



## FACT Sheet

### Offshore Tax Haven Abuse by the Numbers

**Up to \$180 billion:** The amount that the U.S. loses in tax revenue to offshore tax haven abuse each year.

- **\$111 billion:** Lost U.S. revenue from profit shifting by multinational corporations annually.<sup>i</sup>
- **\$40-70 billion:** Lost U.S. revenue to tax evasion by wealthy individuals annually.<sup>ii</sup>

**\$2.5 trillion:** The amount of untaxed profits held offshore by the largest 500 U.S. companies.<sup>iii</sup>

**\$718 billion:** The U.S. taxes owed by these companies on the \$2.4 trillion stashed offshore.<sup>iv</sup>

**\$7.6 trillion:** The lower-end estimate for the hidden wealth stashed in offshore tax havens—equivalent to 8% of the global financial assets of households.<sup>v</sup>

**\$1.1 trillion:** Amount of illicit financial outflows (enabled by tax haven secrecy) from developing and emerging economies in just 2013.<sup>vi</sup>

**\$7.8 trillion:** The amount of illicit outflows from developing and emerging economies over the decade from 2004–2013.<sup>vii</sup>

**367:** Number of Fortune 500 companies that use offshore tax havens—including the big banks taxpayers bailed out in 2008.<sup>viii</sup>

**2,342:** Offshore subsidiaries in tax havens for Bank of America, Citigroup, JPMorgan-Chase, Goldman Sachs, Wells Fargo and Morgan Stanley combined.<sup>ix</sup>

**18,857:** Registered businesses at one address in the Cayman Islands.<sup>x</sup>

**285,000:** Companies housed at 1209 N. Orange Street in Wilmington, Delaware.<sup>xi</sup>

**85%:** Fortune 500 companies reported having at least one subsidiary in Delaware in 2014. In total, these companies reported more than 19,000 Delaware subsidiaries.<sup>xii</sup>

**4.7%:** Next highest percentage of subsidiaries incorporated in any other state.<sup>xiii</sup>

**30%:** Corporate share of the U.S.'s tax receipts in the mid-1950s.<sup>xiv</sup>

**6.6%:** Corporate share of the nation's tax receipts in 2009.<sup>xv</sup>

**\$675 billion** – Amount of money Sub-Saharan Africa lost to trade mispricing and other illicit financial flows from 2004–2013.<sup>xvi</sup>

**6.1%** – Percent of GDP that Sub-Saharan Africa loses in illicit outflows each year—higher than any other region in the world.<sup>xvii</sup>

<sup>i</sup> Clausing, Kimberly A., *The Effect of Profit Shifting on the Corporate Tax Base in the United States and Beyond* (November 7, 2015). Available at SSRN: <http://ssrn.com/abstract=2685442>.

<sup>ii</sup> Guttentag, Joseph, and Reuven Avi-Yonah, "Closing the International Tax Gap," in Max B. Sawicky, ed., *Bridging the Tax Gap: Addressing the Crisis in Federal Tax Administration* (2006), (Available at [http://repository.law.umich.edu/cgi/viewcontent.cgi?article=1069&context=book\\_chapters](http://repository.law.umich.edu/cgi/viewcontent.cgi?article=1069&context=book_chapters)).

<sup>iii</sup> Phillips, Richard, Matt Gardner, Kayla Kitson, Alexandria Robins, and Michelle Surka. "Offshore Shell Games 2016: The Use of Offshore Tax Havens by Fortune 500 Companies." Washington, DC: *Citizens for Tax Justice, Institute on Taxation and Economic Policy, and U.S. PIRG Education Fund*, October 2016 (accessible at <http://ctj.org/pdf/offshoreshellgames2016.pdf>).

<sup>iv</sup> Ibid.

<sup>v</sup> Zucman, Gabriel. "The Hidden Wealth of Nations: The Scourge of Tax Havens". Chicago, IL: *University Of Chicago Press*, September 22, 2015 (accessible at <http://www.press.uchicago.edu/ucp/books/book/chicago/H/bo20159822.htm>).

<sup>vi</sup> Kar, Dev, and Joseph Spanjers. "Illicit Financial Flows from Developing Countries: 2004-2013." Washington, DC: *Global Financial Integrity*. December

8, 2015 (accessible at [http://www.gfintegrity.org/wp-content/uploads/2015/12/IFF-Update\\_2015-Final-1.pdf](http://www.gfintegrity.org/wp-content/uploads/2015/12/IFF-Update_2015-Final-1.pdf)).

<sup>vii</sup> Id.

<sup>viii</sup> Phillips, Gardner, Kitson, Robins, and Surka.

<sup>ix</sup> Id.

<sup>x</sup> *Government Accountability Office*. "International Taxation: Large U.S. Corporations and Federal Contractors with Subsidiaries in Jurisdictions Listed as Tax Havens or Financial Secrecy Jurisdictions." Washington, DC: December 2008 (accessible at <http://www.gao.gov/highlights/d08778high.pdf>).

<sup>xi</sup> Phillips, Richard. "Delaware: An Onshore Tax Haven." Washington, DC: *Institute on Taxation and Economic Policy*, December 2015 (accessible at [http://itep.org/itep\\_reports/2015/12/delaware-an-onshore-tax-haven.php](http://itep.org/itep_reports/2015/12/delaware-an-onshore-tax-haven.php)).

<sup>xii</sup> Id.

<sup>xiii</sup> Id.

<sup>xiv</sup> Kocieniewski, David. "G.E.'s Strategies Let It Avoid Taxes Altogether." *New York Times*. 24 March 2011

[http://www.nytimes.com/2011/03/25/business/economy/25tax.html?\\_r=3](http://www.nytimes.com/2011/03/25/business/economy/25tax.html?_r=3)

<sup>xv</sup> Id.

<sup>xvi</sup> Kar and Spanjers.

<sup>xvii</sup> Id.