b>	<b>21,055.6</b>	<b>20.5%</b>	<b>92,588.8</b>	<b>15,040.9</b>	<b>16.2%</b>	<b>336,898.5</b>	<b>63,996.4</b>	<b>19.0%</b>
<b>Financial Data Services</b>															
American Express	41,674.7	9,577.2	23.0%	6,427.2	2,092.1	32.6%	7,749.9	2,091.3	27.0%	6,157.6	1,660.5	27.0%	21,340.0	3,733.2	17.5%
MasterCard	16,648.7	4,178.9	25.1%	3,359.3	642.3	19.1%	3,225.3	932.3	28.9%	2,966.3	994.3	33.5%	7,097.8	1,610.0	22.7%
Alliance Data Systems	3,299.6	892.5	27.0%	784.1	305.6	39.0%	691.6	196.4	28.4%	533.5	174.3	32.7%	1,290.4	216.3	16.8%
Fiserv	6,274.9	1,975.9	31.5%	988.6	283.6	28.7%	970.1	316.1	32.6%	816.9	280.9	34.4%	3,499.3	1,095.3	31.3%
Visa	30,063.9	9,774.0	32.5%	6,628.5	1,921.5	29.0%	7,369.6	2,278.6	30.9%	1,681.8	506.8	30.1%	14,384.0	5,067.0	35.2%
<b>Financial Data Services</b>	<b>97,961.8</b>	<b>26,398.5</b>	<b>26.9%</b>	<b>18,187.6</b>	<b>5,245.1</b>	<b>28.8%</b>	<b>20,006.5</b>	<b>5,814.7</b>	<b>29.1%</b>	<b>12,156.1</b>	<b>3,616.8</b>	<b>29.8%</b>	<b>47,611.5</b>	<b>11,721.8</b>	<b>24.6%</b>
<b>Food &amp; beverages &amp; tobacco</b>															
Constellation Brands	5,590.6	414.3	7.4%	599.3	-57.3	-9.6%	475.0	130.5	27.5%	2,043.6	87.6	4.3%	2,472.7	253.5	10.3%
Coca-Cola	23,845.9	4,853.8	20.4%	1,694.8	711.0	42.0%	1,560.3	867.0	55.6%	2,385.4	713.0	29.9%	18,205.5	2,562.8	14.1%
General Mills	15,295.4	3,155.5	20.6%	1,895.0	412.0	21.7%	1,665.4	331.0	19.9%	2,144.4	469.4	21.9%	9,590.6	1,943.1	20.3%
Kellogg	8,748.3	1,971.6	22.5%	497.5	200.4	40.3%	487.4	291.9	59.9%	2,085.3	282.2	13.5%	5,678.1	1,197.1	21.1%
Campbell Soup	7,279.7	1,696.7	23.3%	820.0	241.0	29.4%	967.2	241.2	24.9%	793.1	258.1	32.5%	4,699.3	956.3	20.3%
ConAgra Foods	7,200.8	1,793.4	24.9%	700.7	295.8	42.2%	895.2	281.6	31.4%	1,064.7	360.5	33.9%	4,540.2	855.6	18.8%
Archer Daniels Midland	11,180.0	2,950.0	26.4%	1,138.0	270.0	23.7%	2,167.0	641.0	29.6%	1,495.0	348.0	23.3%	6,380.0	1,691.0	26.5%
PepsiCo	26,393.4	7,432.8	28.2%	2,821.9	1,033.0	36.6%	2,382.1	1,269.7	53.3%	2,968.7	995.2	33.5%	18,220.7	4,134.9	22.7%
Hormel Foods	5,508.0	1,604.3	29.1%	979.2	280.6	28.7%	861.4	244.1	28.3%	750.5	212.0	28.2%	2,916.9	867.6	29.7%
Hershey	7,623.5	2,271.2	29.8%	1,313.9	388.5	29.6%	1,277.7	341.4	26.7%	1,212.6	332.6	27.4%	3,819.3	1,208.6	31.6%
J.M. Smucker	5,449.9	1,841.4	33.8%	922.7	340.3	36.9%	483.8	142.9	29.5%	805.8	259.4	32.2%	3,237.6	1,098.8	33.9%
Altria Group	47,468.0	16,583.0	34.9%	7,627.0	2,516.0	33.0%	7,283.0	2,350.0	32.3%	6,506.0	2,066.0	31.8%	26,052.0	9,651.0	37.0%
Reynolds American	20,619.0	7,599.4	36.9%	5,846.6	3,298.9	56.4%	2,039.6	799.1	39.2%	2,609.6	551.4	21.1%	10,123.3	2,950.0	29.1%
<b>Food &amp; beverages &amp; tobacco</b>	<b>192,202.5</b>	<b>54,167.3</b>	<b>28.2%</b>	<b>26,856.6</b>	<b>9,930.2</b>	<b>37.0%</b>	<b>22,545.1</b>	<b>7,931.4</b>	<b>35.2%</b>	<b>26,864.7</b>	<b>6,935.4</b>	<b>25.8%</b>	<b>115,936.2</b>	<b>29,370.3</b>	<b>25.3%</b>
<b>Health care</b>															
Community Health Systems	2,683.5	237.1	8.8%	303.0	7.0	2.3%	228.0	-29.0	-12.7%	226.3	9.1	4.0%	1,926.2	250.0	13.0%
DaVita	6,359.3	1,475.5	23.2%	745.6	160.0	21.5%	1,146.5	150.9	13.2%	938.8	304.3	32.4%	3,528.5	860.4	24.4%
HCA Holdings	19,116.4	4,696.2	24.6%	3,461.7	1,064.7	30.8%	2,243.6	805.2	35.9%	2,884.3	733.5	25.4%	10,526.8	2,092.8	19.9%
Cigna	14,436.6	4,091.2	28.3%	2,888.9	1,048.7	36.3%	2,907.5	1,052.3	36.2%	902.7	363.0	40.2%	7,737.5	1,627.2	21.0%
Universal Health Services	5,156.0	1,546.6	30.0%	1,003.9	324.6	32.3%	837.7	220.1	26.3%	794.4	239.9	30.2%	2,520.0	762.0	30.2%
Laboratory Corp. of America	6,109.1	1,873.3	30.7%	562.1	207.5	36.9%	729.5	228.7	31.4%	816.2	222.5	27.3%	4,001.3	1,214.6	30.4%
Quest Diagnostics	7,867.4	2,423.5	30.8%	1,021.9	226.9	22.2%	766.0	204.0	26.6%	1,236.7	413.7	33.5%	4,842.8	1,578.9	32.6%
Aetna	22,564.1	7,290.8	32.3%	4,133.0	1,753.1	42.4%	3,423.0	1,198.8	35.0%	2,899.2	832.9	28.7%	12,108.8	3,505.9	29.0%
LifePoint Health	1,859.7	632.8	34.0%	294.6	122.8	41.7%	201.6	47.2	23.4%	202.3	94.0	46.5%	1,161.2	368.8	31.8%
WellPoint	35,117.2	12,167.0	34.6%	4,514.6	1,917.4	42.5%	4,310.3	1,591.0	36.9%	3,762.3	1,201.5	31.9%	22,530.0	7,457.1	33.1%
UnitedHealth Group	61,900.0	22,194.9	35.9%	9,950.0	4,155.0	41.8%	9,385.0	3,883.0	41.4%	8,678.0	3,004.0	34.6%	33,887.0	11,152.9	32.9%
Health Net	1,685.9	630.0	37.4%	433.6	253.9	58.6%	215.2	85.9	39.9%	257.6	78.5	30.5%	779.5	211.8	27.2%
Humana	14,530.4	5,689.7	39.2%	2,343.6	1,054.6	45.0%	2,091.1	996.1	47.6%	1,869.4	588.4	31.5%	8,226.3	3,050.6	37.1%
Centene	2,010.5	836.6	41.6%	691.3	311.3	45.0%	454.3	209.3	46.1%	263.5	115.6	43.9%	601.4	200.4	33.3%
Molina Healthcare	888.8	420.8	47.3%	315.4	165.4	52.4%	132.8	69.6	52.4%	80.8	65.6	81.1%	359.8	120.3	33.4%
<b>Health care</b>	<b>202,284.9</b>	<b>66,206.0</b>	<b>32.7%</b>	<b>32,663.1</b>	<b>12,772.7</b>	<b>39.1%</b>	<b>29,072.1</b>	<b>10,713.0</b>	<b>36.8%</b>	<b>25,812.6</b>	<b>8,266.5</b>	<b>32.0%</b>	<b>114,737.0</b>	<b>34,453.8</b>	<b>30.0%</b>
<b>Household &amp; personal products</b>															

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

\$-millions Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Kimberly-Clark	10,685.7	1,803.7	16.9%	401.4	192.4	47.9%	1,529.4	319.4	20.9%	1,662.7	308.7	18.6%	7,092.2	983.2	13.9%
Procter & Gamble	66,989.5	14,931.0	22.3%	8,564.0	1,673.0	19.5%	8,611.0	2,272.0	26.4%	8,768.0	1,606.0	18.3%	41,046.5	9,380.0	22.9%
Clorox	5,579.7	1,569.0	28.1%	877.8	211.8	24.1%	808.3	230.3	28.5%	724.9	221.9	30.6%	3,168.7	905.0	28.6%
<b>Household &amp; personal products</b>	<b>83,254.9</b>	<b>18,303.6</b>	<b>22.0%</b>	<b>9,843.2</b>	<b>2,077.2</b>	<b>21.1%</b>	<b>10,948.7</b>	<b>2,821.7</b>	<b>25.8%</b>	<b>11,155.6</b>	<b>2,136.6</b>	<b>19.2%</b>	<b>51,307.4</b>	<b>11,268.2</b>	<b>22.0%</b>
<b>Industrial machinery</b>															
General Electric	40,057.1	-1,369.0	-3.4%	14.9	1,549.0	10,373.0%	5,826.1	51.0	0.9%	6,463.5	85.0	1.3%	27,752.5	-3,054.0	-11.0%
Honeywell International	16,519.5	2,460.5	14.9%	3,297.0	719.0	21.8%	3,318.6	661.6	19.9%	2,927.8	553.8	18.9%	6,976.0	526.0	7.5%
Joy Global	3,474.3	633.1	18.2%	313.1	23.5	7.5%	288.2	80.5	27.9%	525.1	125.6	23.9%	2,347.9	403.5	17.2%
Flowsolve	1,590.0	290.8	18.3%	213.6	56.4	26.4%	225.0	55.2	24.5%	225.4	53.3	23.7%	926.0	125.9	13.6%
Dover	4,584.5	1,038.3	22.6%	518.7	114.6	22.1%	783.9	219.4	28.0%	759.6	133.9	17.6%	2,522.4	570.3	22.6%
Parker Hannifin	5,369.8	1,300.5	24.2%	650.3	226.3	34.8%	758.6	166.4	21.9%	1,160.4	349.5	30.1%	2,800.5	558.3	19.9%
Deere	19,584.2	6,074.7	31.0%	1,809.2	361.7	20.0%	3,149.6	1,191.5	37.8%	4,043.2	1,363.1	33.7%	10,582.2	3,158.4	29.8%
<b>Industrial machinery</b>	<b>91,179.4</b>	<b>10,428.9</b>	<b>11.4%</b>	<b>6,816.9</b>	<b>3,050.5</b>	<b>44.7%</b>	<b>14,350.0</b>	<b>2,425.7</b>	<b>16.9%</b>	<b>16,105.0</b>	<b>2,664.3</b>	<b>16.5%</b>	<b>53,907.5</b>	<b>2,288.4</b>	<b>4.2%</b>
<b>Internet Services &amp; Retailing</b>															
Priceline.com	697.6	-30.9	-4.4%	29.0	4.3	14.8%	73.5	-9.0	-12.3%	38.1	-9.4	-24.6%	557.0	-16.8	-3.0%
Facebook	14,787.9	2,439.9	16.5%	2,802.0	1,474.0	52.6%	4,918.0	260.0	5.3%	3,197.0	614.0	19.2%	3,870.9	91.9	2.4%
<b>Internet Services &amp; Retailing</b>	<b>15,485.5</b>	<b>2,409.0</b>	<b>15.6%</b>	<b>2,831.0</b>	<b>1,478.3</b>	<b>52.2%</b>	<b>4,991.5</b>	<b>251.0</b>	<b>5.0%</b>	<b>3,235.1</b>	<b>604.6</b>	<b>18.7%</b>	<b>4,427.9</b>	<b>75.1</b>	<b>1.7%</b>
<b>Miscellaneous manufacturing</b>															
International Paper	5,010.0	-386.0	-7.7%	1,135.0	62.0	5.5%	556.0	175.0	31.5%	489.0	-697.0	-142.5%	2,830.0	74.0	2.6%
Westrock	3,056.1	134.3	4.4%	603.0	23.3	3.9%	652.6	7.4	1.1%	613.8	-13.3	-2.2%	1,186.6	116.8	9.8%
Levi Strauss	945.8	102.6	10.8%	171.5	2.1	1.2%	61.0	14.8	24.2%	82.7	10.0	12.1%	630.7	75.7	12.0%
Trinity Industries	4,122.1	593.9	14.4%	1,223.8	260.2	21.3%	1,036.2	302.5	29.2%	559.0	134.8	24.1%	1,303.1	-103.6	-7.9%
Phillips-Van Heusen	984.5	177.9	18.1%	91.9	2.3	2.5%	34.0	-44.5	-130.9%	46.3	85.2	184.0%	812.4	135.0	16.6%
Ball	1,952.8	354.8	18.2%	43.1	8.5	19.7%	265.0	36.3	13.7%	241.4	37.4	15.5%	1,403.3	272.6	19.4%
Nike	10,279.0	1,911.9	18.6%	933.6	71.6	7.7%	1,924.7	415.7	21.6%	2,984.8	149.8	5.0%	4,435.8	1,274.7	28.7%
DanaHER	9,287.2	1,918.9	20.7%	1,386.3	395.8	28.6%	1,408.3	250.4	17.8%	1,640.6	252.0	15.4%	4,852.0	1,020.7	21.0%
Amphenol	1,293.8	279.6	21.6%	137.2	25.0	18.3%	167.0	33.1	19.8%	156.4	25.1	16.0%	833.2	196.4	23.6%
Paccar	5,453.3	1,210.6	22.2%	1,579.1	521.8	33.0%	1,284.0	482.4	37.6%	848.8	191.4	22.5%	1,741.4	15.0	0.9%
Domtar	1,437.8	339.7	23.6%	24.5	59.5	243.1%	81.4	15.4	18.9%	35.5	-14.5	-41.0%	1,296.5	279.4	21.5%
Rockwell Automation	3,270.8	785.1	24.0%	645.6	228.3	35.4%	602.6	194.7	32.3%	503.5	138.1	27.4%	1,519.1	224.0	14.7%
Thermo Fisher Scientific	6,560.5	1,609.8	24.5%	851.7	128.8	15.1%	1,129.6	390.4	34.6%	909.5	204.0	22.4%	3,669.7	886.6	24.2%
3M	23,794.4	5,860.6	24.6%	4,349.7	1,210.6	27.8%	3,735.9	964.9	25.8%	3,118.9	871.9	28.0%	12,589.9	2,813.1	22.3%
VF	4,955.5	1,229.4	24.8%	779.2	147.8	19.0%	603.0	152.3	25.3%	721.3	199.0	27.6%	2,852.0	730.3	25.6%
Packaging Corp. of America	2,868.0	732.4	25.5%	645.0	200.1	31.0%	583.3	175.0	30.0%	404.0	123.2	30.5%	1,235.7	234.1	18.9%
Polo Ralph Lauren	4,046.2	1,065.1	26.3%	278.0	78.0	28.1%	586.4	154.4	26.3%	664.9	182.9	27.5%	2,516.9	649.8	25.8%
Harley-Davidson	6,562.2	1,928.5	29.4%	1,078.8	360.9	33.5%	1,179.1	385.4	32.7%	1,006.5	265.5	26.4%	3,297.8	916.7	27.8%
Illinois Tool Works	11,211.9	3,297.2	29.4%	1,597.5	486.5	30.5%	1,624.7	385.7	23.7%	1,384.2	390.2	28.2%	6,605.6	2,034.8	30.8%
Bemis	1,658.7	488.0	29.4%	252.4	70.2	27.8%	244.1	82.0	33.6%	222.2	65.8	29.6%	939.9	269.9	28.7%
Emerson Electric	14,422.1	4,860.0	33.7%	2,815.0	904.0	32.1%	2,037.0	742.0	36.4%	1,664.0	704.0	42.3%	7,906.1	2,510.0	31.7%
<b>Miscellaneous manufacturing</b>	<b>123,172.7</b>	<b>28,494.1</b>	<b>23.1%</b>	<b>20,621.9</b>	<b>5,247.4</b>	<b>25.4%</b>	<b>19,796.0</b>	<b>5,315.3</b>	<b>26.9%</b>	<b>18,297.3</b>	<b>3,305.3</b>	<b>18.1%</b>	<b>64,457.6</b>	<b>14,626.2</b>	<b>22.7%</b>
<b>Miscellaneous services</b>															
Interpublic Group	2,360.9	122.8	5.2%	432.5	109.4	25.3%	365.2	-5.8	-1.6%	258.3	46.9	18.2%	1,304.9	-27.6	-2.1%
CBS	13,044.7	698.5	5.4%	1,974.4	154.2	7.8%	1,790.0	-235.0	-13.1%	2,451.6	272.6	11.1%	6,828.7	506.7	7.4%
ABM Industries	696.0	84.2	12.1%	57.2	1.8	3.1%	110.1	32.0	29.1%	97.7	15.3	15.7%	431.0	35.0	8.1%
FedEx	16,977.2	2,246.0	13.2%	2,895.8	510.5	17.6%	2,339.9	752.8	32.2%	2,839.4	587.6	20.7%	8,902.0	395.1	4.4%
Darden Restaurants	3,545.2	471.7	13.3%	450.9	74.6	16.5%	191.1	-27.9	-14.6%	185.7	30.5	16.4%	2,717.5	394.5	14.5%
Time Warner	31,048.4	4,147.2	13.4%	4,372.9	719.1	16.4%	4,615.5	-26.0	-0.6%	4,911.9	328.0	6.7%	17,148.0	3,126.1	18.2%
Twenty-First Century Fox	39,722.0	6,273.0	15.8%	3,485.6	466.0	13.4%	9,720.0	891.0	9.2%	5,226.9	1,178.0	22.5%	21,289.5	3,738.0	17.6%
Wyndham Worldwide Corporation	3,831.1	712.7	18.6%	716.9	167.9	23.4%	657.9	147.9	22.5%	540.5	101.6	18.8%	1,915.8	295.2	15.4%
Viacom	18,261.4	4,260.4	23.3%	1,989.4	368.4	18.5%	2,816.5	979.5	34.8%	3,033.8	320.8	10.6%	10,421.7	2,591.7	24.9%
Waste Management	10,547.4	2,642.9	25.1%	936.7	179.6	19.2%	1,804.1	409.9	22.7%	959.9	380.7	39.7%	6,846.7	1,672.8	24.4%
Yum Brands	3,226.4	835.4	25.9%	451.7	245.7	54.4%	506.0	215.0	42.5%	449.6	122.6	27.3%	1,819.1	252.1	13.9%
Walt Disney	62,566.8	17,217.1	27.5%	12,184.9	3,923.1	32.2%	10,835.2	2,721.1	25.1%	8,531.6	2,185.3	25.6%	31,015.0	8,387.5	27.0%
Omnicom Group	4,753.9	1,312.1	27.6%	716.4	319.8	44.6%	638.2	331.6	52.0%	542.8	215.0	39.6%	2,856.4	445.7	15.6%
United Parcel Service	39,442.2	11,005.1	27.9%	6,260.0	1,634.0	26.1%	4,593.5	932.0	20.3%	5,835.0	2,181.0	37.4%	22,753.7	6,258.1	27.5%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Automatic Data Processing	14,398.8	4,342.2	30.2%	1,963.7	522.4	26.6%	1,863.8	535.0	28.7%	1,899.6	653.2	34.4%	8,671.6	2,631.6	30.3%
Discovery Communications, Inc.	7,031.6	2,355.6	33.5%	1,226.1	296.1	24.1%	1,192.2	504.2	42.3%	1,043.6	296.6	28.4%	3,569.7	1,258.7	35.3%
Apollo Group	5,755.6	1,968.2	34.2%	119.0	46.5	39.1%	350.0	113.9	32.6%	521.0	171.7	33.0%	4,765.6	1,636.1	34.3%
McDonald's	21,379.6	7,808.0	36.5%	2,467.1	1,030.0	41.8%	2,545.8	1,066.2	41.9%	2,753.7	1,161.6	42.2%	13,612.9	4,550.1	33.4%
<b>Miscellaneous services</b>	<b>298,589.1</b>	<b>68,503.2</b>	<b>22.9%</b>	<b>42,701.4</b>	<b>10,769.3</b>	<b>25.2%</b>	<b>46,935.0</b>	<b>9,337.4</b>	<b>19.9%</b>	<b>42,082.7</b>	<b>10,249.1</b>	<b>24.4%</b>	<b>166,869.9</b>	<b>38,147.4</b>	<b>22.9%</b>
<b>Oil, gas &amp; pipelines</b>															
Oneok	3,976.2	49.0	1.2%	384.7	13.2	3.4%	467.5	10.2	2.2%	427.1	-1.2	-0.3%	2,696.9	26.8	1.0%
Devon Energy	21,692.3	368.3	1.7%	1,861.4	-235.6	-12.7%	4,297.5	154.5	3.6%	1,784.7	69.7	3.9%	13,748.6	379.6	2.8%
Williams	8,943.9	516.0	5.8%	86.7	—	—	3,267.0	-9.0	-0.3%	721.4	-17.0	-2.4%	4,868.7	542.0	11.1%
Spectra Energy	6,511.0	455.0	7.0%	359.0	—	—	904.0	1.0	0.1%	934.0	-32.0	-3.4%	4,314.0	486.0	11.3%
MDU Resources	2,953.7	277.3	9.4%	175.8	59.5	33.8%	406.6	28.8	7.1%	410.9	45.5	11.1%	1,960.3	143.4	7.3%
Exxon Mobil	60,481.7	8,226.7	13.6%	159.3	-1.7	-1.0%	9,598.9	1,360.9	14.2%	9,357.3	1,033.3	11.0%	41,366.2	5,834.2	14.1%
Consol Energy	3,550.3	544.9	15.3%	330.1	21.4	6.5%	175.7	13.5	7.7%	57.4	4.3	7.5%	2,987.1	505.8	16.9%
HollyFrontier	7,065.7	2,348.4	33.2%	1,074.8	480.4	44.7%	382.5	292.8	76.6%	1,120.7	267.9	23.9%	4,487.7	1,307.2	29.1%
CVR Energy	2,547.6	849.3	33.3%	239.6	75.0	31.3%	255.0	76.2	29.9%	532.9	265.9	49.9%	1,520.2	432.2	28.4%
<b>Oil, gas &amp; pipelines</b>	<b>117,722.4</b>	<b>13,634.8</b>	<b>11.6%</b>	<b>4,671.6</b>	<b>412.2</b>	<b>8.8%</b>	<b>19,754.7</b>	<b>1,928.8</b>	<b>9.8%</b>	<b>15,346.5</b>	<b>1,636.4</b>	<b>10.7%</b>	<b>77,949.7</b>	<b>9,657.3</b>	<b>12.4%</b>
<b>Pharmaceuticals &amp; medical products</b>															
Eli Lilly	15,117.5	2,571.0	17.0%	1,169.3	660.5	56.5%	1,206.5	168.9	14.0%	2,705.0	259.1	9.6%	10,036.8	1,482.5	14.8%
Merck	41,404.3	12,039.0	29.1%	2,117.0	732.0	34.6%	15,355.0	7,136.0	46.5%	3,646.0	568.0	15.6%	20,286.3	3,603.0	17.8%
Biogen Idec	13,335.9	4,713.8	35.3%	3,361.6	1,149.4	34.2%	2,508.9	1,079.8	43.0%	1,867.3	640.1	34.3%	5,598.1	1,844.4	32.9%
<b>Pharmaceuticals &amp; medical products</b>	<b>69,857.6</b>	<b>19,323.8</b>	<b>27.7%</b>	<b>6,647.9</b>	<b>2,541.9</b>	<b>38.2%</b>	<b>19,070.3</b>	<b>8,384.7</b>	<b>44.0%</b>	<b>8,218.3</b>	<b>1,467.2</b>	<b>17.9%</b>	<b>35,921.1</b>	<b>6,929.9</b>	<b>19.3%</b>
<b>Publishing, printing</b>															
R.R. Donnelley & Sons	1,610.8	290.4	18.0%	225.7	112.5	49.9%	5.8	49.9	859.7%	65.6	-15.3	-23.3%	1,313.7	143.3	10.9%
<b>Publishing, printing</b>	<b>1,610.8</b>	<b>290.4</b>	<b>18.0%</b>	<b>225.7</b>	<b>112.5</b>	<b>49.9%</b>	<b>5.8</b>	<b>49.9</b>	<b>859.7%</b>	<b>65.6</b>	<b>-15.3</b>	<b>-23.3%</b>	<b>1,313.7</b>	<b>143.3</b>	<b>10.9%</b>
<b>Retail &amp; wholesale trade</b>															
Amazon.com	6,237.5	674.5	10.8%	1,969.6	116.6	5.9%	228.0	209.0	91.7%	672.5	34.5	5.1%	3,367.4	314.4	9.3%
Netflix	1,494.2	203.1	13.6%	97.2	-27.9	-28.7%	325.1	7.1	2.2%	158.1	-9.0	-5.7%	913.8	232.9	25.5%
Casey's General Stores	1,629.4	242.1	14.9%	340.2	56.0	16.5%	275.6	46.6	16.9%	201.2	42.6	21.2%	812.4	96.9	11.9%
Wesco International	2,092.8	352.8	16.9%	284.6	44.5	15.6%	320.8	64.8	20.2%	334.0	45.7	13.7%	1,153.5	197.8	17.1%
Andersons	796.0	135.4	17.0%	33.9	-4.3	-12.7%	156.0	31.1	19.9%	135.9	11.0	8.1%	470.2	97.7	20.8%
Sonic Automotive	799.9	137.9	17.2%	138.7	36.2	26.1%	156.0	36.9	23.6%	123.4	33.4	27.0%	381.9	31.4	8.2%
SpartanNash	432.3	82.2	19.0%	97.3	30.4	31.2%	89.8	26.4	29.4%	1.6	3.7	235.7%	243.6	21.7	8.9%
Group 1 Automotive	1,068.0	215.2	20.2%	245.0	65.2	26.6%	175.2	48.1	27.4%	177.8	42.3	23.8%	469.9	59.6	12.7%
McKesson	11,703.1	2,496.0	21.3%	2,407.1	658.0	27.3%	1,803.0	453.0	25.1%	1,453.0	484.0	33.3%	6,040.0	901.0	14.9%
Airgas	3,689.3	800.8	21.7%	514.0	137.4	26.7%	557.5	150.5	27.0%	522.3	173.0	33.1%	2,095.4	339.8	16.2%
Insight Enterprises	577.2	126.8	22.0%	88.0	23.9	27.1%	86.5	26.9	31.0%	93.0	27.0	29.1%	309.7	49.1	15.8%
Core-Mark Holding	426.4	97.5	22.9%	78.2	17.6	22.5%	61.5	19.7	32.0%	62.2	17.0	27.3%	224.6	43.3	19.3%
Asbury Automotive Group, Inc.	953.3	227.5	23.9%	264.0	81.1	30.7%	176.6	40.7	23.0%	161.6	41.3	25.6%	351.1	64.4	18.3%
Kroger	16,218.4	3,945.6	24.3%	3,073.8	642.8	20.9%	2,599.0	804.0	30.9%	2,245.5	611.5	27.2%	8,300.0	1,887.3	22.7%
Arrow Electronics	2,593.8	656.9	25.3%	264.6	77.6	29.3%	334.0	96.0	28.7%	312.4	79.2	25.4%	1,682.8	404.0	24.0%
Staples	6,160.8	1,616.5	26.2%	460.9	49.9	10.8%	508.8	116.8	23.0%	844.8	191.1	22.6%	4,346.4	1,258.7	29.0%
Reliance Steel & Aluminum	3,446.6	948.4	27.5%	425.5	129.5	30.4%	463.3	153.2	33.1%	433.5	120.5	27.8%	2,124.2	545.2	25.7%
Anixter International	1,271.5	350.1	27.5%	160.2	58.3	36.4%	184.3	33.3	18.1%	181.4	35.6	19.6%	745.7	222.9	29.9%
AutoNation	3,881.3	1,074.2	27.7%	691.7	220.2	31.8%	653.2	206.0	31.5%	577.2	181.4	31.4%	1,959.2	466.6	23.8%
LKQ Corporation	2,470.8	688.5	27.9%	455.4	126.5	27.8%	439.7	130.2	29.6%	343.6	100.0	29.1%	1,232.2	331.8	26.9%
Macy's	12,315.0	3,496.0	28.4%	1,611.4	510.4	31.7%	2,302.4	731.4	31.8%	2,191.8	816.8	37.3%	6,209.4	1,437.4	23.1%
Cardinal Health	11,266.5	3,221.3	28.6%	1,981.7	583.7	29.5%	1,659.0	381.0	23.0%	1,620.7	488.7	30.2%	6,005.1	1,767.9	29.4%
Dick's Sporting Goods	3,103.4	891.5	28.7%	505.0	158.5	31.4%	527.8	177.6	33.7%	523.0	133.8	25.6%	1,547.6	421.6	27.2%
Advance Auto Parts	4,471.8	1,288.8	28.8%	670.6	232.0	34.6%	703.9	196.1	27.9%	568.7	189.3	33.3%	2,528.7	671.4	26.6%
O'Reilly Automotive	6,781.6	1,956.1	28.8%	1,424.0	452.4	31.8%	1,187.4	358.6	30.2%	1,025.8	322.8	31.5%	3,144.3	822.2	26.1%
Costco Wholesale	13,832.0	4,020.0	29.1%	2,457.9	694.9	28.3%	2,052.5	626.5	30.5%	1,971.6	521.6	26.5%	7,350.0	2,177.0	29.6%
Genuine Parts	6,818.6	1,993.7	29.2%	920.5	303.6	33.0%	1,248.8	209.9	16.8%	245.3	292.3	119.2%	4,404.0	1,187.9	27.0%
Limited Brands	8,945.8	2,621.7	29.3%	1,583.1	495.1	31.3%	1,422.4	418.4	29.4%	1,231.2	377.2	30.6%	4,709.0	1,330.9	28.3%
TJX	16,952.0	4,994.3	29.5%	2,905.1	938.6	32.3%	2,779.6	818.1	29.4%	2,584.2	747.5	28.9%	8,683.1	2,490.1	28.7%
Publix Super Markets	17,348.9	5,113.1	29.5%	2,831.7	758.1	26.8%	2,491.9	754.2	30.3%	2,380.5	725.5	30.5%	9,644.9	2,875.4	29.8%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Target	32,087.0	9,476.0	29.5%	4,285.0	1,652.0	38.6%	3,276.0	1,074.0	32.8%	3,836.0	1,213.0	31.6%	20,690.0	5,537.0	26.8%
AutoZone	10,429.1	3,103.9	29.8%	1,643.0	482.5	29.4%	1,499.8	497.3	33.2%	1,451.4	411.6	28.4%	5,834.8	1,712.5	29.4%
Henry Schein	3,130.8	946.9	30.2%	533.8	161.1	30.2%	492.8	147.0	29.8%	467.8	132.5	28.3%	1,636.4	506.3	30.9%
AmerisourceBergen	6,112.5	1,863.0	30.5%	29.7	238.0	800.3%	562.6	258.7	46.0%	762.7	225.4	29.5%	4,757.4	1,140.9	24.0%
United Natural Foods	1,073.1	327.4	30.5%	213.8	58.6	27.4%	188.9	64.8	34.3%	153.7	42.5	27.6%	516.8	161.5	31.3%
Dollar General	9,156.1	2,799.4	30.6%	1,764.6	578.8	32.8%	1,596.2	533.0	33.4%	1,527.2	505.1	33.1%	4,268.1	1,182.5	27.7%
Wal-Mart Stores	139,743.0	43,480.0	31.1%	16,063.0	5,562.0	34.6%	17,800.0	6,165.0	34.6%	18,693.0	6,377.0	34.1%	87,187.0	25,376.0	29.1%
Big Lots	2,098.8	655.6	31.2%	216.4	72.3	33.4%	209.7	71.1	33.9%	171.8	81.1	47.2%	1,500.9	431.1	28.7%
W.W. Grainger	7,481.0	2,343.3	31.3%	1,158.8	389.8	33.6%	1,258.2	409.7	32.6%	1,135.4	349.0	30.7%	3,928.6	1,194.8	30.4%
Owens & Minor	1,357.5	425.8	31.4%	156.1	60.2	38.6%	145.4	51.7	35.5%	181.9	57.7	31.7%	874.0	256.1	29.3%
Nordstrom	7,628.0	2,432.0	31.9%	966.6	189.6	19.6%	1,138.8	378.8	33.3%	1,129.0	360.0	31.9%	4,393.6	1,503.6	34.2%
Tractor Supply Company	3,025.8	971.0	32.1%	634.9	202.9	32.0%	565.7	195.8	34.6%	502.5	139.1	27.7%	1,322.7	433.3	32.8%
Dollar Tree	5,347.1	1,726.3	32.3%	433.8	116.3	26.8%	905.8	321.4	35.5%	908.5	296.5	32.6%	3,099.0	992.1	32.0%
CarMax	5,085.8	1,644.3	32.3%	970.3	297.5	30.7%	930.9	287.7	30.9%	762.5	264.4	34.7%	2,422.0	794.6	32.8%
Walgreen	26,280.0	8,503.0	32.4%	2,604.0	846.0	32.5%	3,277.0	1,207.0	36.8%	3,343.0	1,122.0	33.6%	17,056.0	5,328.0	31.2%
GameStop	4,163.8	1,351.3	32.5%	538.0	175.1	32.5%	541.8	153.7	28.4%	469.2	147.9	31.5%	2,614.8	874.6	33.4%
Kohl's	11,619.8	3,792.8	32.6%	1,024.7	388.7	37.9%	1,313.5	397.5	30.3%	1,359.5	466.5	34.3%	7,922.0	2,540.0	32.1%
Gap	12,003.9	3,947.8	32.9%	1,380.8	394.8	28.6%	1,787.6	515.6	28.8%	1,761.7	569.7	32.3%	7,073.8	2,467.7	34.9%
Bed Bath & Beyond	10,123.0	3,357.6	33.2%	1,289.2	380.5	29.5%	1,441.9	492.1	34.1%	1,552.2	499.0	32.1%	5,839.7	1,986.0	34.0%
Home Depot	48,671.9	16,154.9	33.2%	9,741.0	3,228.0	33.1%	8,844.0	2,884.0	32.6%	7,424.0	2,503.0	33.7%	22,662.9	7,539.9	33.3%
Ross Stores	8,667.6	2,893.2	33.4%	1,582.0	462.7	29.2%	1,453.9	474.7	32.6%	1,312.9	464.0	35.3%	4,318.7	1,491.8	34.5%
Tech Data	961.3	321.8	33.5%	189.3	71.3	37.7%	98.7	32.4	32.8%	121.5	41.3	34.0%	551.8	176.8	32.0%
Graybar Electric	879.7	295.7	33.6%	135.1	46.2	34.2%	129.4	44.7	34.6%	120.8	47.8	39.6%	494.4	157.0	31.8%
Synnex	1,220.6	418.9	34.3%	183.6	58.7	32.0%	184.6	77.4	41.9%	190.1	74.3	39.1%	662.3	208.5	31.5%
CVS Caremark	49,704.8	17,274.8	34.8%	8,083.0	2,960.0	36.6%	7,201.3	2,493.3	34.6%	7,101.7	2,571.7	36.2%	27,318.8	9,249.8	33.9%
Whole Foods Market	4,399.5	1,532.5	34.8%	807.9	300.9	37.2%	857.6	351.6	41.0%	815.4	290.4	35.6%	1,918.6	589.7	30.7%
United Stationers	1,314.4	465.3	35.4%	115.0	67.3	58.5%	186.4	72.3	38.8%	190.2	66.9	35.2%	822.9	258.7	31.4%
Coach, Inc.	6,293.4	2,263.6	36.0%	330.1	153.2	46.4%	325.2	147.5	45.4%	760.2	273.9	36.0%	4,877.8	1,689.0	34.6%
Best Buy	9,702.4	3,536.1	36.4%	1,251.5	347.0	27.7%	1,078.0	354.0	32.8%	590.0	306.0	51.9%	6,782.9	2,529.1	37.3%
Lowe's	26,542.3	9,843.4	37.1%	4,171.0	1,688.0	40.5%	4,055.0	1,475.0	36.4%	3,470.0	1,342.0	38.7%	14,846.3	5,338.4	36.0%
Express Scripts	17,907.7	7,109.0	39.7%	3,700.2	1,673.9	45.2%	2,915.9	1,238.1	42.5%	2,872.7	1,448.1	50.4%	8,419.0	2,749.0	32.7%
<b>Retail &amp; wholesale trade</b>	<b>643,989.9</b>	<b>199,925.2</b>	<b>31.0%</b>	<b>95,177.2</b>	<b>30,970.6</b>	<b>32.5%</b>	<b>92,232.2</b>	<b>30,239.1</b>	<b>32.8%</b>	<b>88,516.4</b>	<b>29,570.9</b>	<b>33.4%</b>	<b>368,064.2</b>	<b>109,144.6</b>	<b>29.7%</b>
<b>Telecommunications</b>															
Cablevision Systems	2,455.1	8.6	0.4%	327.8	0.1	0.0%	422.4	5.8	1.4%	196.7	-1.2	-0.6%	1,508.2	3.8	0.3%
Time Warner Cable	20,926.0	1,632.0	7.8%	2,896.9	367.9	12.7%	3,174.4	246.4	7.8%	2,964.1	554.1	18.7%	11,890.6	463.6	3.9%
Windstream	2,793.5	220.8	7.9%	21.4	9.1	42.5%	76.2	0.8	1.0%	227.5	-27.0	-11.9%	2,468.4	237.9	9.6%
AT&T	141,623.7	11,500.4	8.1%	18,953.0	2,496.0	13.2%	17,311.4	1,609.0	9.3%	19,271.7	3,043.0	15.8%	86,087.7	4,352.4	5.1%
CenturyLink	8,606.8	725.1	8.4%	1,212.0	28.0	2.3%	1,072.0	18.0	1.7%	1,215.0	1.0	0.1%	5,107.8	678.1	13.3%
Verizon Communications	81,518.0	7,401.0	9.1%	23,840.0	5,476.0	23.0%	15,193.0	2,657.0	17.5%	12,282.0	-197.0	-1.6%	30,203.0	-535.0	-1.8%
DISH Network	11,458.2	1,554.5	13.6%	1,114.1	145.0	13.0%	1,254.6	180.3	14.4%	1,130.3	162.7	14.4%	3,023.0	1,066.4	35.3%
Comcast	64,879.2	15,535.8	23.9%	12,146.8	2,976.8	24.5%	11,961.8	2,171.2	18.2%	10,016.2	3,013.5	30.1%	30,754.3	7,374.3	24.0%
<b>Telecommunications</b>	<b>334,260.5</b>	<b>38,578.1</b>	<b>11.5%</b>	<b>60,512.0</b>	<b>11,498.9</b>	<b>19.0%</b>	<b>50,465.8</b>	<b>6,888.5</b>	<b>13.6%</b>	<b>47,303.5</b>	<b>6,549.1</b>	<b>13.8%</b>	<b>175,979.2</b>	<b>13,641.6</b>	<b>7.8%</b>
<b>Transportation</b>															
Ryder System	2,044.6	-54.9	-2.7%	402.5	0.8	0.2%	269.6	-0.8	-0.3%	299.4	-4.0	-1.3%	1,073.1	-50.9	-4.7%
CSX	21,006.5	3,530.5	16.8%	3,043.7	615.7	20.2%	2,954.5	726.5	24.6%	2,837.2	660.2	23.3%	12,171.0	1,528.0	12.6%
Norfolk Southern	20,455.9	4,069.9	19.9%	2,383.4	493.4	20.7%	3,029.4	698.4	23.1%	2,873.6	663.6	23.1%	12,169.5	2,214.5	18.2%
J.B. Hunt Transport Services	3,542.2	731.1	20.6%	670.1	149.6	22.3%	587.8	117.0	19.9%	538.6	126.1	23.4%	1,745.7	338.4	19.4%
Union Pacific	44,615.8	9,282.8	20.8%	7,456.7	1,849.7	24.8%	8,124.4	1,931.4	23.8%	6,862.1	1,675.1	24.4%	22,172.6	3,826.6	17.3%
Southwest Airlines	8,459.0	2,006.0	23.7%	3,365.0	1,292.0	38.4%	1,787.0	203.0	11.4%	1,165.0	355.0	30.5%	2,142.0	156.0	7.3%
C.H. Robinson Worldwide	4,907.6	1,689.2	34.4%	654.1	252.7	38.6%	611.6	218.2	35.7%	549.6	157.8	28.7%	3,092.3	1,060.4	34.3%
<b>Transportation</b>	<b>105,031.6</b>	<b>21,254.6</b>	<b>20.2%</b>	<b>17,975.5</b>	<b>4,653.9</b>	<b>25.9%</b>	<b>17,364.3</b>	<b>3,893.7</b>	<b>22.4%</b>	<b>15,125.5</b>	<b>3,633.9</b>	<b>24.0%</b>	<b>54,566.2</b>	<b>9,073.0</b>	<b>16.6%</b>
<b>Utilities, gas and electric</b>															
Pepeco Holdings	3,022.0	-843.0	-27.9%	435.0	-3.0	-0.7%	406.0	-137.0	-33.7%	438.0	-128.0	-29.2%	1,743.0	-575.0	-33.0%
PG&E Corp.	10,843.0	-1,569.0	-14.5%	850.0	-89.0	-10.5%	1,836.0	-84.0	-4.6%	1,122.0	-218.0	-19.4%	7,035.0	-1,178.0	-16.7%
Wisconsin Energy	5,894.3	-591.6	-10.0%	961.6	-97.4	-10.1%	872.3	-44.1	-5.1%	839.9	-50.2	-6.0%	3,220.5	-399.9	-12.4%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 by Industry**

Industry & Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
NISource	4,399.1	-352.2	-8.0%	333.9	—	—	829.8	—	—	762.4	-15.9	-2.1%	2,473.0	-336.3	-13.6%
FirstEnergy	8,842.0	-465.0	-5.3%	863.0	1.0	0.1%	243.0	-132.0	-54.3%	500.0	-118.0	-23.6%	7,236.0	-216.0	-3.0%
Atmos Energy	2,826.3	-114.2	-4.0%	503.5	—	—	471.3	—	—	365.1	—	—	1,486.4	-114.2	-7.7%
American Electric Power	17,170.4	-463.7	-2.7%	2,608.4	107.3	4.1%	2,465.0	51.0	2.1%	2,081.0	-45.0	-2.2%	10,016.0	-577.0	-5.8%
Duke Energy	19,767.5	-422.0	-2.1%	3,840.0	—	—	3,544.0	—	—	3,357.0	-123.0	-3.7%	9,026.5	-299.0	-3.3%
NextEra Energy	21,518.0	-313.0	-1.5%	3,959.0	10.0	0.3%	3,674.0	—	—	2,452.0	-145.0	-5.9%	11,433.0	-178.0	-1.6%
Xcel Energy	10,290.6	-111.4	-1.1%	1,524.9	-36.1	-2.4%	1,535.9	-73.2	-4.8%	1,424.5	-46.2	-3.2%	5,805.3	44.1	0.8%
Ameren	7,243.0	-48.0	-0.7%	946.0	-2.0	-0.2%	1,001.0	-37.0	-3.7%	804.0	-118.0	-14.7%	4,492.0	109.0	2.4%
CMS Energy	4,666.0	-26.0	-0.6%	772.0	—	—	703.0	—	—	720.0	—	—	2,471.0	-26.0	-1.1%
Sempra Energy	7,000.0	-34.0	-0.5%	1,135.2	-49.0	-4.3%	941.5	-10.0	-1.1%	882.6	-70.0	-7.9%	4,040.7	95.0	2.4%
Eversource Energy	6,703.2	-11.1	-0.2%	1,381.9	-1.7	-0.1%	1,272.5	-3.5	-0.3%	1,229.1	13.3	1.1%	2,819.7	-19.3	-0.7%
Consolidated Edison	12,329.0	103.0	0.8%	1,760.0	-86.0	-4.9%	1,601.0	-9.0	-0.6%	1,387.0	285.0	20.5%	7,581.0	-87.0	-1.1%
PPL	7,106.0	87.0	1.2%	943.0	-26.0	-2.8%	1,127.0	43.0	3.8%	195.0	-75.0	-38.5%	4,841.0	145.0	3.0%
DTE Energy	7,478.0	253.0	3.4%	954.0	-3.0	-0.3%	1,251.0	-16.0	-1.3%	906.0	74.0	8.2%	4,367.0	198.0	4.5%
Entergy	12,461.7	824.0	6.6%	1,147.0	77.2	6.7%	1,685.7	90.1	5.3%	1,277.1	88.3	6.9%	8,351.9	568.4	6.8%
AGL Resources	3,680.2	279.2	7.6%	556.0	-11.0	-2.0%	874.0	113.0	12.9%	469.0	166.0	35.4%	1,781.2	11.2	0.6%
Southern	24,587.0	2,036.0	8.3%	3,662.0	-177.0	-4.8%	2,915.0	175.0	6.0%	2,569.0	363.0	14.1%	15,441.0	1,675.0	10.8%
Exelon	26,422.3	3,350.3	12.7%	3,416.0	407.0	11.9%	2,444.0	121.0	5.0%	2,592.0	744.0	28.7%	17,970.3	2,078.3	11.6%
Dominion Resources	19,240.0	2,468.1	12.8%	2,745.5	-26.5	-1.0%	1,748.0	-11.0	-0.6%	2,571.0	317.0	12.3%	12,175.5	2,188.6	18.0%
Scana	5,275.0	808.0	15.3%	1,082.0	382.0	35.3%	790.0	38.0	4.8%	677.0	161.0	23.8%	2,726.0	227.0	8.3%
Public Service Enterprise Group	18,001.9	2,935.9	16.3%	2,595.5	240.5	9.3%	2,398.0	335.0	14.0%	2,013.0	487.0	24.2%	10,995.4	1,873.4	17.0%
UGI	2,600.5	436.2	16.8%	388.5	89.0	22.9%	475.3	90.5	19.0%	321.1	43.9	13.7%	1,415.6	212.8	15.0%
<b>Utilities, gas and electric</b>	<b>269,367.1</b>	<b>8,216.5</b>	<b>3.1%</b>	<b>39,364.1</b>	<b>706.4</b>	<b>1.8%</b>	<b>37,104.2</b>	<b>499.8</b>	<b>1.3%</b>	<b>31,954.8</b>	<b>1,590.3</b>	<b>5.0%</b>	<b>160,943.9</b>	<b>5,420.0</b>	<b>3.4%</b>
<b>ALL INDUSTRIES</b>	<b>\$ 3,810,577</b>	<b>\$ 806,942</b>	<b>21.2%</b>	<b>\$ 551,698</b>	<b>\$ 141,281</b>	<b>25.6%</b>	<b>\$ 584,814</b>	<b>\$ 134,763</b>	<b>23.0%</b>	<b>\$ 524,346</b>	<b>\$ 111,138</b>	<b>21.2%</b>	<b>\$ 2,149,719</b>	<b>\$ 419,759</b>	<b>19.5%</b>

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (by 8-year tax rate)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Pepco Holdings	3,022.0	-843.0	-27.9%	435.0	-3.0	-0.7%	406.0	-137.0	-33.7%	438.0	-128.0	-29.2%	1,743.0	-575.0	-33.0%
PG&E Corp.	10,843.0	-1,569.0	-14.5%	850.0	-89.0	-10.5%	1,836.0	-84.0	-4.6%	1,122.0	-218.0	-19.4%	7,035.0	-1,178.0	-16.7%
Wisconsin Energy	5,894.3	-591.6	-10.0%	961.6	-97.4	-10.1%	872.3	-44.1	-5.1%	839.9	-50.2	-6.0%	3,220.5	-399.9	-12.4%
NiSource	4,399.1	-352.2	-8.0%	333.9	—	—	829.8	—	—	762.4	-15.9	-2.1%	2,473.0	-336.3	-13.6%
International Paper	5,010.0	-386.0	-7.7%	1,135.0	62.0	5.5%	556.0	175.0	31.5%	489.0	-697.0	-142.5%	2,830.0	74.0	2.6%
FirstEnergy	8,842.0	-465.0	-5.3%	863.0	1.0	0.1%	243.0	-132.0	-54.3%	500.0	-118.0	-23.6%	7,236.0	-216.0	-3.0%
Priceline.com	697.6	-30.9	-4.4%	29.0	4.3	14.8%	73.5	-9.0	-12.3%	38.1	-9.4	-24.6%	557.0	-16.8	-3.0%
Atmos Energy	2,826.3	-114.2	-4.0%	503.5	—	—	471.3	—	—	365.1	—	—	1,486.4	-114.2	-7.7%
General Electric	40,057.1	-1,369.0	-3.4%	14.9	1,549.0	nm	5,826.1	51.0	0.9%	6,463.5	85.0	1.3%	27,752.5	-3,054.0	-11.0%
American Electric Power	17,170.4	-463.7	-2.7%	2,608.4	107.3	4.1%	2,465.0	51.0	2.1%	2,081.0	-45.0	-2.2%	10,016.0	-577.0	-5.8%
Ryder System	2,044.6	-54.9	-2.7%	402.5	0.8	0.2%	269.6	-0.8	-0.3%	299.4	-4.0	-1.3%	1,073.1	-50.9	-4.7%
Duke Energy	19,767.5	-422.0	-2.1%	3,840.0	—	—	3,544.0	—	—	3,357.0	-123.0	-3.7%	9,026.5	-299.0	-3.3%
NextEra Energy	21,518.0	-313.0	-1.5%	3,959.0	10.0	0.3%	3,674.0	—	—	2,452.0	-145.0	-5.9%	11,433.0	-178.0	-1.6%
Xcel Energy	10,290.6	-111.4	-1.1%	1,524.9	-36.1	-2.4%	1,535.9	-73.2	-4.8%	1,424.5	-46.2	-3.2%	5,805.3	44.1	0.8%
Ameren	7,243.0	-48.0	-0.7%	946.0	-2.0	-0.2%	1,001.0	-37.0	-3.7%	804.0	-118.0	-14.7%	4,492.0	109.0	2.4%
CMS Energy	4,666.0	-26.0	-0.6%	772.0	—	—	703.0	—	—	720.0	—	—	2,471.0	-26.0	-1.1%
Sempra Energy	7,000.0	-34.0	-0.5%	1,135.2	-49.0	-4.3%	941.5	-10.0	-1.1%	882.6	-70.0	-7.9%	4,040.7	95.0	2.4%
Eversource Energy	6,703.2	-11.1	-0.2%	1,381.9	-1.7	-0.1%	1,272.5	-3.5	-0.3%	1,229.1	13.3	1.1%	2,819.7	-19.3	-0.7%
Cablevision Systems	2,455.1	8.6	0.4%	327.8	0.1	0.0%	422.4	5.8	1.4%	196.7	-1.2	-0.6%	1,508.2	3.8	0.3%
Reinsurance Group of America	3,774.3	14.1	0.4%	493.3	-1.4	-0.3%	768.9	21.5	2.8%	473.2	-52.0	-11.0%	2,038.9	45.9	2.3%
Consolidated Edison	12,329.0	103.0	0.8%	1,760.0	-86.0	-4.9%	1,601.0	-9.0	-0.6%	1,387.0	285.0	20.5%	7,581.0	-87.0	-1.1%
Corning	7,458.0	71.0	1.0%	406.0	40.0	9.9%	2,352.0	38.0	1.6%	1,262.0	3.0	0.2%	3,438.0	-10.0	-0.3%
PPL	7,106.0	87.0	1.2%	943.0	-26.0	-2.8%	1,127.0	43.0	3.8%	195.0	-75.0	-38.5%	4,841.0	145.0	3.0%
Oneok	3,976.2	49.0	1.2%	384.7	13.2	3.4%	467.5	10.2	2.2%	427.1	-1.2	-0.3%	2,696.9	26.8	1.0%
Devon Energy	21,692.3	368.3	1.7%	1,861.4	-235.6	-12.7%	4,297.5	154.5	3.6%	1,784.7	69.7	3.9%	13,748.6	379.6	2.8%
DTE Energy	7,478.0	253.0	3.4%	954.0	-3.0	-0.3%	1,251.0	-16.0	-1.3%	906.0	74.0	8.2%	4,367.0	198.0	4.5%
Westrock	3,056.1	134.3	4.4%	603.0	23.3	3.9%	652.6	7.4	1.1%	613.8	-13.3	-2.2%	1,186.6	116.8	9.8%
Interpublic Group	2,360.9	122.8	5.2%	432.5	109.4	25.3%	365.2	-5.8	-1.6%	258.3	46.9	18.2%	1,304.9	-27.6	-2.1%
CBS	13,044.7	698.5	5.4%	1,974.4	154.2	7.8%	1,790.0	-235.0	-13.1%	2,451.6	272.6	11.1%	6,828.7	506.7	7.4%
Boeing	40,026.7	2,146.7	5.4%	6,828.0	1,966.0	28.8%	6,779.7	581.7	8.6%	5,946.0	-199.0	-3.3%	20,473.0	-202.1	-1.0%
State Street Corp.	10,310.2	565.2	5.5%	1,025.1	-5.9	-0.6%	1,097.5	-0.5	-0.0%	1,486.7	109.7	7.4%	6,701.0	462.0	6.9%
Williams	8,943.9	516.0	5.8%	86.7	—	—	3,267.0	-9.0	-0.3%	721.4	-17.0	-2.4%	4,868.7	542.0	11.1%
Qualcomm	20,581.7	1,269.7	6.2%	2,993.0	-166.0	-5.5%	3,213.0	-98.0	-3.1%	3,798.0	108.0	2.8%	10,577.7	1,425.7	13.5%
Principal Financial	7,790.0	514.4	6.6%	1,406.1	169.9	12.1%	1,474.5	99.3	6.7%	1,090.2	-9.8	-0.9%	3,819.2	255.0	6.7%
Entergy	12,461.7	824.0	6.6%	1,147.0	77.2	6.7%	1,685.7	90.1	5.3%	1,277.1	88.3	6.9%	8,351.9	568.4	6.8%
Spectra Energy	6,511.0	455.0	7.0%	359.0	—	—	904.0	1.0	0.1%	934.0	-32.0	-3.4%	4,314.0	486.0	11.3%
Constellation Brands	5,590.6	414.3	7.4%	599.3	-57.3	-9.6%	475.0	130.5	27.5%	2,043.6	87.6	4.3%	2,472.7	253.5	10.3%
International Business Machines	64,728.0	4,849.0	7.5%	5,787.0	-321.0	-5.5%	6,968.0	1,134.0	16.3%	6,679.0	1,406.0	21.1%	45,294.0	2,630.0	5.8%
AGL Resources	3,680.2	279.2	7.6%	556.0	-11.0	-2.0%	874.0	113.0	12.9%	469.0	166.0	35.4%	1,781.2	11.2	0.6%
Time Warner Cable	20,926.0	1,632.0	7.8%	2,896.9	367.9	12.7%	3,174.4	246.4	7.8%	2,964.1	554.1	18.7%	11,890.6	463.6	3.9%
Windstream	2,793.5	220.8	7.9%	21.4	9.1	42.5%	76.2	0.8	1.0%	227.5	-27.0	-11.9%	2,468.4	237.9	9.6%
AT&T	141,623.7	11,500.4	8.1%	18,953.0	2,496.0	13.2%	17,311.4	1,609.0	9.3%	19,271.7	3,043.0	15.8%	86,087.7	4,352.4	5.1%
PNC Financial Services Group	32,952.7	2,724.7	8.3%	5,343.0	903.0	16.9%	5,272.8	1,060.8	20.1%	5,128.0	98.0	1.9%	17,208.9	662.9	3.9%
Southern	24,587.0	2,036.0	8.3%	3,662.0	-177.0	-4.8%	2,915.0	175.0	6.0%	2,569.0	363.0	14.1%	15,441.0	1,675.0	10.8%
CenturyLink	8,606.8	725.1	8.4%	1,212.0	28.0	2.3%	1,072.0	18.0	1.7%	1,215.0	1.0	0.1%	5,107.8	678.1	13.3%
Community Health Systems	2,683.5	237.1	8.8%	303.0	7.0	2.3%	228.0	-29.0	-12.7%	226.3	9.1	4.0%	1,926.2	250.0	13.0%
Verizon Communications	81,518.0	7,401.0	9.1%	23,840.0	5,476.0	23.0%	15,193.0	2,657.0	17.5%	12,282.0	-197.0	-1.6%	30,203.0	-535.0	-1.8%
MDU Resources	2,953.7	277.3	9.4%	175.8	59.5	33.8%	406.6	28.8	7.1%	410.9	45.5	11.1%	1,960.3	143.4	7.3%
United Technologies	24,421.2	2,546.2	10.4%	2,819.0	264.0	9.4%	4,240.8	263.8	6.2%	3,622.9	520.9	14.4%	13,738.5	1,497.5	10.9%
Air Products & Chemicals	4,117.4	439.5	10.7%	727.7	149.7	20.6%	548.0	-6.2	-1.1%	428.5	66.2	15.4%	2,413.2	229.8	9.5%
Amazon.com	6,237.5	674.5	10.8%	1,969.6	116.6	5.9%	228.0	209.0	91.7%	672.5	34.5	5.1%	3,367.4	314.4	9.3%
Levi Strauss	945.8	102.6	10.8%	171.5	2.1	1.2%	61.0	14.8	24.2%	82.7	10.0	12.1%	630.7	75.7	12.0%
Celanese	2,857.3	326.3	11.4%	221.8	18.8	8.5%	520.2	94.2	18.1%	789.1	61.1	7.7%	1,326.3	152.3	11.5%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (by 8-year tax rate)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Loews	11,055.2	1,276.2	11.5%	366.0	79.0	21.6%	1,305.0	370.0	28.4%	1,751.0	171.0	9.8%	7,633.2	656.2	8.6%
Arthur Gallagher	1,630.0	190.8	11.7%	294.4	43.9	14.9%	244.5	38.8	15.9%	218.5	29.0	13.3%	872.6	79.1	9.1%
ABM Industries	696.0	84.2	12.1%	57.2	1.8	3.1%	110.1	32.0	29.1%	97.7	15.3	15.7%	431.0	35.0	8.1%
Exelon	26,422.3	3,350.3	12.7%	3,416.0	407.0	11.9%	2,444.0	121.0	5.0%	2,592.0	744.0	28.7%	17,970.3	2,078.3	11.6%
Dominion Resources	19,240.0	2,468.1	12.8%	2,745.5	-26.5	-1.0%	1,748.0	-11.0	-0.6%	2,571.0	317.0	12.3%	12,175.5	2,188.6	18.0%
FedEx	16,977.2	2,246.0	13.2%	2,895.8	510.5	17.6%	2,339.9	752.8	32.2%	2,839.4	587.6	20.7%	8,902.0	395.1	4.4%
Darden Restaurants	3,545.2	471.7	13.3%	450.9	74.6	16.5%	191.1	-27.9	-14.6%	185.7	30.5	16.4%	2,717.5	394.5	14.5%
Time Warner	31,048.4	4,147.2	13.4%	4,372.9	719.1	16.4%	4,615.5	-26.0	-0.6%	4,911.9	328.0	6.7%	17,148.0	3,126.1	18.2%
Mosaic	6,814.1	912.7	13.4%	668.9	61.9	9.3%	301.1	46.0	15.3%	223.3	-25.0	-11.2%	5,620.8	829.8	14.8%
DISH Network	11,458.2	1,554.5	13.6%	1,114.1	145.0	13.0%	1,254.6	180.3	14.4%	1,130.3	162.7	14.4%	7,959.1	1,066.4	13.4%
Netflix	1,494.2	203.1	13.6%	97.2	-27.9	-28.7%	325.1	7.1	2.2%	158.1	-9.0	-5.7%	913.8	232.9	25.5%
Exxon Mobil	60,481.7	8,226.7	13.6%	159.3	-1.7	-1.0%	9,598.9	1,360.9	14.2%	9,357.3	1,033.3	11.0%	41,366.2	5,834.2	14.1%
Eastman Chemical	5,134.0	723.0	14.1%	596.0	87.0	14.6%	621.0	64.0	10.3%	1,407.0	143.0	10.2%	2,510.0	429.0	17.1%
Trinity Industries	4,122.1	593.9	14.4%	1,223.8	260.2	21.3%	1,036.2	302.5	29.2%	559.0	134.8	24.1%	1,303.1	-103.6	-7.9%
Casey's General Stores	1,629.4	242.1	14.9%	340.2	56.0	16.5%	275.6	46.6	16.9%	201.2	42.6	21.2%	812.4	96.9	11.9%
Honeywell International	16,519.5	2,460.5	14.9%	3,297.0	719.0	21.8%	3,318.6	661.6	19.9%	2,927.8	553.8	18.9%	6,976.0	526.0	7.5%
Scana	5,275.0	808.0	15.3%	1,082.0	382.0	35.3%	790.0	38.0	4.8%	677.0	161.0	23.8%	2,726.0	227.0	8.3%
Consol Energy	3,550.3	544.9	15.3%	330.1	21.4	6.5%	175.7	13.5	7.7%	57.4	4.3	7.5%	2,987.1	505.8	16.9%
J.P. Morgan Chase & Co.	114,769.5	17,956.3	15.6%	22,414.7	3,160.0	14.1%	20,331.0	1,273.4	6.3%	12,486.0	-1,429.3	-11.4%	59,537.9	14,952.2	25.1%
Twenty-First Century Fox	39,722.0	6,273.0	15.8%	3,485.6	466.0	13.4%	9,720.0	891.0	9.2%	5,226.9	1,178.0	22.5%	21,289.5	3,738.0	17.6%
Public Service Enterprise Group	18,001.9	2,935.9	16.3%	2,595.5	240.5	9.3%	2,398.0	335.0	14.0%	2,013.0	487.0	24.2%	10,995.4	1,873.4	17.0%
Facebook	14,787.9	2,439.9	16.5%	2,802.0	1,474.0	52.6%	4,918.0	260.0	5.3%	3,197.0	614.0	19.2%	3,870.9	91.9	2.4%
UGI	2,600.5	436.2	16.8%	388.5	89.0	22.9%	475.3	90.5	19.0%	321.1	43.9	13.7%	1,415.6	212.8	15.0%
CSX	21,006.5	3,530.5	16.8%	3,043.7	615.7	20.2%	2,954.5	726.5	24.6%	2,837.2	660.2	23.3%	12,171.0	1,528.0	12.6%
Wesco International	2,092.8	352.8	16.9%	284.6	44.5	15.6%	320.8	64.8	20.2%	334.0	45.7	13.7%	1,153.5	197.8	17.1%
Praxair	6,142.3	1,036.3	16.9%	950.3	189.3	19.9%	974.4	265.4	27.2%	871.0	56.0	6.4%	3,346.7	525.7	15.7%
Kimberly-Clark	10,685.7	1,803.7	16.9%	401.4	192.4	47.9%	1,529.4	319.4	20.9%	1,662.7	308.7	18.6%	7,092.2	983.2	13.9%
Eli Lilly	15,117.5	2,571.0	17.0%	1,169.3	660.5	56.5%	1,206.5	168.9	14.0%	2,705.0	259.1	9.6%	10,036.8	1,482.5	14.8%
Andersons	796.0	135.4	17.0%	33.9	-4.3	-12.7%	156.0	31.1	19.9%	135.9	11.0	8.1%	470.2	97.7	20.8%
Sonic Automotive	799.9	137.9	17.2%	138.7	36.2	26.1%	156.0	36.9	23.6%	123.4	33.4	27.0%	381.9	31.4	8.2%
Rockwell Collins	6,315.0	1,134.0	18.0%	826.2	158.2	19.2%	751.0	105.0	14.0%	745.6	143.6	19.3%	3,992.1	727.1	18.2%
Wells Fargo	185,024.8	33,330.6	18.0%	31,044.4	10,447.4	33.7%	31,475.4	6,946.4	22.1%	29,375.9	4,376.9	14.9%	93,129.1	11,559.9	12.4%
R.R. Donnelley & Sons	1,610.8	290.4	18.0%	225.7	112.5	49.9%	5.8	49.9	859.7%	65.6	-15.3	-23.3%	1,313.7	143.3	10.9%
Phillips-Van Heusen	984.5	177.9	18.1%	91.9	2.3	2.5%	34.0	-44.5	-130.9%	46.3	85.2	184.0%	812.4	135.0	16.6%
Ball	1,952.8	354.8	18.2%	43.1	8.5	19.7%	265.0	36.3	13.7%	241.4	37.4	15.5%	1,403.3	272.6	19.4%
Joy Global	3,474.3	633.1	18.2%	313.1	23.5	7.5%	288.2	80.5	27.9%	525.1	125.6	23.9%	2,347.9	403.5	17.2%
Flowserve	1,590.0	290.8	18.3%	213.6	56.4	26.4%	225.0	55.2	24.5%	225.4	53.3	23.7%	926.0	125.9	13.6%
DuPont	8,678.0	1,602.0	18.5%	1,390.0	218.0	15.7%	2,718.0	778.0	28.6%	939.0	160.0	17.0%	3,631.0	446.0	12.3%
Nike	10,279.0	1,911.9	18.6%	933.6	71.6	7.7%	1,924.7	415.7	21.6%	2,984.8	149.8	5.0%	4,435.8	1,274.7	28.7%
Wyndham Worldwide Corporation	3,831.1	712.7	18.6%	716.9	167.9	23.4%	657.9	147.9	22.5%	540.5	101.6	18.8%	1,915.8	295.2	15.4%
SpartanNash	432.3	82.2	19.0%	97.3	30.4	31.2%	89.8	26.4	29.4%	1.6	3.7	235.7%	243.6	21.7	8.9%
Travelers Cos.	30,729.0	5,870.5	19.1%	4,621.0	1,098.0	23.8%	4,898.9	1,168.9	23.9%	4,804.0	1,014.0	21.1%	16,405.1	2,589.6	15.8%
L-3 Communications	7,613.8	1,461.6	19.2%	481.6	38.5	8.0%	758.9	72.9	9.6%	855.7	181.7	21.2%	5,517.5	1,168.5	21.2%
Norfolk Southern	20,455.9	4,069.9	19.9%	2,383.4	493.4	20.7%	3,029.4	698.4	23.1%	2,873.6	663.6	23.1%	12,169.5	2,214.5	18.2%
Sherwin-Williams	7,294.6	1,467.2	20.1%	1,488.7	325.5	21.9%	1,208.2	251.5	20.8%	1,052.9	190.7	18.1%	3,544.9	699.5	19.7%
Group 1 Automotive	1,068.0	215.2	20.2%	245.0	65.2	26.6%	175.2	48.1	27.4%	177.8	42.3	23.8%	469.9	59.6	12.7%
Coca-Cola	23,845.9	4,853.8	20.4%	1,694.8	711.0	42.0%	1,560.3	867.0	55.6%	2,385.4	713.0	29.9%	18,205.5	2,562.8	14.1%
Raytheon	21,037.0	4,335.8	20.6%	2,482.0	718.1	28.9%	2,868.0	798.1	27.8%	2,612.0	709.8	27.2%	13,075.0	2,109.7	16.1%
General Mills	15,295.4	3,155.5	20.6%	1,895.0	412.0	21.7%	1,665.4	331.0	19.9%	2,144.4	469.4	21.9%	9,590.6	1,943.1	20.3%
J.B. Hunt Transport Services	3,542.2	731.1	20.6%	670.1	149.6	22.3%	587.8	117.0	19.9%	538.6	126.1	23.4%	1,745.7	338.4	19.4%
Danaher	9,287.2	1,918.9	20.7%	1,386.3	395.8	28.6%	1,408.3	250.4	17.8%	1,640.6	252.0	15.4%	4,852.0	1,020.7	21.0%
BB&T Corp.	18,531.0	3,837.0	20.7%	2,810.0	585.0	20.8%	2,617.0	551.0	21.1%	2,812.0	1,004.0	35.7%	10,292.0	1,697.0	16.5%
Union Pacific	44,615.8	9,282.8	20.8%	7,456.7	1,849.7	24.8%	8,124.4	1,931.4	23.8%	6,862.1	1,675.1	24.4%	22,172.6	3,826.6	17.3%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (by 8-year tax rate)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Monsanto	15,236.3	3,241.4	21.3%	2,155.2	638.6	29.6%	2,383.5	588.5	24.7%	2,346.7	366.7	15.6%	8,351.0	1,647.6	19.7%
Alleghany Corporation	3,297.4	702.2	21.3%	373.6	93.3	25.0%	628.9	115.4	18.3%	611.4	68.4	11.2%	1,683.5	425.1	25.3%
McKesson	11,703.1	2,496.0	21.3%	2,407.1	658.0	27.3%	1,803.0	453.0	25.1%	1,453.0	484.0	33.3%	6,040.0	901.0	14.9%
Amphenol	1,293.8	279.6	21.6%	137.2	25.0	18.3%	167.0	33.1	19.8%	156.4	25.1	16.0%	833.2	196.4	23.6%
Fifth Third Bancorp	11,009.0	2,387.0	21.7%	2,208.0	662.0	30.0%	1,702.0	424.0	24.9%	2,295.0	494.0	21.5%	4,804.0	807.0	16.8%
Airgas	3,689.3	800.8	21.7%	514.0	137.4	26.7%	557.5	150.5	27.0%	522.3	173.0	33.1%	2,095.4	339.8	16.2%
Insight Enterprises	577.2	126.8	22.0%	88.0	23.9	27.1%	86.5	26.9	31.0%	93.0	27.0	29.1%	309.7	49.1	15.8%
Northrop Grumman	21,383.0	4,712.0	22.0%	2,706.0	207.0	7.6%	2,897.0	620.0	21.4%	2,751.0	760.0	27.6%	13,029.0	3,125.0	24.0%
Paccar	5,453.3	1,210.6	22.2%	1,579.1	521.8	33.0%	1,284.0	482.4	37.6%	848.8	191.4	22.5%	1,741.4	15.0	0.9%
Procter & Gamble	66,989.5	14,931.0	22.3%	8,564.0	1,673.0	19.5%	8,611.0	2,272.0	26.4%	8,768.0	1,606.0	18.3%	41,046.5	9,380.0	22.9%
NVR	2,653.0	591.6	22.3%	571.1	161.6	28.3%	426.3	140.4	32.9%	391.9	120.6	30.8%	1,263.7	169.0	13.4%
Ecolab	4,649.3	1,040.2	22.4%	734.9	185.5	25.2%	905.6	256.3	28.3%	710.2	249.1	35.1%	2,298.7	349.4	15.2%
Kellogg	8,748.3	1,971.6	22.5%	497.5	200.4	40.3%	487.4	291.9	59.9%	2,085.3	282.2	13.5%	5,678.1	1,197.1	21.1%
Dover	4,584.5	1,038.3	22.6%	518.7	114.6	22.1%	783.9	219.4	28.0%	759.6	133.9	17.6%	2,522.4	570.3	22.6%
Core-Mark Holding	426.4	97.5	22.9%	78.2	17.6	22.5%	61.5	19.7	32.0%	62.2	17.0	27.3%	224.6	43.3	19.3%
American Express	41,674.7	9,577.2	23.0%	6,427.2	2,092.1	32.6%	7,749.9	2,091.3	27.0%	6,157.6	1,660.5	27.0%	21,340.0	3,732.6	17.5%
DaVita	6,359.3	1,475.5	23.2%	745.6	160.0	21.5%	1,146.5	150.9	13.2%	938.8	304.3	32.4%	3,528.5	860.4	24.4%
W.R. Berkley	4,411.7	1,023.6	23.2%	687.6	177.7	25.8%	906.3	254.7	28.1%	593.5	112.3	18.9%	2,224.3	478.9	21.5%
Campbell Soup	7,279.7	1,696.7	23.3%	820.0	241.0	29.4%	967.2	241.2	24.9%	793.1	258.1	32.5%	4,699.3	956.3	20.3%
Viacom	18,261.4	4,260.4	23.3%	1,989.4	368.4	18.5%	2,816.5	979.5	34.8%	3,033.8	320.8	10.6%	10,421.7	2,591.7	24.9%
Pitney Bowes	3,408.7	796.2	23.4%	485.9	115.6	23.8%	360.5	71.7	19.9%	281.3	78.3	27.8%	2,281.0	530.7	23.3%
Domtar	1,437.8	339.7	23.6%	24.5	59.5	243.1%	81.4	15.4	18.9%	35.5	-14.5	-41.0%	1,296.5	279.4	21.5%
Southwest Airlines	8,459.0	2,006.0	23.7%	3,365.0	1,292.0	38.4%	1,787.0	203.0	11.4%	1,165.0	355.0	30.5%	2,142.0	156.0	7.3%
Asbury Automotive Group, Inc.	953.3	227.5	23.9%	264.0	81.1	30.7%	176.6	40.7	23.0%	161.6	41.3	25.6%	351.1	64.4	18.3%
Comcast	64,879.2	15,535.8	23.9%	12,146.8	2,976.8	24.5%	11,961.8	2,171.2	18.2%	10,016.2	3,013.5	30.1%	30,754.3	7,374.3	24.0%
Rockwell Automation	3,270.8	785.1	24.0%	645.6	228.3	35.4%	602.6	194.7	32.3%	503.5	138.1	27.4%	1,519.1	224.0	14.7%
Goldman Sachs Group	50,210.4	12,118.9	24.1%	3,455.0	709.0	20.5%	6,782.9	1,261.3	18.6%	6,446.0	2,508.0	38.9%	33,526.5	7,640.7	22.8%
Precision Castparts	12,428.8	3,001.2	24.1%	1,015.9	265.9	26.2%	2,112.2	515.2	24.4%	2,158.7	491.8	22.8%	7,142.0	1,728.3	24.2%
Parker Hannifin	5,369.8	1,300.5	24.2%	650.3	226.3	34.8%	758.6	166.4	21.9%	1,160.4	349.5	30.1%	2,800.5	558.3	19.9%
Kroger	16,218.4	3,945.6	24.3%	3,073.8	642.8	20.9%	2,599.0	804.0	30.9%	2,245.5	611.5	27.2%	8,300.0	1,887.3	22.7%
Thermo Fisher Scientific	6,560.5	1,609.8	24.5%	851.7	128.8	15.1%	1,129.6	390.4	34.6%	909.5	204.0	22.4%	3,669.7	886.6	24.2%
HCA Holdings	19,116.4	4,696.2	24.6%	3,461.7	1,064.7	30.8%	2,243.6	805.2	35.9%	2,884.3	733.5	25.4%	10,526.8	2,092.8	19.9%
3M	23,794.4	5,860.6	24.6%	4,349.7	1,210.6	27.8%	3,735.9	964.9	25.8%	3,118.9	871.9	28.0%	12,589.9	2,813.1	22.3%
U.S. Bancorp	49,331.0	12,191.0	24.7%	7,590.0	1,956.0	25.8%	7,502.0	1,888.0	25.2%	7,527.0	1,885.0	25.0%	26,712.0	6,462.0	24.2%
VF	4,955.5	1,229.4	24.8%	779.2	147.8	19.0%	603.0	152.3	25.3%	721.3	199.0	27.6%	2,852.0	730.3	25.6%
ConAgra Foods	7,200.8	1,793.4	24.9%	700.7	295.8	42.2%	895.2	281.6	31.4%	1,064.7	360.5	33.9%	4,540.2	855.6	18.8%
Lockheed Martin	35,509.0	8,880.6	25.0%	4,966.0	1,817.0	36.6%	5,369.0	2,020.0	37.6%	4,252.0	1,204.0	28.3%	20,922.0	3,839.6	18.4%
Waste Management	10,547.4	2,642.9	25.1%	936.7	179.6	19.2%	1,804.1	409.9	22.7%	959.9	380.7	39.7%	6,846.7	1,672.8	24.4%
MasterCard	16,648.7	4,178.9	25.1%	3,359.3	642.3	19.1%	3,225.3	932.3	28.9%	2,966.3	994.3	33.5%	7,097.8	1,610.0	22.7%
Arrow Electronics	2,593.8	656.9	25.3%	264.6	77.6	29.3%	334.0	96.0	28.7%	312.4	79.2	25.4%	1,682.8	404.0	24.0%
Harris	5,877.6	1,492.5	25.4%	1,090.6	-27.0	-2.5%	443.0	150.0	33.9%	723.1	213.0	29.5%	3,620.9	1,156.5	31.9%
Packaging Corp. of America	2,868.0	732.4	25.5%	645.0	200.1	31.0%	583.3	175.0	30.0%	404.0	123.2	30.5%	1,235.7	234.1	18.9%
SAIC	4,074.0	1,043.1	25.6%	171.0	42.7	25.0%	697.0	63.5	9.1%	171.0	40.0	23.4%	3,035.0	896.8	29.5%
Alliant Techsystems	2,954.1	763.2	25.8%	265.0	27.2	10.2%	143.0	36.8	25.8%	503.5	146.9	29.2%	2,042.5	552.4	27.0%
Yum Brands	3,226.4	835.4	25.9%	451.7	245.7	54.4%	506.0	215.0	42.5%	449.6	122.6	27.3%	1,819.1	252.1	13.9%
Staples	6,160.8	1,616.5	26.2%	460.9	49.9	10.8%	508.8	116.8	23.0%	844.8	191.1	22.6%	4,346.4	1,258.7	29.0%
Polo Ralph Lauren	4,046.2	1,065.1	26.3%	278.0	78.0	28.1%	586.4	154.4	26.3%	664.9	182.9	27.5%	2,516.9	649.8	25.8%
Archer Daniels Midland	11,180.0	2,950.0	26.4%	1,138.0	270.0	23.7%	2,167.0	641.0	29.6%	1,495.0	348.0	23.3%	6,380.0	1,691.0	26.5%
General Dynamics	24,720.3	6,674.2	27.0%	3,511.3	777.3	22.1%	3,278.4	787.4	24.0%	3,223.0	838.0	26.0%	14,707.7	4,271.5	29.0%
Alliance Data Systems	3,299.6	892.5	27.0%	784.1	305.6	39.0%	691.6	196.4	28.4%	533.5	174.3	32.7%	1,290.4	216.3	16.8%
Reliance Steel & Aluminum	3,446.6	948.4	27.5%	425.5	129.5	30.4%	463.3	153.2	33.1%	433.5	120.5	27.8%	2,124.2	545.2	25.7%
Walt Disney	62,566.8	17,217.1	27.5%	12,184.9	3,923.1	32.2%	10,835.2	2,721.1	25.1%	8,531.6	2,185.3	25.6%	31,015.0	8,387.5	27.0%
Anixter International	1,271.5	350.1	27.5%	160.2	58.3	36.4%	184.3	33.3	18.1%	181.4	35.6	19.6%	745.7	222.9	29.9%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (by 8-year tax rate)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Omnicom Group	4,753.9	1,312.1	27.6%	716.4	319.8	44.6%	638.2	331.6	52.0%	542.8	215.0	39.6%	2,856.4	445.7	15.6%
Capital One Financial	31,122.5	8,602.2	27.6%	6,157.5	1,991.0	32.3%	6,022.5	1,934.0	32.1%	5,322.8	1,360.0	25.6%	13,619.7	3,317.2	24.4%
AutoNation	3,881.3	1,074.2	27.7%	691.7	220.2	31.8%	653.2	206.0	31.5%	577.2	181.4	31.4%	1,959.2	466.6	23.8%
LKQ Corporation	2,470.8	688.5	27.9%	455.4	126.5	27.8%	439.7	130.2	29.6%	343.6	100.0	29.1%	1,232.2	331.8	26.9%
Intel	77,498.3	21,603.3	27.9%	8,787.5	2,696.5	30.7%	11,548.1	3,273.1	28.3%	9,314.5	2,689.5	28.9%	47,848.2	12,944.2	27.1%
United Parcel Service	39,442.2	11,005.1	27.9%	6,260.0	1,634.0	26.1%	4,593.5	932.0	20.3%	5,835.0	2,181.0	37.4%	22,753.7	6,258.1	27.5%
Tutor Perini	1,065.1	298.1	28.0%	70.2	5.3	7.6%	159.5	44.4	27.9%	118.9	28.1	23.6%	716.5	220.3	30.7%
Clorox	5,579.7	1,569.0	28.1%	877.8	211.8	24.1%	808.3	230.3	28.5%	724.9	221.9	30.6%	3,168.7	905.0	28.6%
PepsiCo	26,393.4	7,432.8	28.2%	2,821.9	1,033.0	36.6%	2,382.1	1,269.7	53.3%	2,968.7	995.2	33.5%	18,220.7	4,134.9	22.7%
PPG Industries	4,135.5	1,169.0	28.3%	801.2	158.0	19.7%	328.5	128.0	39.0%	505.4	153.0	30.3%	2,500.3	730.0	29.2%
Cigna	14,436.6	4,091.2	28.3%	2,888.9	1,048.7	36.3%	2,907.5	1,052.3	36.2%	902.7	363.0	40.2%	7,737.5	1,627.2	21.0%
Macy's	12,315.0	3,496.0	28.4%	1,611.4	510.4	31.7%	2,302.4	731.4	31.8%	2,191.8	816.8	37.3%	6,209.4	1,437.4	23.1%
Quanta Services	2,248.8	639.9	28.5%	258.3	85.3	33.0%	286.7	72.9	25.4%	485.6	170.9	35.2%	1,218.3	310.8	25.5%
Cardinal Health	11,266.5	3,221.3	28.6%	1,981.7	583.7	29.5%	1,659.0	381.0	23.0%	1,620.7	488.7	30.2%	6,005.1	1,767.9	29.4%
H&R Block	5,122.1	1,469.1	28.7%	538.5	167.2	31.1%	648.0	245.5	37.9%	718.0	195.3	27.2%	3,217.6	861.1	26.8%
Dick's Sporting Goods	3,103.4	891.5	28.7%	505.0	158.5	31.4%	527.8	177.6	33.7%	523.0	133.8	25.6%	1,547.6	421.6	27.2%
Advance Auto Parts	4,471.8	1,288.8	28.8%	670.6	232.0	34.6%	703.9	196.1	27.9%	568.7	189.3	33.3%	2,528.7	671.4	26.6%
O'Reilly Automotive	6,781.6	1,956.1	28.8%	1,424.0	452.4	31.8%	1,187.4	358.6	30.2%	1,025.8	322.8	31.5%	3,144.3	822.2	26.1%
Costco Wholesale	13,832.0	4,020.0	29.1%	2,457.9	694.9	28.3%	2,052.5	626.5	30.5%	1,971.6	521.6	26.5%	7,350.0	2,177.0	29.6%
Merck	41,404.3	12,039.0	29.1%	2,117.0	732.0	34.6%	15,355.0	7,136.0	46.5%	3,646.0	568.0	15.6%	20,286.3	3,603.0	17.8%
Hormel Foods	5,508.0	1,604.3	29.1%	979.2	280.6	28.7%	861.4	244.1	28.3%	750.5	212.0	28.2%	2,916.9	867.6	29.7%
Oracle	39,856.5	11,643.2	29.2%	3,783.5	1,198.5	31.7%	4,952.5	1,951.2	39.4%	5,103.3	1,406.3	27.6%	26,017.3	7,087.3	27.2%
Genuine Parts	6,818.6	1,993.7	29.2%	920.5	303.6	33.0%	1,248.8	209.9	16.8%	245.3	292.3	119.2%	4,404.0	1,187.9	27.0%
Limited Brands	8,945.8	2,621.7	29.3%	1,583.1	495.1	31.3%	1,422.4	418.4	29.4%	1,231.2	377.2	30.6%	4,709.0	1,330.9	28.3%
Harley-Davidson	6,562.2	1,928.5	29.4%	1,078.8	360.9	33.5%	1,179.1	385.4	32.7%	1,006.5	265.5	26.4%	3,297.8	916.7	27.8%
Illinois Tool Works	11,211.9	3,297.2	29.4%	1,597.5	486.5	30.5%	1,624.7	385.7	23.7%	1,384.2	390.2	28.2%	6,605.6	2,034.8	30.8%
Bemis	1,658.7	488.0	29.4%	252.4	70.2	27.8%	244.1	82.0	33.6%	222.2	65.8	29.6%	939.9	269.9	28.7%
TJX	16,952.0	4,994.3	29.5%	2,905.1	938.6	32.3%	2,779.6	818.1	29.4%	2,584.2	747.5	28.9%	8,683.1	2,490.1	28.7%
Publix Super Markets	17,348.9	5,113.1	29.5%	2,831.7	758.1	26.8%	2,491.9	754.2	30.3%	2,380.5	725.5	30.5%	9,644.9	2,875.4	29.8%
Target	32,087.0	9,476.0	29.5%	4,285.0	1,652.0	38.6%	3,276.0	1,074.0	32.8%	3,836.0	1,213.0	31.6%	20,690.0	5,537.0	26.8%
AutoZone	10,429.1	3,103.9	29.8%	1,643.0	482.5	29.4%	1,498.8	497.3	33.2%	1,451.4	411.6	28.4%	5,834.8	1,712.5	29.4%
Hershey	7,623.5	2,271.2	29.8%	1,313.9	388.5	29.6%	1,277.7	341.4	26.7%	1,212.6	332.6	27.4%	3,819.3	1,208.6	31.6%
Universal Health Services	5,156.0	1,546.6	30.0%	1,003.9	324.6	32.3%	837.7	220.1	26.3%	794.4	239.9	30.2%	2,520.0	762.0	30.2%
Automatic Data Processing	14,398.8	4,342.2	30.2%	1,963.7	522.4	26.6%	1,863.8	535.0	28.7%	1,899.6	653.2	34.4%	8,671.6	2,631.6	30.3%
Texas Instruments	16,387.1	4,954.1	30.2%	3,218.0	1,034.0	32.1%	2,684.0	820.0	30.6%	1,507.0	215.0	14.3%	8,978.1	2,885.1	32.1%
Henry Schein	3,130.8	946.9	30.2%	533.8	161.1	30.2%	492.8	147.0	29.8%	467.8	132.5	28.3%	1,636.4	506.3	30.9%
AmerisourceBergen	6,112.5	1,863.0	30.5%	29.7	238.0	800.3%	562.6	258.7	46.0%	762.7	225.4	29.5%	4,757.4	1,140.9	24.0%
United Natural Foods	1,073.1	327.4	30.5%	213.8	58.6	27.4%	188.9	64.8	34.3%	153.7	42.5	27.6%	516.8	161.5	31.3%
Dollar General	9,156.1	2,799.4	30.6%	1,764.6	578.8	32.8%	1,596.2	533.0	33.4%	1,527.2	505.1	33.1%	4,268.1	1,182.5	27.7%
Laboratory Corp. of America	6,109.1	1,873.3	30.7%	562.1	207.5	36.9%	729.5	228.7	31.4%	816.2	222.5	27.3%	4,001.3	1,214.6	30.4%
Quest Diagnostics	7,867.4	2,423.5	30.8%	1,021.9	226.9	22.2%	766.0	204.0	26.6%	1,236.7	413.7	33.5%	4,842.8	1,578.9	32.6%
Deere	19,584.2	6,074.7	31.0%	1,809.2	361.7	20.0%	3,149.6	1,191.5	37.8%	4,043.2	1,363.1	33.7%	10,582.2	3,158.4	29.8%
Wal-Mart Stores	139,743.0	43,480.0	31.1%	16,063.0	5,562.0	34.6%	17,800.0	6,165.0	34.6%	18,693.0	6,377.0	34.1%	87,187.0	25,376.0	29.1%
Big Lots	2,098.8	655.6	31.2%	216.4	72.3	33.4%	209.7	71.1	33.9%	171.8	81.1	47.2%	1,500.9	431.1	28.7%
Emcor Group	1,782.7	558.1	31.3%	243.8	93.0	38.2%	253.9	74.0	29.1%	217.2	56.6	26.1%	1,067.8	334.5	31.3%
W.W. Grainger	7,481.0	2,343.3	31.3%	1,158.8	389.8	33.6%	1,258.2	409.7	32.6%	1,135.4	349.0	30.7%	3,928.6	1,194.8	30.4%
Owens & Minor	1,357.5	425.8	31.4%	156.1	60.2	38.6%	145.4	51.7	35.5%	181.9	57.7	31.7%	874.0	256.1	29.3%
Fiserv	6,274.9	1,975.9	31.5%	988.6	283.6	28.7%	970.1	316.1	32.6%	816.9	280.9	34.4%	3,499.3	1,095.3	31.3%
Unum Group	5,982.4	1,897.4	31.7%	690.4	280.5	40.6%	67.3	128.4	190.7%	980.9	277.9	28.3%	4,243.8	1,210.6	28.5%
Nordstrom	7,628.0	2,432.0	31.9%	966.6	189.6	19.6%	1,138.8	378.8	33.3%	1,129.0	360.0	31.9%	4,393.6	1,503.6	34.2%
Tractor Supply Company	3,025.8	971.0	32.1%	634.9	202.9	32.0%	565.7	195.8	34.6%	502.5	139.1	27.7%	1,322.7	433.3	32.8%
CF Industries Holdings	11,741.6	3,772.2	32.1%	964.5	256.9	26.6%	1,956.0	638.0	32.6%	2,031.0	630.3	31.0%	6,790.0	2,247.0	33.1%
Dollar Tree	5,347.1	1,726.3	32.3%	433.8	116.3	26.8%	905.8	321.4	35.5%	908.5	296.5	32.6%	3,099.0	992.1	32.0%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (by 8-year tax rate)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Aetna	22,564.1	7,290.8	32.3%	4,133.0	1,753.1	42.4%	3,423.0	1,198.8	35.0%	2,899.2	832.9	28.7%	12,108.8	3,505.9	29.0%
CarMax	5,085.8	1,644.3	32.3%	970.3	297.5	30.7%	930.9	287.7	30.9%	762.5	264.4	34.7%	2,422.0	794.6	32.8%
Walgreen	26,280.0	8,503.0	32.4%	2,604.0	846.0	32.5%	3,277.0	1,207.0	36.8%	3,343.0	1,122.0	33.6%	17,056.0	5,328.0	31.2%
GameStop	4,163.8	1,351.3	32.5%	538.0	175.1	32.5%	541.8	153.7	28.4%	469.2	147.9	31.5%	2,614.8	874.6	33.4%
Visa	30,063.9	9,774.0	32.5%	6,628.5	1,921.5	29.0%	7,369.6	2,278.6	30.9%	1,681.8	506.8	30.1%	14,384.0	5,067.0	35.2%
Kohl's	11,619.8	3,792.8	32.6%	1,024.7	388.7	37.9%	1,313.5	397.5	30.3%	1,359.5	466.5	34.3%	7,922.0	2,540.0	32.1%
Gap	12,003.9	3,947.8	32.9%	1,380.8	394.8	28.6%	1,787.6	515.6	28.8%	1,761.7	569.7	32.3%	7,073.8	2,467.7	34.9%
Discovery Financial Services	22,538.1	7,459.6	33.1%	3,469.0	1,245.0	35.9%	3,527.0	1,215.0	34.4%	3,833.0	1,059.0	27.6%	11,709.1	3,940.6	33.7%
Bed Bath & Beyond	10,123.0	3,357.6	33.2%	1,289.2	380.5	29.5%	1,441.9	492.1	34.1%	1,552.2	499.0	32.1%	5,839.7	1,986.0	34.0%
Home Depot	48,671.9	16,154.9	33.2%	9,741.0	3,228.0	33.1%	8,844.0	2,884.0	32.6%	7,424.0	2,503.0	33.7%	22,662.9	7,539.9	33.3%
HollyFrontier	7,065.7	2,348.4	33.2%	1,074.8	480.4	44.7%	382.5	292.8	76.6%	1,120.7	267.9	23.9%	4,487.7	1,307.2	29.1%
Charles Schwab	12,806.6	4,257.5	33.2%	2,180.0	740.0	33.9%	2,043.0	747.0	36.6%	1,648.0	598.0	36.3%	6,935.6	2,172.5	31.3%
CVR Energy	2,547.6	849.3	33.3%	239.6	75.0	31.3%	255.0	76.2	29.9%	532.9	265.9	49.9%	1,520.2	432.2	28.4%
CA	5,733.2	1,913.2	33.4%	679.7	281.7	41.4%	700.5	281.5	40.2%	667.0	185.0	27.7%	3,685.9	1,164.9	31.6%
Ross Stores	8,667.6	2,893.2	33.4%	1,582.0	462.7	29.2%	1,453.9	474.7	32.6%	1,312.9	464.0	35.3%	4,318.7	1,491.8	34.5%
Tech Data	961.3	321.8	33.5%	189.3	71.3	37.7%	98.7	32.4	32.8%	121.5	41.3	34.0%	551.8	176.8	32.0%
Discovery Communications, Inc.	7,031.6	2,355.6	33.5%	1,226.1	296.1	24.1%	1,192.2	504.2	42.3%	1,043.6	296.6	28.4%	3,569.7	1,258.7	35.3%
Graybar Electric	879.7	295.7	33.6%	135.1	46.2	34.2%	129.4	44.7	34.6%	120.8	47.8	39.6%	494.4	157.0	31.8%
Emerson Electric	14,422.1	4,860.0	33.7%	2,815.0	904.0	32.1%	2,037.0	742.0	36.4%	1,664.0	704.0	42.3%	7,906.1	2,510.0	31.7%
J.M. Smucker	5,449.9	1,841.4	33.8%	922.7	340.3	36.9%	483.8	142.9	29.5%	805.8	259.4	32.2%	3,237.6	1,098.8	33.9%
LifePoint Health	1,859.7	632.8	34.0%	294.6	122.8	41.7%	201.6	47.2	23.4%	202.3	94.0	46.5%	1,161.2	368.8	31.8%
Apollo Group	5,755.6	1,968.2	34.2%	119.0	46.5	39.1%	350.0	113.9	32.6%	521.0	171.7	33.0%	4,765.6	1,636.1	34.3%
Synnex	1,220.6	418.9	34.3%	183.6	58.7	32.0%	184.6	77.4	41.9%	190.1	74.3	39.1%	662.3	208.5	31.5%
C.H. Robinson Worldwide	4,907.6	1,689.2	34.4%	654.1	252.7	38.6%	611.6	218.2	35.7%	549.6	157.8	28.7%	3,092.3	1,060.4	34.3%
WellPoint	35,117.2	12,167.0	34.6%	4,514.6	1,917.4	42.5%	4,310.3	1,591.0	36.9%	3,762.3	1,201.5	31.9%	22,530.0	7,457.1	33.1%
Jacobs Engineering Group	2,524.1	876.3	34.7%	267.5	71.8	26.9%	269.9	103.6	38.4%	328.6	124.0	37.7%	1,658.2	577.0	34.8%
CVS Caremark	49,704.8	17,274.8	34.8%	8,083.0	2,960.0	36.6%	7,201.3	2,493.3	34.6%	7,101.7	2,571.7	36.2%	27,318.8	9,249.8	33.9%
Whole Foods Market	4,399.5	1,532.5	34.8%	807.9	300.9	37.2%	857.6	351.6	41.0%	815.4	290.4	35.6%	1,918.6	589.7	30.7%
Altria Group	47,468.0	16,583.0	34.9%	7,627.0	2,516.0	33.0%	7,283.0	2,350.0	32.3%	6,506.0	2,066.0	31.8%	26,052.0	9,651.0	37.0%
Biogen Idec	13,335.9	4,713.8	35.3%	3,361.6	1,149.4	34.2%	2,508.9	1,079.8	43.0%	1,867.3	640.1	34.3%	5,598.1	1,844.4	32.9%
Cognizant Technology Solutions	2,869.6	1,015.7	35.4%	679.1	258.7	38.1%	540.2	187.8	34.8%	495.0	193.7	39.1%	1,155.2	375.5	32.5%
United Stationers	1,314.4	465.3	35.4%	115.0	67.3	58.5%	186.4	72.3	38.8%	190.2	66.9	35.2%	822.9	258.7	31.4%
Raymond James Financial	3,800.3	1,354.2	35.6%	755.4	273.1	36.1%	687.3	254.4	37.0%	503.0	180.7	35.9%	1,854.5	646.1	34.8%
UnitedHealth Group	61,900.0	22,194.9	35.9%	9,950.0	4,155.0	41.8%	9,385.0	3,883.0	41.4%	8,678.0	3,004.0	34.6%	33,887.0	11,152.9	32.9%
Coach, Inc.	6,293.4	2,263.6	36.0%	330.1	153.2	46.4%	325.2	147.5	45.4%	760.2	273.9	36.0%	4,877.8	1,689.0	34.6%
American Financial Group	4,698.8	1,710.1	36.4%	641.0	216.0	33.7%	571.0	265.0	46.4%	654.0	308.0	47.1%	2,832.8	921.1	32.5%
Best Buy	9,702.4	3,536.1	36.4%	1,251.5	347.0	27.7%	1,078.0	354.0	32.8%	590.0	306.0	51.9%	6,782.9	2,529.1	37.3%
McDonald's	21,379.6	7,808.0	36.5%	2,467.1	1,030.0	41.8%	2,545.8	1,066.2	41.9%	2,753.7	1,161.6	42.2%	13,612.9	4,550.1	33.4%
Reynolds American	20,619.0	7,599.4	36.9%	5,846.6	3,298.9	56.4%	2,039.6	799.1	39.2%	2,609.6	551.4	21.1%	10,123.3	2,950.0	29.1%
Franklin Resources	11,753.6	4,354.9	37.1%	1,945.2	724.8	37.3%	2,080.5	793.5	38.1%	1,830.8	682.8	37.3%	5,897.1	2,153.8	36.5%
Lowe's	26,542.3	9,843.4	37.1%	4,171.0	1,688.0	40.5%	4,055.0	1,475.0	36.4%	3,470.0	1,342.0	38.7%	14,846.3	5,338.4	36.0%
Health Net	1,685.9	630.0	37.4%	433.6	253.9	58.6%	215.2	85.9	39.9%	257.6	78.5	30.5%	779.5	211.8	27.2%
Humana	14,530.4	5,689.7	39.2%	2,343.6	1,054.6	45.0%	2,091.1	996.1	47.6%	1,869.4	588.4	31.5%	8,226.3	3,050.6	37.1%
Express Scripts	17,907.7	7,109.0	39.7%	3,700.2	1,673.9	45.2%	2,915.9	1,238.1	42.5%	2,872.7	1,448.1	50.4%	8,419.0	2,749.0	32.7%
Centene	2,010.5	836.6	41.6%	691.3	311.3	45.0%	454.3	209.3	46.1%	263.5	115.6	43.9%	601.4	200.4	33.3%
Molina Healthcare	888.8	420.8	47.3%	315.4	165.4	52.4%	132.8	69.6	52.4%	80.8	65.6	81.1%	359.8	120.3	33.4%
<b>ALL 258 COMPANIES</b>	<b>\$ 3,810,577</b>	<b>\$ 806,942</b>	<b>21.2%</b>	<b>\$ 551,698</b>	<b>\$ 141,281</b>	<b>25.6%</b>	<b>\$ 584,814</b>	<b>\$ 134,763</b>	<b>23.0%</b>	<b>\$ 524,346</b>	<b>\$ 111,138</b>	<b>21.2%</b>	<b>\$ 2,149,719</b>	<b>\$ 419,759</b>	<b>19.5%</b>

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

Company	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
3M	23,794.4	5,860.6	24.6%	4,349.7	1,210.6	27.8%	3,735.9	964.9	25.8%	3,118.9	871.9	28.0%	12,589.9	2,813.1	22.3%
ABM Industries	696.0	84.2	12.1%	57.2	1.8	3.1%	110.1	32.0	29.1%	97.7	15.3	15.7%	431.0	35.0	8.1%
Advance Auto Parts	4,471.8	1,288.8	28.8%	670.6	232.0	34.6%	703.9	196.1	27.9%	568.7	189.3	33.3%	2,528.7	671.4	26.6%
Aetna	22,564.1	7,290.8	32.3%	4,133.0	1,753.1	42.4%	3,423.0	1,198.8	35.0%	2,899.2	832.9	28.7%	12,108.8	3,505.9	29.0%
AGL Resources	3,680.2	279.2	7.6%	556.0	-11.0	-2.0%	874.0	113.0	12.9%	469.0	166.0	35.4%	1,781.2	11.2	0.6%
Air Products & Chemicals	4,117.4	439.5	10.7%	727.7	149.7	20.6%	548.0	-6.2	-1.1%	428.5	66.2	15.4%	2,413.2	229.8	9.5%
Airgas	3,689.3	800.8	21.7%	514.0	137.4	26.7%	557.5	150.5	27.0%	522.3	173.0	33.1%	2,095.4	339.8	16.2%
Alleghany Corporation	3,297.4	702.2	21.3%	373.6	93.3	25.0%	628.9	115.4	18.3%	611.4	68.4	11.2%	1,683.5	425.1	25.3%
Alliance Data Systems	3,299.6	892.5	27.0%	784.1	305.6	39.0%	691.6	196.4	28.4%	533.5	174.3	32.7%	1,290.4	216.3	16.8%
Alliant Techsystems	2,954.1	763.2	25.8%	265.0	27.2	10.2%	143.0	36.8	25.8%	503.5	146.9	29.2%	2,042.5	552.4	27.0%
Altria Group	47,468.0	16,583.0	34.9%	7,627.0	2,516.0	33.0%	7,283.0	2,350.0	32.3%	6,506.0	2,066.0	31.8%	26,052.0	9,651.0	37.0%
Amazon.com	6,237.5	674.5	10.8%	1,969.6	116.6	5.9%	228.0	209.0	91.7%	672.5	34.5	5.1%	3,367.4	314.4	9.3%
Ameren	7,243.0	-48.0	-0.7%	946.0	-2.0	-0.2%	1,001.0	-37.0	-3.7%	804.0	-118.0	-14.7%	4,492.0	109.0	2.4%
American Electric Power	17,170.4	-463.7	-2.7%	2,608.4	107.3	4.1%	2,465.0	51.0	2.1%	2,081.0	-45.0	-2.2%	10,016.0	-577.0	-5.8%
American Express	41,674.7	9,577.2	23.0%	6,427.2	2,092.1	32.6%	7,749.9	2,091.3	27.0%	6,157.6	1,660.5	27.0%	21,340.0	3,733.2	17.5%
American Financial Group	4,698.8	1,710.1	36.4%	641.0	216.0	33.7%	571.0	265.0	46.4%	654.0	308.0	47.1%	2,832.8	921.1	32.5%
AmerisourceBergen	6,112.5	1,863.0	30.5%	29.7	238.0	800.3%	562.6	258.7	46.0%	762.7	225.4	29.5%	4,757.4	1,140.9	24.0%
Amphenol	1,293.8	279.6	21.6%	137.2	25.0	18.3%	167.0	33.1	19.8%	156.4	25.1	16.0%	833.2	196.4	23.6%
Andersons	796.0	135.4	17.0%	33.9	-4.3	-12.7%	156.0	31.1	19.9%	135.9	11.0	8.1%	470.2	97.7	20.8%
Anixter International	1,271.5	350.1	27.5%	160.2	58.3	36.4%	184.3	33.3	18.1%	181.4	35.6	19.6%	745.7	222.9	29.9%
Apollo Group	5,755.6	1,968.2	34.2%	119.0	46.5	39.1%	350.0	113.9	32.6%	521.0	171.7	33.0%	4,765.6	1,636.1	34.3%
Archer Daniels Midland	11,180.0	2,950.0	26.4%	1,138.0	270.0	23.7%	2,167.0	641.0	29.6%	1,495.0	348.0	23.3%	6,380.0	1,691.0	26.5%
Arrow Electronics	2,593.8	656.9	25.3%	264.6	77.6	29.3%	334.0	96.0	28.7%	312.4	79.2	25.4%	1,682.8	404.0	24.0%
Arthur Gallagher	1,630.0	190.8	11.7%	294.4	43.9	14.9%	244.5	38.8	15.9%	218.5	29.0	13.3%	872.6	79.1	9.1%
Asbury Automotive Group, Inc.	953.3	227.5	23.9%	264.0	81.1	30.7%	176.6	40.7	23.0%	161.6	41.3	25.6%	351.1	64.4	18.3%
AT&T	141,623.7	11,500.4	8.1%	18,953.0	2,496.0	13.2%	17,311.4	1,609.0	9.3%	19,271.7	3,043.0	15.8%	86,087.7	4,352.4	5.1%
Atmos Energy	2,826.3	-114.2	-4.0%	503.5	—	—	471.3	—	—	365.1	—	—	1,486.4	-114.2	-7.7%
Automatic Data Processing	14,398.8	4,342.2	30.2%	1,963.7	522.4	26.6%	1,863.8	535.0	28.7%	1,899.6	653.2	34.4%	8,671.6	2,631.6	30.3%
AutoNation	3,881.3	1,074.2	27.7%	691.7	220.2	31.8%	653.2	206.0	31.5%	577.2	181.4	31.4%	1,959.2	466.6	23.8%
AutoZone	10,429.1	3,103.9	29.8%	1,643.0	482.5	29.4%	1,499.8	497.3	33.2%	1,451.4	411.6	28.4%	5,834.8	1,712.5	29.4%
Ball	1,952.8	354.8	18.2%	43.1	8.5	19.7%	265.0	36.3	13.7%	241.4	37.4	15.5%	1,403.3	272.6	19.4%
BB&T Corp.	18,531.0	3,837.0	20.7%	2,810.0	585.0	20.8%	2,617.0	551.0	21.1%	2,812.0	1,004.0	35.7%	10,292.0	1,697.0	16.5%
Bed Bath & Beyond	10,123.0	3,357.6	33.2%	1,289.2	380.5	29.5%	1,441.9	492.1	34.1%	1,552.2	499.0	32.1%	5,839.7	1,986.0	34.0%
Bemis	1,658.7	488.0	29.4%	252.4	70.2	27.8%	244.1	82.0	33.6%	222.2	65.8	29.6%	939.9	269.9	28.7%
Best Buy	9,702.4	3,536.1	36.4%	1,251.5	347.0	27.7%	1,078.0	354.0	32.8%	590.0	306.0	51.9%	6,782.9	2,529.1	37.3%
Big Lots	2,098.8	655.6	31.2%	216.4	72.3	33.4%	209.7	71.1	33.9%	171.8	81.1	47.2%	1,500.9	431.1	28.7%
Biogen Idec	13,335.9	4,713.8	35.3%	3,361.6	1,149.4	34.2%	2,508.9	1,079.8	43.0%	1,867.3	640.1	34.3%	5,598.1	1,844.4	32.9%
Boeing	40,026.7	2,146.7	5.4%	6,828.0	1,966.0	28.8%	6,779.7	581.7	8.6%	5,946.0	-199.0	-3.3%	20,473.0	-202.1	-1.0%
C.H. Robinson Worldwide	4,907.6	1,689.2	34.4%	654.1	252.7	38.6%	611.6	218.2	35.7%	549.6	157.8	28.7%	3,092.3	1,060.4	34.3%
CA	5,733.2	1,913.2	33.4%	679.7	281.7	41.4%	700.5	281.5	40.2%	667.0	185.0	27.7%	3,685.9	1,164.9	31.6%
Cablevision Systems	2,455.1	8.6	0.4%	327.8	0.1	0.0%	422.4	5.8	1.4%	196.7	-1.2	-0.6%	1,508.2	3.8	0.3%
Campbell Soup	7,279.7	1,696.7	23.3%	820.0	241.0	29.4%	967.2	241.2	24.9%	793.1	258.1	32.5%	4,699.3	956.3	20.3%
Capital One Financial	31,122.5	8,602.2	27.6%	6,157.5	1,991.0	32.3%	6,022.5	1,934.0	32.1%	5,322.8	1,360.0	25.6%	13,619.7	3,317.2	24.4%
Cardinal Health	11,266.5	3,221.3	28.6%	1,981.7	583.7	29.5%	1,659.0	381.0	23.0%	1,620.7	488.7	30.2%	6,005.1	1,767.9	29.4%
CarMax	5,085.8	1,644.3	32.3%	970.3	297.5	30.7%	930.9	287.7	30.9%	762.5	264.4	34.7%	2,422.0	794.6	32.8%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Casey's General Stores	1,629.4	242.1	14.9%	340.2	56.0	16.5%	275.6	46.6	16.9%	201.2	42.6	21.2%	812.4	96.9	11.9%
CBS	13,044.7	698.5	5.4%	1,974.4	154.2	7.8%	1,790.0	-235.0	-13.1%	2,451.6	272.6	11.1%	6,828.7	506.7	7.4%
Celanese	2,857.3	326.3	11.4%	221.8	18.8	8.5%	520.2	94.2	18.1%	789.1	61.1	7.7%	1,326.3	152.3	11.5%
Centene	2,010.5	836.6	41.6%	691.3	311.3	45.0%	454.3	209.3	46.1%	263.5	115.6	43.9%	601.4	200.4	33.3%
CenturyLink	8,606.8	725.1	8.4%	1,212.0	28.0	2.3%	1,072.0	18.0	1.7%	1,215.0	1.0	0.1%	5,107.8	678.1	13.3%
CF Industries Holdings	11,741.6	3,772.2	32.1%	964.5	256.9	26.6%	1,956.0	638.0	32.6%	2,031.0	630.3	31.0%	6,790.0	2,247.0	33.1%
Charles Schwab	12,806.6	4,257.5	33.2%	2,180.0	740.0	33.9%	2,043.0	747.0	36.6%	1,648.0	598.0	36.3%	6,935.6	2,172.5	31.3%
Cigna	14,436.6	4,091.2	28.3%	2,888.9	1,048.7	36.3%	2,907.5	1,052.3	36.2%	902.7	363.0	40.2%	7,737.5	1,627.2	21.0%
Clorox	5,579.7	1,569.0	28.1%	877.8	211.8	24.1%	808.3	230.3	28.5%	724.9	221.9	30.6%	3,168.7	905.0	28.6%
CMS Energy	4,666.0	-26.0	-0.6%	772.0	—	—	703.0	—	—	720.0	—	—	2,471.0	-26.0	-1.1%
Coach, Inc.	6,293.4	2,263.6	36.0%	330.1	153.2	46.4%	325.2	147.5	45.4%	760.2	273.9	36.0%	4,877.8	1,689.0	34.6%
Coca-Cola	23,845.9	4,853.8	20.4%	1,694.8	711.0	42.0%	1,560.3	867.0	55.6%	2,385.4	713.0	29.9%	18,205.5	2,562.8	14.1%
Cognizant Technology Solutions	2,869.6	1,015.7	35.4%	679.1	258.7	38.1%	540.2	187.8	34.8%	495.0	193.7	39.1%	1,155.2	375.5	32.5%
Comcast	64,879.2	15,535.8	23.9%	12,146.8	2,976.8	24.5%	11,961.8	2,171.2	18.2%	10,016.2	3,013.5	30.1%	30,754.3	7,374.3	24.0%
Community Health Systems	2,683.5	237.1	8.8%	303.0	7.0	2.3%	228.0	-29.0	-12.7%	226.3	9.1	4.0%	1,926.2	250.0	13.0%
ConAgra Foods	7,200.8	1,793.4	24.9%	700.7	295.8	42.2%	895.2	281.6	31.4%	1,064.7	360.5	33.9%	4,540.2	855.6	18.8%
Consol Energy	3,550.3	544.9	15.3%	330.1	21.4	6.5%	175.7	13.5	7.7%	57.4	4.3	7.5%	2,987.1	505.8	16.9%
Consolidated Edison	12,329.0	103.0	0.8%	1,760.0	-86.0	-4.9%	1,601.0	-9.0	-0.6%	1,387.0	285.0	20.5%	7,581.0	-87.0	-1.1%
Constellation Brands	5,590.6	414.3	7.4%	599.3	-57.3	-9.6%	475.0	130.5	27.5%	2,043.6	87.6	4.3%	2,472.7	253.5	10.3%
Core-Mark Holding	426.4	97.5	22.9%	78.2	17.6	22.5%	61.5	19.7	32.0%	62.2	17.0	27.3%	224.6	43.3	19.3%
Corning	7,458.0	71.0	1.0%	406.0	40.0	9.9%	2,352.0	38.0	1.6%	1,262.0	3.0	0.2%	3,438.0	-10.0	-0.3%
Costco Wholesale	13,832.0	4,020.0	29.1%	2,457.9	694.9	28.3%	2,052.5	626.5	30.5%	1,971.6	521.6	26.5%	7,350.0	2,177.0	29.6%
CSX	21,006.5	3,530.5	16.8%	3,043.7	615.7	20.2%	2,954.5	726.5	24.6%	2,837.2	660.2	23.3%	12,171.0	1,528.0	12.6%
CVR Energy	2,547.6	849.3	33.3%	239.6	75.0	31.3%	255.0	76.2	29.9%	532.9	265.9	49.9%	1,520.2	432.2	28.4%
CVS Caremark	49,704.8	17,274.8	34.8%	8,083.0	2,960.0	36.6%	7,201.3	2,493.3	34.6%	7,101.7	2,571.7	36.2%	27,318.8	9,249.8	33.9%
Danaher	9,287.2	1,918.9	20.7%	1,386.3	395.8	28.6%	1,408.3	250.4	17.8%	1,640.6	252.0	15.4%	4,852.0	1,020.7	21.0%
Darden Restaurants	3,545.2	471.7	13.3%	450.9	74.6	16.5%	191.1	-27.9	-14.6%	185.7	30.5	16.4%	2,717.5	394.5	14.5%
DaVita	6,359.3	1,475.5	23.2%	745.6	160.0	21.5%	1,146.5	150.9	13.2%	938.8	304.3	32.4%	3,528.5	860.4	24.4%
Deere	19,584.2	6,074.7	31.0%	1,809.2	361.7	20.0%	3,149.6	1,191.5	37.8%	4,043.2	1,363.1	33.7%	10,582.2	3,158.4	29.8%
Devon Energy	21,692.3	368.3	1.7%	1,861.4	-235.6	-12.7%	4,297.5	154.5	3.6%	1,784.7	69.7	3.9%	13,748.6	379.6	2.8%
Dick's Sporting Goods	3,103.4	891.5	28.7%	505.0	158.5	31.4%	527.8	177.6	33.7%	523.0	133.8	25.6%	1,547.6	421.6	27.2%
Discover Financial Services	22,538.1	7,459.6	33.1%	3,469.0	1,245.0	35.9%	3,527.0	1,215.0	34.4%	3,833.0	1,059.0	27.6%	11,709.1	3,940.6	33.7%
Discovery Communications, Inc.	7,031.6	2,355.6	33.5%	1,226.1	296.1	24.1%	1,192.2	504.2	42.3%	1,043.6	296.6	28.4%	3,569.7	1,258.7	35.3%
DISH Network	11,458.2	1,554.5	13.6%	1,114.1	145.0	13.0%	1,254.6	180.3	14.4%	1,130.3	162.7	14.4%	7,959.1	1,066.4	13.4%
Dollar General	9,156.1	2,799.4	30.6%	1,764.6	578.8	32.8%	1,596.2	533.0	33.4%	1,527.2	505.1	33.1%	4,268.1	1,182.5	27.7%
Dollar Tree	5,347.1	1,726.3	32.3%	433.8	116.3	26.8%	905.8	321.4	35.5%	908.5	296.5	32.6%	3,099.0	992.1	32.0%
Dominion Resources	19,240.0	2,468.1	12.8%	2,745.5	-26.5	-1.0%	1,748.0	-11.0	-0.6%	2,571.0	317.0	12.3%	12,175.5	2,188.6	18.0%
Domtar	1,437.8	339.7	23.6%	24.5	59.5	243.1%	81.4	15.4	18.9%	35.5	-14.5	-41.0%	1,296.5	279.4	21.5%
Dover	4,584.5	1,038.3	22.6%	518.7	114.6	22.1%	783.9	219.4	28.0%	759.6	133.9	17.6%	2,522.4	570.3	22.6%
DTE Energy	7,478.0	253.0	3.4%	954.0	-3.0	-0.3%	1,251.0	-16.0	-1.3%	906.0	74.0	8.2%	4,367.0	198.0	4.5%
Duke Energy	19,767.5	-422.0	-2.1%	3,840.0	—	—	3,544.0	—	—	3,357.0	-123.0	-3.7%	9,026.5	-299.0	-3.3%
DuPont	8,678.0	1,602.0	18.5%	1,390.0	218.0	15.7%	2,718.0	778.0	28.6%	939.0	160.0	17.0%	3,631.0	446.0	12.3%
Eastman Chemical	5,134.0	723.0	14.1%	596.0	87.0	14.6%	621.0	64.0	10.3%	1,407.0	143.0	10.2%	2,510.0	429.0	17.1%
Ecolab	4,649.3	1,040.2	22.4%	734.9	185.5	25.2%	905.6	256.3	28.3%	710.2	249.1	35.1%	2,298.7	349.4	15.2%
Eli Lilly	15,117.5	2,571.0	17.0%	1,169.3	660.5	56.5%	1,206.5	168.9	14.0%	2,705.0	259.1	9.6%	10,036.8	1,482.5	14.8%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Emcor Group	1,782.7	558.1	31.3%	243.8	93.0	38.2%	253.9	74.0	29.1%	217.2	56.6	26.1%	1,067.8	334.5	31.3%
Emerson Electric	14,422.1	4,860.0	33.7%	2,815.0	904.0	32.1%	2,037.0	742.0	36.4%	1,664.0	704.0	42.3%	7,906.1	2,510.0	31.7%
Entergy	12,461.7	824.0	6.6%	1,147.0	77.2	6.7%	1,685.7	90.1	5.3%	1,277.1	88.3	6.9%	8,351.9	568.4	6.8%
Eversource Energy	6,703.2	-11.1	-0.2%	1,381.9	-1.7	-0.1%	1,272.5	-3.5	-0.3%	1,229.1	13.3	1.1%	2,819.7	-19.3	-0.7%
Exelon	26,422.3	3,350.3	12.7%	3,416.0	407.0	11.9%	2,444.0	121.0	5.0%	2,592.0	744.0	28.7%	17,970.3	2,078.3	11.6%
Express Scripts	17,907.7	7,109.0	39.7%	3,700.2	1,673.9	45.2%	2,915.9	1,238.1	42.5%	2,872.7	1,448.1	50.4%	8,419.0	2,749.0	32.7%
Exxon Mobil	60,481.7	8,226.7	13.6%	159.3	-1.7	-1.0%	9,598.9	1,360.9	14.2%	9,357.3	1,033.3	11.0%	41,366.2	5,834.2	14.1%
Facebook	14,787.9	2,439.9	16.5%	2,802.0	1,474.0	52.6%	4,918.0	260.0	5.3%	3,197.0	614.0	19.2%	3,870.9	91.9	2.4%
FedEx	16,977.2	2,246.0	13.2%	2,895.8	510.5	17.6%	2,339.9	752.8	32.2%	2,839.4	587.6	20.7%	8,902.0	395.1	4.4%
Fifth Third Bancorp	11,009.0	2,387.0	21.7%	2,208.0	662.0	30.0%	1,702.0	424.0	24.9%	2,295.0	494.0	21.5%	4,804.0	807.0	16.8%
FirstEnergy	8,842.0	-465.0	-5.3%	863.0	1.0	0.1%	243.0	-132.0	-54.3%	500.0	-118.0	-23.6%	7,236.0	-216.0	-3.0%
Fiserv	6,274.9	1,975.9	31.5%	988.6	283.6	28.7%	970.1	316.1	32.6%	816.9	280.9	34.4%	3,499.3	1,095.3	31.3%
Flowserve	1,590.0	290.8	18.3%	213.6	56.4	26.4%	225.0	55.2	24.5%	225.4	53.3	23.7%	926.0	125.9	13.6%
Franklin Resources	11,753.6	4,354.9	37.1%	1,945.2	724.8	37.3%	2,080.5	793.5	38.1%	1,830.8	682.8	37.3%	5,897.1	2,153.8	36.5%
GameStop	4,163.8	1,351.3	32.5%	538.0	175.1	32.5%	541.8	153.7	28.4%	469.2	147.9	31.5%	2,614.8	874.6	33.4%
Gap	12,003.9	3,947.8	32.9%	1,380.8	394.8	28.6%	1,787.6	515.6	28.8%	1,761.7	569.7	32.3%	7,073.8	2,467.7	34.9%
General Dynamics	24,720.3	6,674.2	27.0%	3,511.3	777.3	nm	3,278.4	787.4	24.0%	3,223.0	838.0	26.0%	14,707.7	4,271.5	29.0%
General Electric	40,057.1	-1,369.0	-3.4%	14.9	1,549.0	10,373.0%	5,826.1	51.0	0.9%	6,463.5	85.0	1.3%	27,752.5	-3,054.0	-11.0%
General Mills	15,295.4	3,155.5	20.6%	1,895.0	412.0	21.7%	1,665.4	331.0	19.9%	2,144.4	469.4	21.9%	9,590.6	1,943.1	20.3%
Genuine Parts	6,818.6	1,993.7	29.2%	920.5	303.6	33.0%	1,248.8	209.9	16.8%	245.3	292.3	119.2%	4,404.0	1,187.9	27.0%
Goldman Sachs Group	50,210.4	12,118.9	24.1%	3,455.0	709.0	20.5%	6,782.9	1,261.3	18.6%	6,446.0	2,508.0	38.9%	33,526.5	7,640.7	22.8%
Graybar Electric	879.7	295.7	33.6%	135.1	46.2	34.2%	129.4	44.7	34.6%	120.8	47.8	39.6%	494.4	157.0	31.8%
Group 1 Automotive	1,068.0	215.2	20.2%	245.0	65.2	26.6%	175.2	48.1	27.4%	177.8	42.3	23.8%	469.9	59.6	12.7%
H&R Block	5,122.1	1,469.1	28.7%	538.5	167.2	31.1%	648.0	245.5	37.9%	718.0	195.3	27.2%	3,217.6	861.1	26.8%
Harley-Davidson	6,562.2	1,928.5	29.4%	1,078.8	360.9	33.5%	1,179.1	385.4	32.7%	1,006.5	265.5	26.4%	3,297.8	916.7	27.8%
Harris	5,877.6	1,492.5	25.4%	1,090.6	-27.0	-2.5%	443.0	150.0	33.9%	723.1	213.0	29.5%	3,620.9	1,156.5	31.9%
HCA Holdings	19,116.4	4,696.2	24.6%	3,461.7	1,064.7	30.8%	2,243.6	805.2	35.9%	2,884.3	733.5	25.4%	10,526.8	2,092.8	19.9%
Health Net	1,685.9	630.0	37.4%	433.6	253.9	58.6%	215.2	85.9	39.9%	257.6	78.5	30.5%	779.5	211.8	27.2%
Henry Schein	3,130.8	946.9	30.2%	533.8	161.1	30.2%	492.8	147.0	29.8%	467.8	132.5	28.3%	1,636.4	506.3	30.9%
Hershey	7,623.5	2,271.2	29.8%	1,313.9	388.5	29.6%	1,277.7	341.4	26.7%	1,212.6	332.6	27.4%	3,819.3	1,208.6	31.6%
HollyFrontier	7,065.7	2,348.4	33.2%	1,074.8	480.4	44.7%	382.5	292.8	76.6%	1,120.7	267.9	23.9%	4,487.7	1,307.2	29.1%
Home Depot	48,671.9	16,154.9	33.2%	9,741.0	3,228.0	33.1%	8,844.0	2,884.0	32.6%	7,424.0	2,503.0	33.7%	22,662.9	7,539.9	33.3%
Honeywell International	16,519.5	2,460.5	14.9%	3,297.0	719.0	21.8%	3,318.6	661.6	19.9%	2,927.8	553.8	18.9%	6,976.0	526.0	7.5%
Hormel Foods	5,508.0	1,604.3	29.1%	979.2	280.6	28.7%	861.4	244.1	28.3%	750.5	212.0	28.2%	2,916.9	867.6	29.7%
Humana	14,530.4	5,689.7	39.2%	2,343.6	1,054.6	45.0%	2,091.1	996.1	47.6%	1,869.4	588.4	31.5%	8,226.3	3,050.6	37.1%
Illinois Tool Works	11,211.9	3,297.2	29.4%	1,597.5	486.5	30.5%	1,624.7	385.7	23.7%	1,384.2	390.2	28.2%	6,605.6	2,034.8	30.8%
Insight Enterprises	577.2	126.8	22.0%	88.0	23.9	27.1%	86.5	26.9	31.0%	93.0	27.0	29.1%	309.7	49.1	15.8%
Intel	77,498.3	21,603.3	27.9%	8,787.5	2,696.5	30.7%	11,548.1	3,273.1	28.3%	9,314.5	2,689.5	28.9%	47,848.2	12,944.2	27.1%
International Business Machines	64,728.0	4,849.0	7.5%	5,787.0	-321.0	-5.5%	6,968.0	1,134.0	16.3%	6,679.0	1,406.0	21.1%	45,294.0	2,630.0	5.8%
International Paper	5,010.0	-386.0	-7.7%	1,135.0	62.0	5.5%	556.0	175.0	31.5%	489.0	-697.0	-142.5%	2,830.0	74.0	2.6%
Interpublic Group	2,360.9	122.8	5.2%	432.5	109.4	25.3%	365.2	-5.8	-1.6%	258.3	46.9	18.2%	1,304.9	-27.6	-2.1%
J.B. Hunt Transport Services	3,542.2	731.1	20.6%	670.1	149.6	22.3%	587.8	117.0	19.9%	538.6	126.1	23.4%	1,745.7	338.4	19.4%
J.M. Smucker	5,449.9	1,841.4	33.8%	922.7	340.3	36.9%	483.8	142.9	29.5%	805.8	259.4	32.2%	3,237.6	1,098.8	33.9%
J.P. Morgan Chase & Co.	114,769.5	17,956.3	15.6%	22,414.7	3,160.0	14.1%	20,331.0	1,273.4	6.3%	12,486.0	-1,429.3	-11.4%	59,537.9	14,952.2	25.1%
Jacobs Engineering Group	2,524.1	876.3	34.7%	267.5	71.8	26.9%	269.9	103.6	38.4%	328.6	124.0	37.7%	1,658.2	577.0	34.8%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Joy Global	3,474.3	633.1	18.2%	313.1	23.5	7.5%	288.2	80.5	27.9%	525.1	125.6	23.9%	2,347.9	403.5	17.2%
Kellogg	8,748.3	1,971.6	22.5%	497.5	200.4	40.3%	487.4	291.9	59.9%	2,085.3	282.2	13.5%	5,678.1	1,197.1	21.1%
Kimberly-Clark	10,685.7	1,803.7	16.9%	401.4	192.4	47.9%	1,529.4	319.4	20.9%	1,662.7	308.7	18.6%	7,092.2	983.2	13.9%
Kohl's	11,619.8	3,792.8	32.6%	1,024.7	388.7	37.9%	1,313.5	397.5	30.3%	1,359.5	466.5	34.3%	7,922.0	2,540.0	32.1%
Kroger	16,218.4	3,945.6	24.3%	3,073.8	642.8	20.9%	2,599.0	804.0	30.9%	2,245.5	611.5	27.2%	8,300.0	1,887.3	22.7%
L-3 Communications	7,613.8	1,461.6	19.2%	481.6	38.5	8.0%	758.9	72.9	9.6%	855.7	181.7	21.2%	5,517.5	1,168.5	21.2%
Laboratory Corp. of America	6,109.1	1,873.3	30.7%	562.1	207.5	36.9%	729.5	228.7	31.4%	816.2	222.5	27.3%	4,001.3	1,214.6	30.4%
Levi Strauss	945.8	102.6	10.8%	171.5	2.1	1.2%	61.0	14.8	24.2%	82.7	10.0	12.1%	630.7	75.7	12.0%
LifePoint Health	1,859.7	632.8	34.0%	294.6	122.8	41.7%	201.6	47.2	23.4%	202.3	94.0	46.5%	1,161.2	368.8	31.8%
Limited Brands	8,945.8	2,621.7	29.3%	1,583.1	495.1	31.3%	1,422.4	418.4	29.4%	1,231.2	377.2	30.6%	4,709.0	1,330.9	28.3%
LKQ Corporation	2,470.8	688.5	27.9%	455.4	126.5	27.8%	439.7	130.2	29.6%	343.6	100.0	29.1%	1,232.2	331.8	26.9%
Lockheed Martin	35,509.0	8,880.6	25.0%	4,966.0	1,817.0	36.6%	5,369.0	2,020.0	37.6%	4,252.0	1,204.0	28.3%	20,922.0	3,839.6	18.4%
Loews	11,055.2	1,276.2	11.5%	366.0	79.0	21.6%	1,305.0	370.0	28.4%	1,751.0	171.0	9.8%	7,633.2	656.2	8.6%
Lowe's	26,542.3	9,843.4	37.1%	4,171.0	1,688.0	40.5%	4,055.0	1,475.0	36.4%	3,470.0	1,342.0	38.7%	14,846.3	5,338.4	36.0%
Macy's	12,315.0	3,496.0	28.4%	1,611.4	510.4	31.7%	2,302.4	731.4	31.8%	2,191.8	816.8	37.3%	6,209.4	1,437.4	23.1%
MasterCard	16,648.7	4,178.9	25.1%	3,359.3	642.3	19.1%	3,225.3	932.3	28.9%	2,966.3	994.3	33.5%	7,097.8	1,610.0	22.7%
McDonald's	21,379.6	7,808.0	36.5%	2,467.1	1,030.0	41.8%	2,545.8	1,066.2	41.9%	2,753.7	1,161.6	42.2%	13,612.9	4,550.1	33.4%
McKesson	11,703.1	2,496.0	21.3%	2,407.1	658.0	27.3%	1,803.0	453.0	25.1%	1,453.0	484.0	33.3%	6,040.0	901.0	14.9%
MDU Resources	2,953.7	277.3	9.4%	175.8	59.5	33.8%	406.6	28.8	7.1%	410.9	45.5	11.1%	1,960.3	143.4	7.3%
Merck	41,404.3	12,039.0	29.1%	2,117.0	732.0	34.6%	15,355.0	7,136.0	46.5%	3,646.0	568.0	15.6%	20,286.3	3,603.0	17.8%
Molina Healthcare	888.8	420.8	47.3%	315.4	165.4	52.4%	132.8	69.6	52.4%	80.8	65.6	81.1%	359.8	120.3	33.4%
Monsanto	15,236.3	3,241.4	21.3%	2,155.2	638.6	29.6%	2,383.5	588.5	24.7%	2,346.7	366.7	15.6%	8,351.0	1,647.6	19.7%
Mosaic	6,814.1	912.7	13.4%	668.9	61.9	9.3%	301.1	46.0	15.3%	223.3	-25.0	-11.2%	5,620.8	829.8	14.8%
Netflix	1,494.2	203.1	13.6%	97.2	-27.9	-28.7%	325.1	7.1	2.2%	158.1	-9.0	-5.7%	913.8	232.9	25.5%
NextEra Energy	21,518.0	-313.0	-1.5%	3,959.0	10.0	0.3%	3,674.0	—	—	2,452.0	-145.0	-5.9%	11,433.0	-178.0	-1.6%
Nike	10,279.0	1,911.9	18.6%	933.6	71.6	7.7%	1,924.7	415.7	21.6%	2,984.8	149.8	5.0%	4,435.8	1,274.7	28.7%
NiSource	4,399.1	-352.2	-8.0%	333.9	—	—	829.8	—	—	762.4	-15.9	-2.1%	2,473.0	-336.3	-13.6%
Nordstrom	7,628.0	2,432.0	31.9%	966.6	189.6	19.6%	1,138.8	378.8	33.3%	1,129.0	360.0	31.9%	4,393.6	1,503.6	34.2%
Norfolk Southern	20,455.9	4,069.9	19.9%	2,383.4	493.4	20.7%	3,029.4	698.4	23.1%	2,873.6	663.6	23.1%	12,169.5	2,214.5	18.2%
Northrop Grumman	21,383.0	4,712.0	22.0%	2,706.0	207.0	7.6%	2,897.0	620.0	21.4%	2,751.0	760.0	27.6%	13,029.0	3,125.0	24.0%
NVR	2,653.0	591.6	22.3%	571.1	161.6	28.3%	426.3	140.4	32.9%	391.9	120.6	30.8%	1,263.7	169.0	13.4%
Omnicom Group	4,753.9	1,312.1	27.6%	716.4	319.8	44.6%	638.2	331.6	52.0%	542.8	215.0	39.6%	2,856.4	445.7	15.6%
Oneok	3,976.2	49.0	1.2%	384.7	13.2	3.4%	467.5	10.2	2.2%	427.1	-1.2	-0.3%	2,696.9	26.8	1.0%
Oracle	39,856.5	11,643.2	29.2%	3,783.5	1,198.5	31.7%	4,952.5	1,951.2	39.4%	5,103.3	1,406.3	27.6%	26,017.3	7,087.3	27.2%
O'Reilly Automotive	6,781.6	1,956.1	28.8%	1,424.0	452.4	31.8%	1,187.4	358.6	30.2%	1,025.8	322.8	31.5%	3,144.3	822.2	26.1%
Owens & Minor	1,357.5	425.8	31.4%	156.1	60.2	38.6%	145.4	51.7	35.5%	181.9	57.7	31.7%	874.0	256.1	29.3%
Paccar	5,453.3	1,210.6	22.2%	1,579.1	521.8	33.0%	1,284.0	482.4	37.6%	848.8	191.4	22.5%	1,741.4	15.0	0.9%
Packaging Corp. of America	2,868.0	732.4	25.5%	645.0	200.1	31.0%	583.3	175.0	30.0%	404.0	123.2	30.5%	1,235.7	234.1	18.9%
Parker Hannifin	5,369.8	1,300.5	24.2%	650.3	226.3	34.8%	758.6	166.4	21.9%	1,160.4	349.5	30.1%	2,800.5	558.3	19.9%
Pepco Holdings	3,022.0	-843.0	-27.9%	435.0	-3.0	-0.7%	406.0	-137.0	-33.7%	438.0	-128.0	-29.2%	1,743.0	-575.0	-33.0%
PepsiCo	26,393.4	7,432.8	28.2%	2,821.9	1,033.0	36.6%	2,382.1	1,269.7	53.3%	2,968.7	995.2	33.5%	18,220.7	4,134.9	22.7%
PG&E Corp.	10,843.0	-1,569.0	-14.5%	850.0	-89.0	-10.5%	1,836.0	-84.0	-4.6%	1,122.0	-218.0	-19.4%	7,035.0	-1,178.0	-16.7%
Phillips-Van Heusen	984.5	177.9	18.1%	91.9	2.3	2.5%	34.0	-44.5	-130.9%	46.3	85.2	184.0%	812.4	135.0	16.6%
Pitney Bowes	3,408.7	796.2	23.4%	485.9	115.6	23.8%	360.5	71.7	19.9%	281.3	78.3	27.8%	2,281.0	530.7	23.3%
PNC Financial Services Group	32,952.7	2,724.7	8.3%	5,343.0	903.0	16.9%	5,272.8	1,060.8	20.1%	5,128.0	98.0	1.9%	17,208.9	662.9	3.9%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Polo Ralph Lauren	4,046.2	1,065.1	26.3%	278.0	78.0	28.1%	586.4	154.4	26.3%	664.9	182.9	27.5%	2,516.9	649.8	25.8%
PPG Industries	4,135.5	1,169.0	28.3%	801.2	158.0	19.7%	328.5	128.0	39.0%	505.4	153.0	30.3%	2,500.3	730.0	29.2%
PPL	7,106.0	87.0	1.2%	943.0	-26.0	-2.8%	1,127.0	43.0	3.8%	195.0	-75.0	-38.5%	4,841.0	145.0	3.0%
Praxair	6,142.3	1,036.3	16.9%	950.3	189.3	19.9%	974.4	265.4	27.2%	871.0	56.0	6.4%	3,346.7	525.7	15.7%
Precision Castparts	12,428.8	3,001.2	24.1%	1,015.9	265.9	26.2%	2,112.2	515.2	24.4%	2,158.7	491.8	22.8%	7,142.0	1,728.3	24.2%
Priceline.com	697.6	-30.9	-4.4%	29.0	4.3	14.8%	73.5	-9.0	-12.3%	38.1	-9.4	-24.6%	557.0	-16.8	-3.0%
Principal Financial	7,790.0	514.4	6.6%	1,406.1	169.9	12.1%	1,474.5	99.3	6.7%	1,090.2	-9.8	-0.9%	3,819.2	255.0	6.7%
Procter & Gamble	66,989.5	14,931.0	22.3%	8,564.0	1,673.0	19.5%	8,611.0	2,272.0	26.4%	8,768.0	1,606.0	18.3%	41,046.5	9,380.0	22.9%
Public Service Enterprise Group	18,001.9	2,935.9	16.3%	2,595.5	240.5	9.3%	2,398.0	335.0	14.0%	2,013.0	487.0	24.2%	10,995.4	1,873.4	17.0%
Publix Super Markets	17,348.9	5,113.1	29.5%	2,831.7	758.1	26.8%	2,491.9	754.2	30.3%	2,380.5	725.5	30.5%	9,644.9	2,875.4	29.8%
Qualcomm	20,581.7	1,269.7	6.2%	2,993.0	-166.0	-5.5%	3,213.0	-98.0	-3.1%	3,798.0	108.0	2.8%	10,577.7	1,425.7	13.5%
Quanta Services	2,248.8	639.9	28.5%	258.3	85.3	33.0%	286.7	72.9	25.4%	485.6	170.9	35.2%	1,218.3	310.8	25.5%
Quest Diagnostics	7,867.4	2,423.5	30.8%	1,021.9	226.9	22.2%	766.0	204.0	26.6%	1,236.7	413.7	33.5%	4,842.8	1,578.9	32.6%
R.R. Donnelley & Sons	1,610.8	290.4	18.0%	225.7	112.5	49.9%	5.8	49.9	859.7%	65.6	-15.3	-23.3%	1,313.7	143.3	10.9%
Raymond James Financial	3,800.3	1,354.2	35.6%	755.4	273.1	36.1%	687.3	254.4	37.0%	503.0	180.7	35.9%	1,854.5	646.1	34.8%
Raytheon	21,037.0	4,335.8	20.6%	2,482.0	718.1	28.9%	2,868.0	798.1	27.8%	2,612.0	709.8	27.2%	13,075.0	2,109.7	16.1%
Reinsurance Group of America	3,774.3	14.1	0.4%	493.3	-1.4	-0.3%	768.9	21.5	2.8%	473.2	-52.0	-11.0%	2,038.9	45.9	2.3%
Reliance Steel & Aluminum	3,446.6	948.4	27.5%	425.5	129.5	30.4%	463.3	153.2	33.1%	433.5	120.5	27.8%	2,124.2	545.2	25.7%
Reynolds American	20,619.0	7,599.4	36.9%	5,846.6	3,298.9	56.4%	2,039.6	799.1	39.2%	2,609.6	551.4	21.1%	10,123.3	2,950.0	29.1%
Rockwell Automation	3,270.8	785.1	24.0%	645.6	228.3	35.4%	602.6	194.7	32.3%	503.5	138.1	27.4%	1,519.1	224.0	14.7%
Rockwell Collins	6,315.0	1,134.0	18.0%	826.2	158.2	19.2%	751.0	105.0	14.0%	745.6	143.6	19.3%	3,992.1	727.1	18.2%
Ross Stores	8,667.6	2,893.2	33.4%	1,582.0	462.7	29.2%	1,453.9	474.7	32.6%	1,312.9	464.0	35.3%	4,318.7	1,491.8	34.5%
Ryder System	2,044.6	-54.9	-2.7%	402.5	0.8	0.2%	269.6	-0.8	-0.3%	299.4	-4.0	-1.3%	1,073.1	-50.9	-4.7%
SAIC	4,074.0	1,043.1	25.6%	171.0	42.7	25.0%	697.0	63.5	9.1%	171.0	40.0	23.4%	3,035.0	896.8	29.5%
Scana	5,275.0	808.0	15.3%	1,082.0	382.0	35.3%	790.0	38.0	4.8%	677.0	161.0	23.8%	2,726.0	227.0	8.3%
Sempra Energy	7,000.0	-34.0	-0.5%	1,135.2	-49.0	-4.3%	941.5	-10.0	-1.1%	882.6	-70.0	-7.9%	4,040.7	95.0	2.4%
Sherwin-Williams	7,294.6	1,467.2	20.1%	1,488.7	325.5	21.9%	1,208.2	251.5	20.8%	1,052.9	190.7	18.1%	3,544.9	699.5	19.7%
Sonic Automotive	799.9	137.9	17.2%	138.7	36.2	26.1%	156.0	36.9	23.6%	123.4	33.4	27.0%	381.9	31.4	8.2%
Southern	24,587.0	2,036.0	8.3%	3,662.0	-177.0	-4.8%	2,915.0	175.0	6.0%	2,569.0	363.0	14.1%	15,441.0	1,675.0	10.8%
Southwest Airlines	8,459.0	2,006.0	23.7%	3,365.0	1,292.0	38.4%	1,787.0	203.0	11.4%	1,165.0	355.0	30.5%	2,142.0	156.0	7.3%
SpartanNash	432.3	82.2	19.0%	97.3	30.4	31.2%	89.8	26.4	29.4%	1.6	3.7	235.7%	243.6	21.7	8.9%
Spectra Energy	6,511.0	455.0	7.0%	359.0	—	—	904.0	1.0	0.1%	934.0	-32.0	-3.4%	4,314.0	486.0	11.3%
Staples	6,160.8	1,616.5	26.2%	460.9	49.9	10.8%	508.8	116.8	23.0%	844.8	191.1	22.6%	4,346.4	1,258.7	29.0%
State Street Corp.	10,310.2	565.2	5.5%	1,025.1	-5.9	-0.6%	1,097.5	-0.5	-0.0%	1,486.7	109.7	7.4%	6,701.0	462.0	6.9%
Synnex	1,220.6	418.9	34.3%	183.6	58.7	32.0%	184.6	77.4	41.9%	190.1	74.3	39.1%	662.3	208.5	31.5%
Target	32,087.0	9,476.0	29.5%	4,285.0	1,652.0	38.6%	3,276.0	1,074.0	32.8%	3,836.0	1,213.0	31.6%	20,690.0	5,537.0	26.8%
Tech Data	961.3	321.8	33.5%	189.3	71.3	37.7%	98.7	32.4	32.8%	121.5	41.3	34.0%	551.8	176.8	32.0%
Texas Instruments	16,387.1	4,954.1	30.2%	3,218.0	1,034.0	32.1%	2,684.0	820.0	30.6%	1,507.0	215.0	14.3%	8,978.1	2,885.1	32.1%
Thermo Fisher Scientific	6,560.5	1,609.8	24.5%	851.7	128.8	15.1%	1,129.6	390.4	34.6%	909.5	204.0	22.4%	3,669.7	886.6	24.2%
Time Warner	31,048.4	4,147.2	13.4%	4,372.9	719.1	16.4%	4,615.5	-26.0	-0.6%	4,911.9	328.0	6.7%	17,148.0	3,126.1	18.2%
Time Warner Cable	20,926.0	1,632.0	7.8%	2,896.9	367.9	12.7%	3,174.4	246.4	7.8%	2,964.1	554.1	18.7%	11,890.6	463.6	3.9%
TJX	16,952.0	4,994.3	29.5%	2,905.1	938.6	32.3%	2,779.6	818.1	29.4%	2,584.2	747.5	28.9%	8,683.1	2,490.1	28.7%
Tractor Supply Company	3,025.8	971.0	32.1%	634.9	202.9	32.0%	565.7	195.8	34.6%	502.5	139.1	27.7%	1,322.7	433.3	32.8%
Travelers Cos.	30,729.0	5,870.5	19.1%	4,621.0	1,098.0	23.8%	4,898.9	1,168.9	23.9%	4,804.0	1,014.0	21.1%	16,405.1	2,589.6	15.8%
Trinity Industries	4,122.1	593.9	14.4%	1,223.8	260.2	21.3%	1,036.2	302.5	29.2%	559.0	134.8	24.1%	1,303.1	-103.6	-7.9%

**Effective Federal Corporate Income Tax Rates on 258 Major Corporations, 2008–2015 (alphabetical)**

\$-millions	Eight-Year Totals			2015			2014			2013			2008-2012		
	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate	Profit	Tax	Rate
Tutor Perini	1,065.1	298.1	28.0%	70.2	5.3	7.6%	159.5	44.4	27.9%	118.9	28.1	23.6%	716.5	220.3	30.7%
Twenty-First Century Fox	39,722.0	6,273.0	15.8%	3,485.6	466.0	13.4%	9,720.0	891.0	9.2%	5,226.9	1,178.0	22.5%	21,289.5	3,738.0	17.6%
U.S. Bancorp	49,331.0	12,191.0	24.7%	7,590.0	1,956.0	25.8%	7,502.0	1,888.0	25.2%	7,527.0	1,885.0	25.0%	26,712.0	6,462.0	24.2%
UGI	2,600.5	436.2	16.8%	388.5	89.0	22.9%	475.3	90.5	19.0%	321.1	43.9	13.7%	1,415.6	212.8	15.0%
Union Pacific	44,615.8	9,282.8	20.8%	7,456.7	1,849.7	24.8%	8,124.4	1,931.4	23.8%	6,862.1	1,675.1	24.4%	22,172.6	3,826.6	17.3%
United Natural Foods	1,073.1	327.4	30.5%	213.8	58.6	27.4%	188.9	64.8	34.3%	153.7	42.5	27.6%	516.8	161.5	31.3%
United Parcel Service	39,442.2	11,005.1	27.9%	6,260.0	1,634.0	26.1%	4,593.5	932.0	20.3%	5,835.0	2,181.0	37.4%	22,753.7	6,258.1	27.5%
United Stationers	1,314.4	465.3	35.4%	115.0	67.3	58.5%	186.4	72.3	38.8%	190.2	66.9	35.2%	822.9	258.7	31.4%
United Technologies	24,421.2	2,546.2	10.4%	2,819.0	264.0	9.4%	4,240.8	263.8	6.2%	3,622.9	520.9	14.4%	13,738.5	1,497.5	10.9%
UnitedHealth Group	61,900.0	22,194.9	35.9%	9,950.0	4,155.0	41.8%	9,385.0	3,883.0	41.4%	8,678.0	3,004.0	34.6%	33,887.0	11,152.9	32.9%
Universal Health Services	5,156.0	1,546.6	30.0%	1,003.9	324.6	32.3%	837.7	220.1	26.3%	794.4	239.9	30.2%	2,520.0	762.0	30.2%
Unum Group	5,982.4	1,897.4	31.7%	690.4	280.5	40.6%	67.3	128.4	190.7%	980.9	277.9	28.3%	4,243.8	1,210.6	28.5%
Verizon Communications	81,518.0	7,401.0	9.1%	23,840.0	5,476.0	23.0%	15,193.0	2,657.0	17.5%	12,282.0	-197.0	-1.6%	30,203.0	-535.0	-1.8%
VF	4,955.5	1,229.4	24.8%	779.2	147.8	19.0%	603.0	152.3	25.3%	721.3	199.0	27.6%	2,852.0	730.3	25.6%
Viacom	18,261.4	4,260.4	23.3%	1,989.4	368.4	18.5%	2,816.5	979.5	34.8%	3,033.8	320.8	10.6%	10,421.7	2,591.7	24.9%
Visa	30,063.9	9,774.0	32.5%	6,628.5	1,921.5	29.0%	7,369.6	2,278.6	30.9%	1,681.8	506.8	30.1%	14,384.0	5,067.0	35.2%
W.R. Berkley	4,411.7	1,023.6	23.2%	687.6	177.7	25.8%	906.3	254.7	28.1%	593.5	112.3	18.9%	2,224.3	478.9	21.5%
W.W. Grainger	7,481.0	2,343.3	31.3%	1,158.8	389.8	33.6%	1,258.2	409.7	32.6%	1,135.4	349.0	30.7%	3,928.6	1,194.8	30.4%
Walgreen	26,280.0	8,503.0	32.4%	2,604.0	846.0	32.5%	3,277.0	1,207.0	36.8%	3,343.0	1,122.0	33.6%	17,056.0	5,328.0	31.2%
Wal-Mart Stores	139,743.0	43,480.0	31.1%	16,063.0	5,562.0	34.6%	17,800.0	6,165.0	34.6%	18,693.0	6,377.0	34.1%	87,187.0	25,376.0	29.1%
Walt Disney	62,566.8	17,217.1	27.5%	12,184.9	3,923.1	32.2%	10,835.2	2,721.1	25.1%	8,531.6	2,185.3	25.6%	31,015.0	8,387.5	27.0%
Waste Management	10,547.4	2,642.9	25.1%	936.7	179.6	19.2%	1,804.1	409.9	22.7%	959.9	380.7	39.7%	6,846.7	1,672.8	24.4%
WellPoint	35,117.2	12,167.0	34.6%	4,514.6	1,917.4	42.5%	4,310.3	1,591.0	36.9%	3,762.3	1,201.5	31.9%	22,530.0	7,457.1	33.1%
Wells Fargo	185,024.8	33,330.6	18.0%	31,044.4	10,447.4	33.7%	31,475.4	6,946.4	22.1%	29,375.9	4,376.9	14.9%	93,129.1	11,559.9	12.4%
Wesco International	2,092.8	352.8	16.9%	284.6	44.5	15.6%	320.8	64.8	20.2%	334.0	45.7	13.7%	1,153.5	197.8	17.1%
Westrock	3,056.1	134.3	4.4%	603.0	23.3	3.9%	652.6	7.4	1.1%	613.8	-13.3	-2.2%	1,186.6	116.8	9.8%
Whole Foods Market	4,399.5	1,532.5	34.8%	807.9	300.9	37.2%	857.6	351.6	41.0%	815.4	290.4	35.6%	1,918.6	589.7	30.7%
Williams	8,943.9	516.0	5.8%	86.7	—	—	3,267.0	-9.0	-0.3%	721.4	-17.0	-2.4%	4,868.7	542.0	11.1%
Windstream	2,793.5	220.8	7.9%	21.4	9.1	42.5%	76.2	0.8	1.0%	227.5	-27.0	-11.9%	2,468.4	237.9	9.6%
Wisconsin Energy	5,894.3	-591.6	-10.0%	961.6	-97.4	-10.1%	872.3	-44.1	-5.1%	839.9	-50.2	-6.0%	3,220.5	-399.9	-12.4%
Wyndham Worldwide Corporation	3,831.1	712.7	18.6%	716.9	167.9	23.4%	657.9	147.9	22.5%	540.5	101.6	18.8%	1,915.8	295.2	15.4%
Xcel Energy	10,290.6	-111.4	-1.1%	1,524.9	-36.1	-2.4%	1,535.9	-73.2	-4.8%	1,424.5	-46.2	-3.2%	5,805.3	44.1	0.8%
Yum Brands	3,226.4	835.4	25.9%	451.7	245.7	54.4%	506.0	215.0	42.5%	449.6	122.6	27.3%	1,819.1	252.1	13.9%
<b>ALL 258 COMPANIES</b>	<b>\$ 3,810,577</b>	<b>\$ 806,942</b>	<b>21.2%</b>	<b>\$ 551,698</b>	<b>\$ 141,281</b>	<b>25.6%</b>	<b>\$ 584,814</b>	<b>\$ 134,763</b>	<b>23.0%</b>	<b>\$ 524,346</b>	<b>\$ 111,138</b>	<b>21.2%</b>	<b>\$ 2,149,719</b>	<b>\$ 419,759</b>	<b>19.5%</b>

## U.S. Profits & U.S. Federal Income Taxes versus Foreign Profits & Foreign Income Taxes, 2008-15 for companies with foreign pretax profits at least 10% of total worldwide pretax profits, \$-million

Company	US profits & federal+state income taxes			Foreign profits & for. income taxes			US rate
	US profit	US tax	US rate	For. profit	For. tax	For. rate	- For rate
Wal-Mart Stores	\$ 145,059	\$ 48,796	33.6%	\$ 42,692	\$ 11,562	27.1%	+6.6%
General Electric	40,375	-1,051	-2.6%	85,495	27,726	32.4%	-35.0%
J.P. Morgan Chase & Co.	121,544	24,731	20.3%	59,592	12,935	21.7%	-1.4%
McKesson	11,973	2,766	23.1%	4,811	576	12.0%	+11.1%
International Business Machines	66,753	6,874	10.3%	86,183	21,639	25.1%	-14.8%
Cardinal Health	11,680	3,635	31.1%	1,665	214	12.8%	+18.3%
Procter & Gamble	69,017	16,959	24.6%	45,244	11,087	24.5%	+0.1%
Costco Wholesale	14,518	4,706	32.4%	6,009	2,084	34.7%	-2.3%
Archer Daniels Midland	11,354	3,124	27.5%	6,946	1,296	18.7%	+8.9%
PepsiCo	27,277	8,316	30.5%	38,450	6,186	16.1%	+14.4%
United Technologies	24,736	2,861	11.6%	32,680	9,739	29.8%	-18.2%
United Parcel Service	40,460	12,023	29.7%	5,053	1,379	27.3%	+2.4%
Merck	41,650	12,285	29.5%	31,351	6,657	21.2%	+8.3%
Goldman Sachs Group	52,859	14,767	27.9%	33,364	8,620	25.8%	+2.1%
Intel	77,712	21,817	28.1%	27,001	5,076	18.8%	+9.3%
FedEx	17,460	2,729	15.6%	4,559	1,578	34.6%	-19.0%
Honeywell International	16,778	2,719	16.2%	16,837	3,652	21.7%	-5.5%
DuPont	8,763	1,687	19.3%	17,991	4,017	22.3%	-3.1%
General Dynamics	24,803	6,757	27.2%	3,889	1,056	27.2%	+0.1%
American Express	42,973	10,876	25.3%	6,647	3,376	50.8%	-25.5%
Oracle	41,953	13,740	32.8%	50,561	8,306	16.4%	+16.3%
3M	24,214	6,280	25.9%	24,123	6,456	26.8%	-0.8%
Deere	20,217	6,707	33.2%	9,837	3,495	35.5%	-2.4%
International Paper	4,914	-482	-9.8%	3,200	728	22.8%	-32.6%
Staples	6,457	1,912	29.6%	2,043	544	26.6%	+3.0%
Tech Data	977	338	34.6%	1,090	263	24.2%	+10.4%
McDonald's	22,508	8,936	39.7%	35,361	8,001	22.6%	+17.1%
Eli Lilly	15,350	2,804	18.3%	17,662	4,591	26.0%	-7.7%
TJX	17,980	6,022	33.5%	3,603	1,012	28.1%	+5.4%
Emerson Electric	14,853	5,291	35.6%	12,183	3,600	29.5%	+6.1%
Cigna	14,667	4,322	29.5%	2,015	565	28.0%	+1.4%
Kimberly-Clark	11,031	2,149	19.5%	7,522	2,677	35.6%	-16.1%
Nike	10,650	2,283	21.4%	15,295	3,470	22.7%	-1.3%
Arrow Electronics	2,703	766	28.3%	2,142	543	25.4%	+3.0%
Illinois Tool Works	11,681	3,766	32.2%	8,163	1,974	24.2%	+8.1%
L-3 Communications	7,863	1,711	21.8%	1,553	359	23.1%	-1.4%
General Mills	15,563	3,423	22.0%	2,906	759	26.1%	-4.1%
Gap	12,411	4,355	35.1%	1,778	691	38.9%	-3.8%
Duke Energy	19,889	-300	-1.5%	4,021	980	24.4%	-25.9%
CBS	13,379	1,033	7.7%	2,209	494	22.4%	-14.7%
Texas Instruments	16,412	4,979	30.3%	8,371	1,201	14.3%	+16.0%
Viacom	18,795	4,794	25.5%	3,579	1,270	35.5%	-10.0%
PPG Industries	4,303	1,337	31.1%	5,633	1,492	26.5%	+4.6%
Omnicom Group	4,900	1,459	29.8%	6,923	2,199	31.8%	-2.0%
Kellogg	8,991	2,214	24.6%	3,380	960	28.4%	-3.8%
Yum Brands	3,281	890	27.1%	9,607	2,360	24.6%	+2.6%
Genuine Parts	7,141	2,316	32.4%	913	252	27.6%	+4.9%

## U.S. Profits & U.S. Federal Income Taxes versus Foreign Profits & Foreign Income Taxes, 2008-15 for companies with foreign pretax profits at least 10% of total worldwide pretax profits, \$-million

Company	US profits & federal+state income taxes			Foreign profits & for. income taxes			US rate
	US profit	US tax	US rate	For. profit	For. tax	For. rate	- For rate
Thermo Fisher Scientific	6,707	1,756	26.2%	4,252	1,429	33.6%	-7.4%
Devon Energy	21,763	439	2.0%	3,526	886	25.1%	-23.1%
Monsanto	15,487	3,492	22.5%	7,932	2,346	29.6%	-7.0%
Paccar	5,642	1,400	24.8%	6,054	1,542	25.5%	-0.7%
Unum Group	6,517	1,897	29.1%	1,436	302	21.0%	+8.1%
Praxair	6,268	1,162	18.5%	10,444	2,683	25.7%	-7.2%
R.R. Donnelley & Sons	1,662	342	20.6%	1,132	368	32.5%	-11.9%
Parker Hannifin	5,542	1,473	26.6%	4,384	1,259	28.7%	-2.1%
Jacobs Engineering Group	2,691	1,043	38.8%	1,727	399	23.1%	+15.6%
State Street Corp.	10,920	1,175	10.8%	9,277	2,026	21.8%	-11.1%
Gamestop	4,299	1,486	34.6%	562	253	45.1%	-10.5%
Air Products & Chemicals	4,186	508	12.1%	5,770	1,431	24.8%	-12.7%
Sempra Energy	7,020	-14	-0.2%	3,711	868	23.4%	-23.6%
Automatic Data Processing	14,786	4,730	32.0%	1,739	544	31.3%	+0.7%
PPL	7,199	180	2.5%	5,875	747	12.7%	-10.2%
Synnex	1,301	499	38.4%	455	126	27.7%	+10.6%
Reinsurance Group of America	3,774	14	0.4%	2,104	501	23.8%	-23.4%
Visa	31,393	11,103	35.4%	7,762	1,510	19.5%	+15.9%
Ball	2,033	435	21.4%	2,383	639	26.8%	-5.4%
Sherwin-Williams	7,557	1,730	22.9%	1,026	338	33.0%	-10.1%
VF	5,125	1,399	27.3%	4,735	677	14.3%	+13.0%
Campbell Soup	7,465	1,882	25.2%	1,087	428	39.4%	-14.2%
Henry Schein	3,310	1,127	34.0%	1,042	263	25.2%	+8.8%
Dover	4,635	1,089	23.5%	3,093	734	23.7%	-0.3%
Mosaic	7,036	1,135	16.1%	7,979	1,684	21.1%	-5.0%
Eastman Chemical	5,236	825	15.8%	1,519	237	15.6%	+0.2%
Corning	7,532	145	1.9%	13,986	1,942	13.9%	-12.0%
Interpublic Group	2,419	181	7.5%	1,922	679	35.3%	-27.8%
Ecolab	4,784	1,175	24.6%	3,241	1,148	35.4%	-10.9%
Celanese	2,945	414	14.1%	2,727	675	24.8%	-10.7%
Franklin Resources	12,311	4,912	39.9%	8,063	909	11.3%	+28.6%
UGI	2,774	610	22.0%	557	228	40.9%	-18.9%
Precision Castparts	12,705	3,277	25.8%	2,105	487	23.1%	+2.7%
MasterCard	16,816	4,346	25.8%	9,672	2,951	30.5%	-4.7%
Clorox	5,758	1,747	30.3%	932	319	34.2%	-3.9%
Anixter International	1,315	394	29.9%	573	212	37.0%	-7.0%
Pitney Bowes	3,542	929	26.2%	844	335	39.7%	-13.5%
Ryder System	2,093	-7	-0.3%	406	65	16.1%	-16.4%
Spectra Energy	6,587	531	8.1%	4,239	489	11.5%	-3.5%
Polo Ralph Lauren	4,273	1,292	30.2%	2,569	564	21.9%	+8.3%
Bemis	1,713	542	31.7%	742	238	32.0%	-0.4%
Rockwell Automation	3,285	799	24.3%	3,418	528	15.4%	+8.9%
Insight Enterprises	590	139	23.6%	282	103	36.3%	-12.7%
Biogen Idec	13,567	4,945	36.4%	4,967	398	8.0%	+28.4%
Phillips-Van Heusen	1,013	206	20.4%	1,858	301	16.2%	+4.2%
Cognizant Technology Solutions	3,102	1,248	40.2%	7,261	1,497	20.6%	+19.6%
Levi Strauss	919	87	9.5%	1,061	335	31.5%	-22.1%

## U.S. Profits & U.S. Federal Income Taxes versus Foreign Profits & Foreign Income Taxes, 2008-15 for companies with foreign pretax profits at least 10% of total worldwide pretax profits, \$-million

Company	US profits & federal+state income taxes			Foreign profits & for. income taxes			US rate
	US profit	US tax	US rate	For. profit	For. tax	For. rate	- For rate
CA	6,002	2,182	36.4%	3,318	607	18.3%	+18.1%
Flowserve	1,622	323	19.9%	3,134	865	27.6%	-7.7%
Westrock	3,117	195	6.3%	476	91	19.2%	-13.0%
Quanta Services	2,346	737	31.4%	382	133	34.8%	-3.4%
Joy Global	3,540	699	19.7%	1,765	558	31.6%	-11.9%
Priceline.com	758	29	3.9%	12,270	2,317	18.9%	-15.0%
Alleghany Corporation	3,270	724	22.1%	918	232	25.3%	-3.2%
Coach, Inc.	6,650	2,621	39.4%	2,166	58	2.7%	+36.7%
Discovery Communications, Inc.	7,410	2,734	36.9%	3,429	939	27.4%	+9.5%
LKQ Corporation	2,595	813	31.3%	503	107	21.4%	+10.0%
Wyndham Worldwide Corporation	3,956	838	21.2%	1,538	375	24.4%	-3.2%
Alliance Data Systems	3,441	1,034	30.1%	1,513	473	31.3%	-1.2%
Amphenol	1,268	254	20.0%	4,792	1,136	23.7%	-3.7%
<b>Totals for 107 companies</b>	<b>\$ 1,576,404</b>	<b>\$ 383,825</b>	<b>24.3%</b>	<b>\$ 1,010,763</b>	<b>\$ 246,209</b>	<b>24.4%</b>	<b>-0.0%</b>
<b>64 with lower US rate (60%)</b>	<b>\$ 754,370</b>	<b>\$ 130,312</b>	<b>17.3%</b>	<b>\$ 568,543</b>	<b>\$ 151,937</b>	<b>26.7%</b>	<b>-9.4%</b>
<b>43 with lower foreign rate (40%)</b>	<b>822,034</b>	<b>253,513</b>	<b>30.8%</b>	<b>442,220</b>	<b>94,272</b>	<b>21.3%</b>	<b>+9.5%</b>
<b>% that average foreign effective tax rate exceeds average US tax rate (107 cos.):</b>							<b>+0%</b>

## COMPANY-BY-COMPANY NOTES

**3M:** The high tax rate in 2008 reflects a turnaround of deferred taxes. Restructuring charges were taken in 2008 and 2009. Pretax profits for each year were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2008 and decreased them in 2010 and 2009. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$630.4 million and \$189.3 million, respectively. Excess benefits from stock options reduced federal and state taxes by \$616 million from 2008 to 2015.

**ABM Industries:** The company's fiscal years end in October of the years listed. Excess benefits from stock options reduced federal and state taxes by \$7 million from 2008 to 2015.

**Advance Auto Parts:** Deferred taxes explain most of the company's small tax breaks in each year, driven largely by accelerated depreciation. Excess benefits from stock options reduced federal and state taxes by \$92 million from 2008 to 2015.

**Aetna:** The company's high tax rates in 2015 and 2014 reflect the nondeductible Health Insurers Fee, and the low rate in 2010 is explained by deferred taxes. Excess benefits from stock options reduced federal and state taxes by \$322 million from 2008 to 2015.

**AGL Resources:** The low tax rates in most years are explained by deferred taxes, primarily related to accelerated depreciation. The high rate in 2013 reflects a turnaround of deferred taxes. Excess benefits from stock options reduced federal and state taxes by \$7 million from 2008 to 2015.

**Air Products and Chemicals:** The company's fiscal year ends in September of the year listed. Deferred taxes explain most of the company's tax breaks. The Domestic Production Activities Deduction reduced taxes by \$74 million from 2008 to 2015. Excess benefits from stock options reduced federal and state taxes by \$268 million from 2008 to 2015.

**Airgas:** The company's fiscal years end in March following the years listed. Deferral, primarily due to accelerated depreciation, explains most of the company's tax breaks. The Domestic Production Activities Deduction reduced taxes by \$28 million from 2008 to 2015. Excess benefits from stock

options reduced federal and state taxes by \$133 million from 2008 to 2015.

**Alleghany Corporation:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment.

**Alliance Data Systems:** The high tax rate in 2015 reflects an increase in deferred tax assets. Excess benefits from stock options reduced federal and state taxes by \$131 million from 2008 to 2015.

**Alliant Techsystems:** Reported pretax profits in 2008 and 2014 were adjusted upward for non-cash goodwill impairments. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$71.2 million and \$35.5 million, respectively. Excess benefits from stock options reduced federal and state taxes by \$18.4 million from 2008 to 2015.

**Altria Group:** The high tax rates in 2011 and 2012 reflect a turnaround in deferred tax. The Domestic Production Activities Deduction reduced taxes by \$1.086 billion from 2008 to 2015.

**Amazon:** Reported total current income taxes were adjusted in order to separate federal and state taxes for 2008 through 2011. The Domestic Production Activities Deduction reduced taxes by \$74.6 million from 2013 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$1.217 billion from 2008 to 2015.

**Ameren:** Reported pretax profits in 2012 and 2010 were adjusted upward for a non-cash goodwill impairment. Deferred taxes explain most of the company's tax breaks in each year, driven largely by accelerated depreciation.

**American Electric Power:** Deferred taxes, driven primarily by accelerated depreciation, explain most of the company's low rates.

**American Express:** Income was adjusted to reflect the timing of restructuring charge payments in all eight years. Reported pretax profits in 2015 were adjusted upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$319 million from 2008 to 2015.

**American Financial Group:** The company reports noncontrolling interest income in all eight years. Pretax

income was adjusted to exclude this income. The high tax rates in 2008, 2013 and 2014 are related to deferred tax assets.

**AmerisourceBergen:** Excess tax benefits from stock options reduced federal and state taxes by \$275.6 million from 2008 to 2015.

**Amphenol:** Excess tax benefits from stock options reduced federal and state taxes by \$149.2 million from 2008 to 2015.

**Andersons:** Reported pretax profits in 2015 were adjusted upward for a non-cash impairment of goodwill. The Domestic Production Activities Deduction reduced taxes by \$8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$8.6 million from 2008 to 2015.

**Anixter International:** Excess tax benefits from stock options reduced federal and state taxes by \$34.3 million from 2008 to 2015.

**Anthem:** The company was previously known as Wellpoint. The company recorded restructuring charges in 2011 and 2012. Pretax income was adjusted to reflect the timing of restructuring payments, which had the effect of increasing income in 2011 and 2012 and decreasing income in 2013. Excess tax benefits from stock options reduced federal and state taxes by \$297 million from 2008 to 2015.

**Apollo Group:** The company's fiscal years end in August of the years listed. Income was adjusted to reflect the timing of restructuring charge payments for 2011 through 2015. Excess tax benefits from stock options reduced federal and state taxes by \$50.5 million from 2008 to 2015.

**Archer Daniels Midland:** The company's fiscal years end in June following the years listed for 2008 through 2011. Data for 2012 was for the transition period from June through December, and fiscal years 2013 through 2015 end in December.

**Arrow Electronics:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$33.5 million from 2008 to 2015.

**Asbury Automotive Group:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$20 million from 2008 to 2015.

**AT&T:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options reduced federal and state taxes by \$14.1 million from 2008 to 2015.

**Atmos Energy:** The company's fiscal years end in September of the years listed. Most of the company's tax breaks were due to deferrals related to depreciation.

**Automatic Data Processing:** The company's fiscal years end in June following the years listed. Reported pretax profits in 2012 were adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction reduced taxes by \$165.4 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$180.3 million from 2008 to 2015.

**Autonation:** Reported pretax profits in 2008 were adjusted upward for a non-cash impairment of goodwill and franchise rights. Excess tax benefits from stock options reduced federal and state taxes by \$91.5 million from 2008 to 2015.

**Autozone:** The company's fiscal years end in August of the years listed. Most of the company's tax savings were due to deferred taxes associated with inventory valuation and accelerated depreciation. Excess tax benefits from stock options reduced federal and state taxes by \$277 million from 2008 to 2015.

**Ball:** The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$45 million and \$48 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$100 million from 2008 to 2015.

**BB&T:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. The study adjusted U.S. pretax income by replacing the company's provision for loan losses with actual charges net of recoveries. This had the effect of increasing pretax income in 2010, 2009 and 2008 and decreasing it in 2011 and 2012.

**Bed Bath & Beyond:** The company's fiscal year ends in February following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$67 million from 2008 to 2015.

**Bemis:** The Domestic Production Activities Deduction reduced taxes by \$42 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$9.2 million from 2008 to 2015.

**Best Buy:** The company's fiscal year ends in January following the years listed. Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment. Income was adjusted to reflect the timing of restructuring charge payments from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$24 million from 2008 to 2015.

**Big Lots:** The company's fiscal year ends in January following the years listed. The company's tax rates reflect small savings from deferred taxes, mostly due to accelerated depreciation. The high rate in 2013 reflects a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$36 million from 2008 to 2015. The Work Opportunity Tax Credit and other employment credits reduced federal and state taxes by \$12 million from 2008 to 2015.

**Biogen Idec:** The company reports noncontrolling interest income in most years. Pretax income was adjusted to exclude this income. Income was also adjusted to reflect the timing of restructuring charge payments between 2010 and 2012. The Domestic Production Activities Deduction reduced taxes by \$320.6 million from 2013 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$397.9 million from 2008 to 2015.

**Boeing:** The Domestic Production Activities Deduction reduced taxes by \$330.5 million from 2013 to 2015. The research and experimentation credit reduced taxes by \$1.36 billion from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$604 million from 2008 to 2015.

**C.H. Robinson:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Excess tax benefits from stock options reduced federal and state taxes by \$106 million from 2008 to 2015.

**CA:** The company's fiscal years end in March following the years listed. The high rate in 2008 reflects a turnaround in deferred taxes. The Domestic Production Activities

Deduction reduced taxes by \$133 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$24 million from 2008 to 2015.

**Cablevision Systems:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment charge. The research and experimentation tax credit reduced taxes by \$14.6 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$7.3 million from 2013 to 2015.

**Campbell Soup:** The company's fiscal years end in August of the years listed. The Domestic Production Activities Deduction reduced taxes by \$160.1 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$87 million from 2013 to 2015.

**Capital One:** Reported pretax profits were adjusted for the timing of payments for credit losses. Deferred taxes explain most of the company's low tax rate in 2010, and accumulating deferred tax assets explain the company's high rates in 2008 and 2015.

**Cardinal Health:** The company's fiscal years end in June following the years listed. Reported pretax profits in 2012 were adjusted upward for non-cash goodwill impairments. U.S. taxes on foreign profits were subtracted from reported tax in 2009 through 2012. Excess tax benefits from stock options reduced federal and state taxes by \$68 million from 2013 to 2015.

**CarMax:** The company's fiscal years end in February following the years listed. The high rate in 2008 reflects a turnaround in deferred taxes related to "partnership basis" and "stock compensation." Excess tax benefits from stock options reduced federal and state taxes by \$152 million from 2008 to 2015.

**Casey's General Stores:** The company's fiscal year ends in April following the years listed. Deferral, driven mainly by accelerated depreciation, explains most of the tax breaks in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$12.7 million from 2008 to 2015.

**CBS:** Reported pretax profits in 2008, 2009 and 2015 were adjusted upward for non-cash goodwill and intangible asset impairments. Excess tax benefits from stock options reduced federal and state taxes by \$676.7 from 2008 to 2015.

**Celanese:** Reported total current income taxes were adjusted in order to separate federal and state taxes. The company's income tax note did not distinguish between federal and state taxes, so the study estimated the federal and state share of current U.S. taxes.

**Centene:** Reported pretax profits in 2012 and 2015 were adjusted upward for a non-cash goodwill impairment. The company's high rates in 2008 and 2013 through 2015 are likely driven by a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$69.9 million from 2008 to 2015.

**CenturyLink:** Reported pretax profits in 2013 was adjusted upward for a non-cash goodwill impairment. The company maintains an allowance for doubtful accounts. The study adjusted U.S. and foreign pretax income by replacing the company's provision for doubtful accounts with actual charges net of recoveries. This had the effect of decreasing pretax profits in 2008 and increasing them in all other years. Accelerated depreciation saved the company substantial amounts in 2010 through 2012. Excess tax benefits from stock options reduced federal and state taxes by \$17.2 million from 2008 to 2010.

**CF Industries Holdings:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. The Domestic Production Activities Deduction reduced taxes by \$215.8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$141.7 million from 2008 to 2015.

**Charles Schwab:** Excess tax benefits from stock options reduced federal and state taxes by \$61 million from 2008 to 2010.

**Cigna:** Pretax income was adjusted to reflect the timing of charges for GMDB contracts in all eight years. Income was also adjusted to reflect the timing of restructuring charge payments for all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$111 million from 2008 to 2015.

**Clorox:** Reported pretax profits in 2010 were adjusted upward for a non-cash goodwill impairment charge. The company's fiscal years end in June of the years listed. The Domestic Production Activities Deduction reduced taxes by

\$147.6 from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$150 million from 2008 to 2015.

**CMS Energy:** Accelerated depreciation saved the company substantial amounts in all eight years. The research and experimentation tax credit reduced taxes by \$3.0 and \$9.0 million in 2010 and 2009.

**Coach:** Excess tax benefits from stock options reduced federal and state taxes by \$176.7 million from 2008 to 2015.

**Coca-Cola:** Reported pretax profits in 2008 were adjusted upward for a non-cash impairment charge. Accelerated depreciation saved the company substantial amounts in 2010 and 2009. Income was also adjusted to reflect the timing of restructuring charge payments for 2012 through 2015.

**Cognizant Technology Solutions:** Reported total current income taxes were adjusted in order to separate federal and state taxes. The high tax rate in 2012 reflects a turnaround of deferred tax. Excess tax benefits from stock options reduced federal and state taxes by \$295.8 million from 2008 to 2015.

**Comcast:** The company reports noncontrolling interest income from 2010 to 2015. Pretax income was adjusted to exclude this income. Accelerated depreciation saved the company substantial amounts in most years. Excess tax benefits from stock options reduced federal and state taxes by \$953.1 million from 2008 to 2015.

**Community Health Systems:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options reduced federal and state taxes by \$24 million from 2008 to 2013.

**ConAgra Foods:** Income was adjusted to reflect the timing of restructuring charge payments for 2013 through 2015. Excess tax benefits from stock options reduced federal and state taxes by \$122 million from 2008 to 2015.

**Consol Energy:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Reported pretax profits in 2015 were adjusted upward for a non-cash impairment charge. The Domestic Production Activities Deduction reduced taxes by \$54.4 million from

2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$63.4 million from 2008 to 2015.

**Consolidated Edison:** Accelerated depreciation saved the company substantial amounts in all years. The Domestic Production Activities Deduction reduced taxes by \$15.4 million in 2013.

**Constellation Brands:** The company's fiscal years end in February following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$393 million from 2008 to 2015, and \$203 million in 2015 alone.

**Core-Mark Holding:** Excess tax benefits from stock options reduced federal and state taxes by \$12.9 million from 2008 to 2015.

**Corning:** Deferral explains most of the company's low tax rates.

**Costco Wholesale:** The company's fiscal year ends in August of the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$393 million from 2008 to 2015.

**CSX:** Accelerated depreciation saved the company substantial amounts in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$211 million from 2008 to 2015.

**CVR Energy:** Reported pretax profits in 2008 were adjusted upward for a non-cash impairment charge. The company reports noncontrolling interest income from 2011 to 2015. Pretax income was adjusted to exclude this income. The Domestic Production Activities Deduction reduced taxes by \$63.7 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$2.1 million in 2011.

**CVS Caremark:** Excess tax benefits from stock options reduced federal and state taxes by \$444 million from 2008 to 2015.

**Danaher:** Income was adjusted to reflect the timing of restructuring charge payments in all eight years.

**Darden Restaurants:** The company's fiscal years end in May following the years listed. Unspecified "federal income tax credits" reduced taxes by \$419 million from 2008 to 2015. Deferred taxes, predominantly accelerated depreciation,

explain the remainder of the company's low tax rate in 2009. Excess tax benefits from stock options reduced federal and state taxes by \$138 million from 2008 to 2015.

**DaVita:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Reported pretax profits in 2011 and 2015 were adjusted upward for non-cash impairments of goodwill and other intangible assets. Deferred taxes, predominantly accelerated depreciation, account for most of the company's tax breaks in most years. Excess tax benefits from stock options reduced federal and state taxes by \$213.7 million from 2008 to 2015.

**Deere:** The company's fiscal years end in October of the years listed. Reported pretax profits in 2009, 2010, 2012, 2013 and 2014 were adjusted upward for non-cash goodwill impairments. Wind energy production tax credits reduced taxes by \$30 million, \$26 million, and \$14 million in 2010, 2009 and 2008. The research and experimentation tax credit reduced taxes by \$152 million from 2008 to 2013. Excess tax benefits from stock options reduced federal and state taxes by \$320.8 million from 2008 to 2015.

**Devon Energy:** The study reversed impairments for the carrying value of oil and gas properties and goodwill in 2008, 2009, 2012, 2013, 2014 and 2015. Excess tax benefits from stock options reduced federal and state taxes by \$94 million from 2008 to 2015.

**Dick's Sporting Goods:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment. The company's fiscal years end in January following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$171.7 million from 2008 to 2015.

**Discover Financial Services:** The company's high rate in 2008 reflects a turnaround of deferred federal income taxes.

**Discovery Communications:** The company's high rates in 2009, 2012 and 2014 reflect turnarounds of deferred federal income taxes. The Domestic Production Activities Deduction reduced taxes by \$266.8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$171 million from 2010 to 2015.

**Dish Network:** Reported pretax profits in 2010 November 1, 2011 and 2009 were adjusted for litigation settlements. Deferred taxes reduced the company's tax rate in most years.

**Dollar General:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. The company's fiscal years end in January following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$197.9 million from 2008 to 2015.

**Dollar Tree:** The company's fiscal years end in January following the years listed. The company's high tax rates in 2010 and 2014 reflect turnarounds of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$76.2 million from 2008 to 2015.

**Dominion Resources:** Restructuring charges were taken in 2010. Pretax profits were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2010. The study reversed impairments for the carrying value of oil and gas properties in 2009, 2010 and 2015. Accelerated depreciation saved the company substantial amounts in all eight years. The Domestic Production Activities Deduction reduced taxes by \$20.1, \$54.3 and \$13.1 million in 2010, 2009 and 2008. Excess tax benefits from stock options reduced federal and state taxes by \$36.9 million from 2008 to 2015.

**Domtar:** Reported total current income taxes were adjusted in order to separate federal and state taxes. Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction reduced taxes by \$48 million from 2008 to 2015.

**Dover:** Deferred taxes explain most of the company's low tax rate in 2010. The Domestic Production Activities Deduction reduced taxes by \$136.9 from 2008 to 2015. The research and experimentation tax credit reduced taxes by \$30.1 from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$88.3 million from 2008 to 2015.

**DTE Energy:** Accelerated depreciation saved the company substantial amounts in most years. The Domestic Production Activities Deduction reduced taxes by \$49 million from 2008 to 2013.

**Duke Energy:** The company's results for 2012 were adjusted to include half of the income and tax of Progress Energy, which it acquired midway through the year. Reported pretax profits in 2009 and 2010 were adjusted upward for a non-cash goodwill impairment. Accelerated depreciation

saved the company substantial amounts in most years. The Domestic Production Activities Deduction reduced taxes by \$18.0 million in 2008.

**Dupont:** Deferred taxes explain the negative tax rate in 2010 and the high rate in 2011. Accelerated depreciation is the primary factor in these tax deferrals. Favorable tax settlements reduced Dupont's taxes in 2008, 2010 and 2012. The Domestic Production Activities Deduction reduced taxes by \$183.9 million from 2011 to 2015.

**Eastman Chemical:** The company's low tax rates are due primarily to deferred taxes, mainly accelerated depreciation. General business credits explain most of the low rates in 2008. The Domestic Production Activities Deduction reduced taxes by \$90 million from 2008 to 2015.

**Ecolab:** Reported total current income taxes were adjusted in order to separate federal and state taxes. The Domestic Production Activities Deduction reduced taxes by \$180.9 million from 2008 to 2015. The research and experimentation tax credit reduced taxes by \$45.3 million from 2011 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$246.9 million from 2008 to 2015.

**Eli Lilly:** Reported pretax profits in 2009 and 2008 were adjusted by moving the cost of a litigation settlement to 2009, the year it was paid, from 2008, the year it was booked. Deferral explains the company's low tax rates in 2008 and 2010, and an accumulation of deferred tax assets explains the high rate in 2015.

**Emcor Group:** Reported pretax profits in 2009 and 2010 were adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction reduced taxes by \$30.4 million from 2010 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$30.2 million from 2008 to 2015.

**Emerson Electric:** Reported profits in 2012 and 2011 were adjusted upward for a non-cash goodwill impairment charge. The company's fiscal years end in September of the years listed. A turnaround of deferred taxes explains the company's high tax rate in 2010 and 2012. The Domestic Production Activities Deduction reduced taxes by \$297.2 million from 2008 to 2015.

**Entergy:** Reported pretax profits for 2012, 2013, 2014 and 2015 were adjusted upward for a non-cash asset impairment.

Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Deferred taxes explain their low tax rates in most years, driven mainly by accelerated depreciation.

**Exelon:** Deferred taxes explain most of the company's low rates. Accelerated depreciation saved the company substantial amounts over the eight years. The Domestic Production Activities Deduction reduced taxes by \$227.8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$71 million from 2008 to 2012.

**Express Scripts:** The company maintains an allowance for doubtful accounts. The study adjusted U.S. and foreign pretax income by replacing the company's provision for doubtful accounts with actual charges net of recoveries. This had the effect of decreasing pretax profits in 2010, 2011, 2014 and 2015 and increasing them in all other years. Deferred taxes explain most of the company's tax breaks from 2008 to 2011, and deferred tax assets explain the high rates from 2012 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$382.9 million from 2008 to 2015.

**Exxon Mobil:** Accelerated depreciation saved the company substantial amounts in most years. Excess tax benefits from stock options reduced federal and state taxes by \$1.15 billion from 2008 to 2015.

**Eversource Energy:** The company changed its name from Northeast Utilities in 2015. Accelerated depreciation provided the company with substantial tax savings in each year. Excess tax benefits from stock options reduced federal and state taxes by \$26.7 million from 2008 to 2015.

**Facebook:** The high tax rate in 2015 is explained by an accumulation of deferred tax assets. The research and experimentation tax credit reduced taxes by \$295.2 million from 2010 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$5.78 billion from 2010 to 2015.

**FedEx:** The company's fiscal year ends in May following the years listed. Accelerated depreciation saved the company substantial amounts in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$191 million from 2008 to 2015.

**Fifth Third Bancorp:** The study adjusted U.S. pretax income by replacing the company's provision for loan losses with actual charges net of recoveries. This had the effect of increasing pretax income in 2009 and 2008 and decreasing it in 2010 through 2015. Reported profits in 2008 were adjusted upward for a non-cash goodwill impairment charge.

**First Energy:** Accelerated depreciation saved the company substantial amounts over the eight years. The Domestic Production Activities Deduction reduced taxes by \$26 million from 2008 to 2011.

**Fiserv:** Because the company does not disclose foreign pretax income, the study estimated foreign income based on reported current foreign income taxes. The Domestic Production Activities Deduction reduced taxes by \$109.4 million from 2012 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$69 million from 2008 to 2015.

**Flowerserve:** Excess tax benefits from stock options reduced federal and state taxes by \$66.1 million from 2008 to 2015.

**Franklin Resources:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options reduced federal and state taxes by \$122.5 million from 2008 to 2015.

**Gamestop:** The company's fiscal years end in January following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$77.6 million from 2008 to 2015. The high tax rate in 2012 is explained by an accumulation of deferred tax assets.

**Gap:** The company's fiscal years end in January following the years listed. The company's high tax rate in 2009 reflects a turnaround of deferred taxes related to accelerated depreciation. Excess tax benefits from stock options reduced federal and state taxes by \$190 million from 2008 to 2015.

**General Dynamics:** Reported profits in 2012 were adjusted upward for a non-cash goodwill impairment charge. The Domestic Production Activities Deduction reduced taxes by \$469.5 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$290 million from 2008 to 2015.

**General Electric:** The study adjusted U.S. pretax income by replacing the company's provision for loan losses with actual charges net of recoveries. This had the effect of reducing income in 2010 through 2012 and increasing it 2008, 2009, 2013 and 2014.

**General Mills:** The company's fiscal years end in May following the years listed. Deferred taxes explain much of the low rate the company paid in 2010. The Domestic Production Activities Deduction reduced taxes by \$353 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$713 million from 2008 to 2015. Restructuring charges were taken in most years between 2008 and 2015. Pretax profits for each year were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2008, 2011 and 2014 and decreased them in all other years. Pretax income in 2014 was adjusted upward for a non-cash impairment of intangible assets.

**Genuine Parts:** Because the company did not disclose U.S. and foreign pretax income for 2008 and 2009, the study estimated foreign pretax income based on reported current foreign income taxes. Pretax profits were adjusted for expenses booked but not yet recognized for taxes. This adjustment decreased pretax profits in 2009, 2013 and 2015 and increased pretax profits in all other years. Excess tax benefits from stock options reduced federal and state taxes by \$56.1 million from 2008 to 2015.

**Goldman Sachs Group:** The high tax rates in 2012 and 2013 reflect a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$2.876 billion from 2008 to 2015.

**Graybar Electric:** Deferral, primarily due to accelerated depreciation, explains the company's relatively low tax rate in 2010.

**Group 1 Automotive:** Reported pretax profits in 2008, 2013, 2014 and 2015 were adjusted upward for non-cash impairments of franchise rights. Excess tax benefits from stock options reduced federal and state taxes by \$12 million from 2008 to 2015.

**H&R Block:** The company's fiscal years end in April following the years listed. The study adjusted U.S. pretax income to replace provision for loan losses with actual charges

net of recoveries. The company's low tax rate in 2009 is primarily due to deferred taxes, and the high rates in 2012 and 2014 reflect a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$11.2 million from 2008 to 2012.

**Harley-Davidson:** Restructuring charges were taken in each year between 2008 and 2013. Pretax profits for each year were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2008, 2009 and 2011 and decreased them in 2010, 2012 and 2013. Reported pretax profits in 2009 were also adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$122.9 million and \$36.8 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$58.5 million from 2008 to 2015.

**Harris:** The company's fiscal years end in June or July of the years listed. Reported pretax profits in 2009 and 2015 were adjusted upward for non-cash goodwill impairments. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$136.6 million and \$74.4 million, respectively.

**HCA Holdings:** Because the company does not disclose U.S. and foreign pretax income for 2008 through 2010, the study estimated foreign pretax income based on reported current foreign income taxes. The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. The company maintains an allowance for doubtful accounts. The study adjusted U.S. and foreign pretax income by replacing the company's provision for doubtful accounts with actual charges net of recoveries. This had the effect of decreasing pretax profits in 2010 and 2014 and increasing them in all other years. Excess tax benefits from stock options reduced federal and state taxes by \$833 million from 2008 to 2015.

**Health Net:** Reported pretax profits in 2009 and 2010 were adjusted upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$16.5 million from 2008 to 2015.

**Henry Schein:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options

reduced federal and state taxes by \$69.8 million from 2008 to 2015.

**Hershey:** The company's relatively high tax rates in 2008 through 2010 are driven by a turnaround of deferred taxes. The Domestic Production Activities Deduction reduced taxes by \$189.3 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$181.8 million from 2008 to 2015.

**HollyFrontier:** The company was formerly known as Holly. The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. The Domestic Production Activities Deduction reduced taxes by \$168.6 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$33.2 million from 2008 to 2015.

**Home Depot:** The company's fiscal years end in January following the years listed. The company's high tax rate in 2008 is due to a turnaround of deferred taxes.

**Honeywell International:** Deferred taxes explain most of the company's low tax rates in most years. A turnaround of deferred tax explains the high rate in 2011. Excess tax benefits from stock options reduced federal and state taxes by \$448 million from 2008 to 2015.

**Hormel Foods:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. The company's fiscal years end in October of the years listed. The Domestic Production Activities Deduction reduced taxes by \$136.9 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$116.9 million from 2008 to 2015.

**Humana:** The company's high tax rates in 2010, 2012, 2014 and 2015 are due to turnarounds of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$89.2 million from 2008 to 2015.

**Illinois Tool Works:** Reported pretax profits in 2009 were adjusted upward for a non-cash goodwill impairment. A turnaround of deferred taxes explains the company's high tax rate in 2009, and a turnaround of deferred tax also increases the 2010 rate. The Domestic Production Activities Deduction reduced taxes by \$248.6 million from 2008 to 2015. Excess tax

benefits from stock options reduced federal and state taxes by \$118 million from 2008 to 2015.

**Insight Enterprises:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment charge. Deferred taxes explain the negative tax rate in 2009, and explain most of the company's tax breaks in 2010. Excess tax benefits from stock options reduced federal and state taxes by \$7 million from 2008 to 2015.

**Intel:** A turnaround of deferred taxes explains the company's high tax rate in 2008. Deferred taxes, primarily accelerated depreciation, explain most of the company's tax breaks in 2009. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$2.08 billion and \$1.5 billion, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$613 million from 2008 to 2015.

**International Business Machines (IBM):** Deferred taxes saved the company substantial amounts in most years, in part due to accelerated depreciation tax breaks.

**International Paper:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment charge. Deferred taxes explain the company's negative tax rates in 2010 and 2011. The negative rate in 2013 is explained by a settlement of tax audits. The company's high tax rate in 2008 is due to a turnaround of deferred taxes. Alternative fuel mixture credits reduced taxes by \$133 million in 2009. Cellulosic bio-fuel credits reduced taxes by \$40 million in 2010. The Domestic Production Activities Deduction reduced taxes by \$109 million from 2008 to 2015.

**Interpublic:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Deferred taxes explain most of the company's tax breaks in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$54.6 million from 2010 to 2015.

**J.B. Hunt Transport Services:** Deferred taxes explain most of the company's tax breaks in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$124.3 million from 2008 to 2015.

**J.M. Smucker:** The company's fiscal years end in April following the years listed. The Domestic Production Activities Deduction reduced taxes by \$169 million from 2008 to 2015.

Excess tax benefits from stock options reduced federal and state taxes by \$35.9 million from 2008 to 2015.

**J.P. Morgan Chase & Co.:** The study adjusted U.S. and foreign pretax income by replacing the company's provision for loan losses with actual charges net of recoveries. This had the effect of increasing pretax income in 2009 and 2008 and decreasing it in 2010 through 2015. The negative rate in 2013 is explained by deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$1.86 billion from 2008 to 2015.

**Jacobs Engineering Group:** The company's fiscal years end in October of the years listed. The company's high tax rate in 2010 is due to a turnaround of deferred taxes, driven primarily by accelerated depreciation. Excess tax benefits from stock options reduced federal and state taxes by \$60.1 million from 2008 to 2015.

**Joy Global:** Reported pretax profits in 2013 and 2015 were adjusted upward for non-cash impairments of goodwill and trademarks. The Domestic Production Activities Deduction reduced taxes by \$72.9 million from 2009 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$68.3 million from 2008 to 2015.

**Kellogg:** Restructuring charges were taken in 2013 through 2015. Pretax profits for each year were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2013 and 2014 and decreased them in 2015. The high rates in 2012, 2014 and 2015 are explained by turnarounds of deferred taxes. The Domestic Production Activities Deduction reduced taxes by \$160.8 from 2009 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$90 million from 2008 to 2015.

**Kimberly-Clark:** The high rate in 2015 is explained by a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$212 million from 2008 to 2015.

**Kohl's:** The company's fiscal years end in January following the years listed. The high rates in 2012 and 2015 are explained by turnarounds of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$16 million from 2009 to 2015.

**Kroger:** The company's fiscal years end in January following the years listed. Reported pretax profits in 2009 and 2010 were

adjusted upward for non-cash goodwill impairments. The high rate in 2010 is explained by a turnaround of deferred taxes. The Domestic Production Activities Deduction reduced taxes by \$87.8 from 2011 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$200 million from 2008 to 2015.

**L-3 Communications:** Reported pretax profits in 2015 were adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$126.9 million and \$178.6 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$73 million from 2008 to 2015.

**Laboratory Corp. of America:** The high rate in 2015 is explained by a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$70.4 million from 2008 to 2015.

**Levi Strauss:** The company's fiscal years end in November of the years listed. The company's high tax rate in 2009 is driven by a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$4 million from 2012 to 2015.

**Limited Brands:** The company's fiscal years end in January following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$334.1 million from 2008 to 2015.

**LKQ Corp:** Excess tax benefits from stock options reduced federal and state taxes by \$111.5 million from 2008 to 2015.

**Lockheed Martin:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. More than 75 percent of the company's worldwide sales were to the U.S. government in each year. Accelerated depreciation saved the company substantial amounts in 2008 through 2011. The high tax rates in 2014 and 2015 are explained by deferred tax assets. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$704 million and \$390 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$21.0 and \$92.0 million in 2009 and 2008.

**Loews:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Reported pretax profits in 2008 and 2013 were adjusted upward for non-cash goodwill impairment charges. Reported pretax profits in 2008, 2009, 2012 and 2013 were adjusted for an impairment of natural gas and oil properties. The Domestic Production Activities Deduction reduced taxes by \$11.7 million in 2008. Excess tax benefits from stock options reduced federal and state taxes by \$7 million from 2008 to 2010.

**Lowe's:** The high tax rates in most years are explained by deferred tax assets. Excess tax benefits from stock options reduced federal and state taxes by \$1.0 and \$1.0 million in 2010 and 2008.

**Macy's:** The company's fiscal years end in January following the years listed. Reported pretax profits in 2008 were adjusted for a goodwill impairment. Accelerated depreciation reduced the company's taxes in 2008. Excess tax benefits from stock options reduced federal and state taxes by \$185 million from 2010 to 2015.

**Mastercard:** Reported pretax profits in each of the eight years were adjusted to move the cost of litigation settlements to the years when the money was actually spent. Excess tax benefits from stock options reduced federal and state taxes by \$346 million from 2008 to 2015.

**McDonalds:** Excess tax benefits from stock options reduced federal and state taxes by \$795.8 million from 2008 to 2015.

**McKesson:** The company's fiscal years end in March following the years listed. Pretax income was adjusted to reflect the timing of charges for litigation settlements.

**MDU Resources:** Reported pretax profits in 2012, 2009, and 2008 were adjusted for an impairment of natural gas and oil properties. The Domestic Production Activities Deduction reduced taxes by \$10 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$12.2 million from 2008 to 2015.

**Merck:** The company recorded restructuring charges in 2010, 2009 and 2008. The study adjusted U.S. pretax profits for the current effect of those charges, which increased reported U.S. profits in 2008 through 2011 and reduced them in 2012. Deferred taxes explain most of the company's tax breaks in 2009 and 2008.

**Molina Healthcare:** Reported pretax profits in 2011 were adjusted upward for a non-cash goodwill impairment charge. Excess tax benefits from stock options reduced federal and state taxes by \$18.3 million from 2008 to 2015.

**Monsanto:** The company's fiscal years end in August of the years listed. The company recorded restructuring charges in 2009, 2010 and 2015. The study adjusted U.S. pretax profits for the current effect of those charges, which increased reported U.S. profits in 2009 and 2015, and reduced them in 2010 through 2012. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$414 million and \$182 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$557 million from 2008 to 2015.

**Mosaic:** The company's fiscal years end in May following the years listed from 2008 to 2012. The data for 2013 represents the transition period from June through December, and the company's 2014 and 2015 fiscal years end in December. Excess tax benefits from stock options reduced federal and state taxes by \$23 million from 2008 to 2010. Percentage depletion reduces the company's taxes in each year.

**Netflix:** The high tax rate in 2012 is explained by deferred tax assets. The research and experimentation tax credit reduced taxes by \$80.2 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$381.9 million from 2008 to 2015. The negative rates in 2013 and 2015 are explained by these excess tax benefits from stock options.

**NextEra Energy:** Deferred tax benefits explain most of the company's tax benefits.

**Nike:** The company's fiscal years end in May following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$965.1 million from 2008 to 2015.

**NiSource:** Accelerated depreciation saved the company substantial amounts in most years. The Domestic Production Activities Deduction reduced taxes by \$1.2 and \$1.8 million in 2009 and 2008.

**Nordstrom:** The company's fiscal years end in January following the years listed. The high tax rates in 2008 and 2009 are explained by deferred tax assets. Excess tax benefits from

stock options reduced federal and state taxes by \$133 million from 2008 to 2015.

**Norfolk Southern:** Accelerated depreciation provided the company with substantial tax savings in each year. Excess tax benefits from stock options reduced federal and state taxes by \$300 million from 2008 to 2015.

**Northrop Grumman:** Reported pretax profits in 2008 were adjusted upward for a non-cash goodwill impairment charge. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$293 million and \$261 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$361 million from 2008 to 2015.

**NVR:** Excess tax benefits from stock options reduced federal and state taxes by \$271 million from 2008 to 2015.

**Omnicom Group:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options reduced federal and state taxes by \$267.8 million from 2008 to 2015.

**Oneok:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Reported pretax income in 2012 was adjusted upward for a non-cash goodwill impairment. Deferred taxes explain most of the company's tax breaks in all eight years. Excess tax benefits from stock options reduced federal and state taxes by \$21 million from 2011 to 2013.

**Oracle:** The company's fiscal years end in May following the years listed. The Domestic Production Activities Deduction reduced taxes by \$1.233 billion from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$1.475 billion from 2008 to 2015.

**O'Reilly Automotive:** Excess tax benefits from stock options reduced federal and state taxes by \$235.6 million from 2008 to 2015.

**Owens & Minor:** Excess tax benefits from stock options reduced federal and state taxes by \$13.7 million from 2008 to 2015.

**Paccar:** The high tax rate in 2014 is explained by a turnaround of deferred taxes. The Domestic Production Activities Deduction reduced taxes by \$108.3 million from

2012 to 2015. The research and experimentation tax credit reduced taxes by \$17.4 million from 2008 to 2011. Excess tax benefits from stock options reduced federal and state taxes by \$7.1 and \$3.8 million in 2009 and 2008.

**Packaging Corp. of America:** The Domestic Production Activities Deduction reduced taxes by \$77.8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$33.4 million from 2008 to 2015.

**Parker Hannifin:** The company's fiscal years end in June of the years listed. Reported pretax income was adjusted upward in 2013 for a non-cash goodwill impairment. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$105.2 million and \$95.9 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$210.7 million from 2008 to 2015.

**Pepco Holdings:** Accelerated depreciation provided the company with substantial tax savings in most years. The company recorded restructuring charges in 2010. The study adjusted U.S. pretax profits for the current effect of those charges, which increased reported U.S. profits in 2010 and decreased profits in 2011.

**Pepsico:** Excess tax benefits from stock options reduced federal and state taxes by \$814 million from 2008 to 2015.

**PG&E Corp:** Accelerated depreciation saved the company substantial amounts in all eight years.

**Pitney Bowes:** The company recorded restructuring charges in all eight years. The study adjusted U.S. pretax profits for the current effect of those charges, which increased reported U.S. profits in 2008, 2010, 2011 and 2014 and decreased them in 2009, 2012, 2013 and 2015.

**PNC Financial Services Group:** The study adjusted U.S. and foreign pretax income to replace provision for loan losses with actual charges net of recoveries. Pretax income in 2012 was adjusted upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$114 million from 2008 to 2015.

**Polo Ralph Lauren:** The company's fiscal years end in March following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$212.7 million from 2008 to 2015.

**PPG Industries:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income.

**PPL:** Accelerated depreciation saved the company substantial amounts in most years. The Domestic Production Activities Deduction reduced taxes by \$31 million from 2008 to 2010.

**Praxair:** Excess tax benefits from stock options reduced federal and state taxes by \$337 million from 2008 to 2015.

**Precision Castparts:** For 2008 to 2014, the company's fiscal years end in March following the years listed. The numbers for 2015 are for the transition period from April 2015 through January 2016. The Domestic Production Activities Deduction reduced taxes by \$302.7 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$169.8 million from 2008 to 2015.

**Priceline.com:** Excess tax benefits from stock options reduced federal and state taxes by \$181.1 million from 2008 to 2015.

**Principal Financial:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Excess tax benefits from stock options reduced federal and state taxes by \$52.6 million from 2008 to 2015.

**Procter & Gamble:** The company's fiscal years end in June following the years listed. Reported pretax profits in 2012 and 2011 were adjusted upward for a non-cash goodwill impairment.

**Public Service Enterprise Group:** The Domestic Production Activities Deduction reduced taxes by \$103 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$11 million from 2008 to 2015.

**Publix Super Markets:** The company enjoyed small deferred tax benefits, primarily from accelerated depreciation, in 2009 through 2011 and in 2015.

**Qualcomm:** The high tax rate in 2010 is explained by deferred tax assets. The research and experimentation tax credit reduced taxes by \$440 million from 2012 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$1.497 billion from 2008 to 2015.

**Quanta Services:** The company reports noncontrolling interest income in 2009 through 2015. Pretax income was adjusted to exclude this income. Reported pretax income in 2015 was adjusted upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction reduced taxes by \$43.8 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$10.5 million from 2008 to 2015.

**Quest Diagnostics:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Deferred taxes reduced the company's tax rate slightly in most years. Excess tax benefits from stock options reduced federal and state taxes by \$26.3 million from 2008 to 2015.

**R.R. Donnelley & Sons:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Income was adjusted to reflect the timing of restructuring charge payments in all eight years. The study adjusted reported pretax income upward for non-cash goodwill impairment charges in each year from 2008 through 2012 and in 2014. A turnaround of deferred taxes explains the high rate in 2009. The Domestic Production Activities Deduction reduced taxes by \$38.2 million from 2009 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$2.3 million from 2008 to 2015.

**Raytheon:** The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$406.4 million and \$221.1 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$224 million from 2008 to 2015.

**Reinsurance Group of America:** Deferred taxes explain the company's low rates in most years. The high rate in 2009 is explained by a turnaround of deferred taxes. Excess tax benefits from stock options reduced federal and state taxes by \$12.6 million from 2008 to 2015.

**Reliance Steel & Aluminum:** Because the company does not disclose U.S. and foreign pretax income for 2008, the study estimated foreign pretax income in that year based on reported current foreign income taxes. The Domestic Production Activities Deduction reduced taxes by \$48 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$15.7 million from 2008 to

2015. Pretax income in 2013 and 2015 was adjusted upward for non-cash impairments of indefinite-lived intangible assets.

**Reynolds American:** Reported pretax profits in 2008 through 2013 were adjusted upward for non-cash impairments of goodwill and trademarks. Income was adjusted to reflect the timing of restructuring charge payments in all eight years. The Domestic Production Activities Deduction reduced taxes by \$495 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$89 million from 2008 to 2015.

**Rockwell Automation:** The company's fiscal years end in September of the years listed. The Domestic Production Activities Deduction reduced taxes by \$63 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$154 million from 2008 to 2015.

**Rockwell Collins:** The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$120.2 million and \$192.8 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$71 million from 2008 to 2015.

**Ross Stores:** Excess tax benefits from stock options reduced federal and state taxes by \$173.9 million from 2008 to 2015.

**Ryder System:** Accelerated depreciation explains most of the company's tax breaks in most years. Excess tax benefits from stock options reduced federal and state taxes by \$13.7 million from 2008 to 2015.

**SAIC:** The company's fiscal years end in January following the years listed. The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$22 million and \$42 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$116 million from 2008 to 2015.

**Scana:** Deferred taxes, primarily accelerated depreciation, explain the low rates in most years. The Domestic Production Activities Deduction reduced taxes by \$56 million from 2008 to 2015.

**Sempra Energy:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. Deferred taxes, primarily accelerated

depreciation, explain the low rates in most years. Excess tax benefits from stock options reduced federal and state taxes by \$52 million in 2015.

**Sherwin-Williams:** The Domestic Production Activities Deduction reduced taxes by \$158.9 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$362.9 from 2008 to 2015.

**Sonic Automotive:** Reported pretax profits in 2008 were adjusted for a goodwill impairment.

**Southern:** The company's low rates primarily reflects deferred taxes. Accelerated depreciation saved the company substantial amounts in all eight years. The Domestic Production Activities Deduction reduced taxes by \$18.2 and \$10.9 million in 2009 and 2008.

**Southwest Airlines:** The company's low rates in most years primarily reflect deferred taxes. Accelerated depreciation was the most common source of deferred tax savings in each year. The high rate in 2015 is explained by a turnaround of deferred taxes.

**Spartan Nash:** The Domestic Production Activities Deduction reduced taxes by \$0.8 million from 2011 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$5.4 million from 2008 to 2015.

**Spectra Energy:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. The company's low rates primarily reflect deferred taxes. Accelerated depreciation was the most important source of deferred tax savings in most years. The Domestic Production Activities Deduction reduced taxes by \$25 million from 2008 to 2012.

**Staples:** The company's fiscal years end in January following the years listed. The company's high tax rate in 2009 reflects a turnaround of deferred taxes, mostly related to accelerated depreciation. Excess tax benefits from stock options reduced federal and state taxes by \$24 million from 2008 to 2015.

**State Street:** The company's high tax rate in 2008 reflects a turnaround of deferred taxes, mostly related to accelerated depreciation. Deferred taxes were primarily responsible for the company's low rate in 2009. Excess tax benefits from stock options reduced federal and state taxes by \$186 million from 2012 to 2015.

**Synnex:** The company's fiscal year ends in November of the years listed. A turnaround of deferred taxes explains the company's high tax rate in 2008. Excess tax benefits from stock options reduced federal and state taxes by \$44 million from 2008 to 2015.

**Target:** The company's fiscal years end in February following the years listed. Deferred taxes, primarily accelerated depreciation, explains virtually all of Target's tax breaks from 2008 to 2012.

**Tech Data:** The company's fiscal years end in January following the years listed. Excess tax benefits from stock options reduced federal and state taxes by \$11.4 million from 2008 to 2015.

**Texas Instruments:** The Domestic Production Activities Deduction and the research and experimentation tax credit reduced taxes from 2008 to 2015 by \$477 million and \$459 million, respectively. Excess tax benefits from stock options reduced federal and state taxes by \$365 million from 2008 to 2015.

**Thermo Fisher Scientific:** The Domestic Production Activities Deduction reduced taxes by \$236.5 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$243.8 million from 2008 to 2015.

**Time Warner:** The company recorded restructuring charges in all eight years, and the study made adjustments to pretax income each year to reflect the timing of payments. The study also adjusted 2008 income upward for a non-cash goodwill impairment. The Domestic Production Activities Deduction reduced taxes by \$848 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$625 million from 2008 to 2015.

**Time Warner Cable:** The study adjusted 2008 income upward for a non-cash goodwill impairment. Excess tax benefits from stock options reduced federal and state taxes by \$474 million from 2008 to 2015.

**TJX:** The company's fiscal years end in January following the years listed. The company reduced its tax rate by deferring taxes in each year. Excess tax benefits from stock options reduced federal and state taxes by \$415.4 million from 2008 to 2015.

**Tractor Supply Company:** Excess tax benefits from stock options reduced federal and state taxes by \$147.9 million from 2008 to 2015.

**Travelers Cos.:** Because the company did not disclose U.S. and foreign pretax income for 2008, the study estimated foreign pretax income based on reported current foreign income taxes. Excess tax benefits from stock options reduced federal and state taxes by \$243.5 million from 2008 to 2015.

**Tutor Perini:** The study adjusted 2012 and 2008 income upward for non-cash impairments of goodwill and other intangible assets. The Domestic Production Activities Deduction reduced taxes by \$14.9 million from 2011 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$2.9 million from 2008 to 2015.

**Twenty-First Century Fox:** The company was formerly known as News Corporation. Reported profits in 2008 and 2011 were adjusted upward for non-cash goodwill impairment charges. The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. The Domestic Production Activities Deduction reduced taxes by \$372.7 million from 2012 to 2015.

**U.S. Bancorp:** Pretax income was adjusted in each year by replacing the company's non-cash "provision for credit losses" with actual "charge-offs, net of recoveries." This adjustment increased pretax income in 2008 through 2010, and reduced income in 2011 through 2015. The company reports noncontrolling interest income in each year. Pretax income was adjusted to exclude this income/loss. The Company has investments in Variable Interest Entities (VIEs) that generate low-income housing tax credits and rehabilitation tax credits. As stated in its tax footnote, "the Company's investments in these entities are designed to generate a return primarily through the realization of federal and state income tax credits over specified time periods." The company realized federal and state income tax credits related to these investments of \$8.774 billion from 2008 to 2015.

**UGI:** Most of the company's tax breaks come through tax savings from accelerated depreciation and book/tax differences in regulatory assets. The company reports a noncontrolling interest loss in 2012 and noncontrolling interest income in all other years. Pretax income was adjusted to exclude this income/loss. Excess tax benefits from stock

options reduced federal and state taxes by \$46.3 million from 2008 to 2015.

**Union Pacific:** Accelerated depreciation accounts for much of the company's tax breaks. Excess tax benefits from stock options reduced federal and state taxes by \$554 million from 2008 to 2015.

**United Natural Foods:** Excess tax benefits from stock options reduced federal and state taxes by \$13.9 million from 2008 to 2015.

**United Parcel Service:** Pretax income in 2012 was adjusted upwards for a mark-to-market charge. Accelerated depreciation saved the company substantial amounts from 2008 to 2012. Excess tax benefits from stock options reduced federal and state taxes by \$18 million from 2008 to 2012.

**United Stationers:** Pretax profits for 2010 and 2011 were adjusted for the actual utilization of the company's restructuring reserves, which increased pretax profits in 2010 and decreased them in 2011. Pretax income in 2015 was adjusted upward for non-cash impairments of goodwill and other intangible assets. Excess tax benefits from stock options reduced federal and state taxes by \$19.4 million from 2008 to 2015.

**United Technologies:** Excess tax benefits from stock options reduced federal and state taxes by \$606 million from 2008 to 2015.

**UnitedHealth Group:** Pretax income for 2010 was adjusted upward for a non-cash goodwill impairment charge. Excess tax benefits from stock options reduced federal and state taxes by \$127.1 million from 2008 to 2010.

**Unum:** Pretax income was adjusted for claim reserves in each of the eight years. This increased pretax income in 2009 through 2012 and reduced it in 2008 and 2013 through 2015.

**Verizon Communications:** The company reports noncontrolling interest income in all eight years. Pretax income was adjusted to exclude this income. From 2010 to 2015, we disregarded non-cash charges that Verizon booked to reflect reduced assumptions about the future return on its pension and other retirement plans. Verizon itself disregards these non-cash charges in its Consolidated Adjusted EBITDA presentation, because they distort its real financial results. In its 2010 report, the company changed its accounting method for

pensions, and retroactively restated its pretax profits for 2009 and 2008. The restatement had little effect for 2009. For 2008, our report uses the profits actually reported in the company's 2008 report. Accelerated depreciation and amortization comprised most of the company's tax subsidies. In 2008 and again in 2010, the company divested substantial assets using a technique known as a "reverse Morris trust" transaction, saving an estimated \$1.5 billion in federal and state income taxes.

**VF:** Pretax income for 2009, 2010, 2014 and 2015 was adjusted upward for non-cash impairments of goodwill and other intangible assets. The relatively high tax rate in 2010 compared to the prior two years is explained by the turnaround of amortization deductions, the accrual of compensation not yet deductible, and an increase in net operating losses not yet utilized. Excess tax benefits from stock options reduced federal and state taxes by \$287.4 million from 2008 to 2015.

**Viacom:** The company's fiscal years end in September of the years listed. Before 2010, the fiscal years ended in December, so fiscal year 2010 has only 9 months for Viacom. The company's comparatively high tax rates in 2010 and 2014 reflect a turnaround of deferred taxes related to accelerated depreciation. The Domestic Production Activities Deduction reduced taxes by \$595 million from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$274 million from 2011 to 2015.

**Visa:** Pretax income was adjusted in all eight years to reflect the timing of payments related to litigation charges. The Domestic Production Activities Deduction reduced taxes by \$264 million in 2014, \$191 million of which was related to prior fiscal years. Excess tax benefits from stock options reduced federal and state taxes by \$358 million from 2009 to 2015.

**W.R. Berkley:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Reported total current income taxes were adjusted in order to separate federal and state taxes. The lower rate in 2010 was primarily a result of unrealized investment gains that were recorded for book purposes but are not yet taxable and the deductibility of loss reserves that were recorded as book expenses in prior years.

**W.W. Grainger:** Excess tax benefits from stock options reduced federal and state taxes by \$289.5 million from 2008 to 2015.

**Walgreens:** The company's fiscal years end in August of the years listed. Accelerated depreciation and book/tax differences in accounting for inventory significantly reduced the company's rate in 2009.

**Wal-Mart:** The company's fiscal years end in January following the years listed. Accelerated depreciation saved the company substantial amounts in 2008 through 2011.

**Walt Disney:** The company's fiscal years end in October of the years listed. The Domestic Production Activities Deduction reduced taxes by \$1.481 billion from 2008 to 2015. Excess tax benefits from stock options reduced federal and state taxes by \$1.145 billion from 2008 to 2015.

**Waste Management:** Reported pretax income was adjusted upward in 2013 through 2015 for non-cash impairments to goodwill and the carrying value of oil and gas properties. The company's biggest tax subsidy is related to the accelerated depreciation of property, plant, and equipment. Excess tax benefits from stock options reduced federal and state taxes by \$69 million from 2008 to 2015.

**WEC Energy Group:** The company was formerly known as Wisconsin Energy. Accelerated depreciation saved the company substantial amounts in all eight years. The Domestic Production Activities Deduction reduced taxes by \$54 million from 2008 to 2012.

**Wells Fargo:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Pretax income was adjusted by replacing the company's non-cash "provision for loan losses" with actual "charge-offs, net of recoveries." This adjustment reduced pretax profits in 2010 through 2015 and increased them in 2008 and 2009. Accelerated depreciation saved the company significant amounts between 2008 and 2012. Excess tax benefits from stock options reduced federal and state taxes by \$1.72 billion from 2008 to 2015.

**Wesco International:** The Domestic Production Activities Deduction reduced taxes by \$5 million from 2008 to 2012. Excess tax benefits from stock options reduced federal and state taxes by \$42.3 million from 2008 to 2015.

**Westrock:** The company's fiscal years end in September of the years listed. Westrock is the product of a 2015 merger between Meadwestvaco and Rock-Tenn. Accelerated depreciation explains most of the company's low tax rates. The Domestic Production Activities Deduction reduced taxes by \$20 million and \$3 million in 2015 and 2014. Excess tax benefits from stock options reduced federal and state taxes by \$66 million from 2008 to 2015.

**Whole Foods Market:** Because the company does not disclose U.S. and foreign pretax income, the study estimated foreign pretax income based on reported current foreign income taxes. Excess tax benefits from stock options reduced federal and state taxes by \$138.8 million from 2008 to 2015.

**Williams:** The company reports noncontrolling interest income from 2008 to 2014 and a noncontrolling interest loss in 2015. Pretax income was adjusted to exclude this income/loss. Reported pretax profits in 2010 and 2015 were adjusted upward for noncash goodwill impairment charges. The study also reversed non-cash impairments for the carrying value of oil and gas properties in 2008, 2009 and 2010.

**Windstream:** The company's low tax rate in most years is almost entirely driven by the accelerated depreciation write-offs they enjoy on their property, plant, and equipment. The research and experimentation tax credit reduced taxes by \$18.9 million from 2013 to 2015. From 2011 to 2015, we disregarded non-cash charges that the company booked to reflect reduced assumptions about the future return on its pension and other retirement plans.

**Wyndham Worldwide:** Pretax income for 2008 was adjusted upward for non-cash goodwill impairment charges. The study adjusted U.S. pretax income by replacing the company's provision for loan losses with actual charges net of recoveries. Excess tax benefits from stock options reduced federal and state taxes by \$131 million from 2008 to 2015.

**Xcel Energy:** The company's low tax rates are almost entirely driven by the accelerated depreciation write-offs they enjoy on their property, plant, and equipment.

**Yum Brands:** Pretax income for 2009 was adjusted upward for non-cash goodwill impairment charges. Excess tax benefits from stock options reduced federal and state taxes by \$472 million from 2008 to 2015.