



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.ⁱ
- **\$40-70 billion:** Lost U.S. revenue to tax evasion by wealthy individuals annually.ⁱⁱ

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

\$718 billion: The U.S. taxes owed by these companies on the \$2.4 trillion stashed offshore.^{iv}

\$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.^v

\$1.1 trillion: Amount of illicit financial outflows (enabled by tax haven secrecy) from developing and emerging economies in just 2013.^{vi}

\$7.8 trillion: The amount of illicit outflows from developing and emerging economies over the decade from 2004–2013.^{vii}

367: Number of Fortune 500 companies that use offshore tax havens—including the big banks taxpayers bailed out in 2008.^{viii}

2,342: Offshore subsidiaries in tax havens for Bank of America, Citigroup, JPMorgan-Chase, Goldman Sachs, Wells Fargo and Morgan Stanley combined.^{ix}

18,857: Registered businesses at one address in the Cayman Islands.^x

285,000: Companies housed at 1209 N. Orange Street in Wilmington, Delaware.^{xi}

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.^{xii}

4.7%: Next highest percentage of subsidiaries incorporated in any other state.^{xiii}

30%: Corporate share of the U.S.'s tax receipts in the mid-1950s.^{xiv}

6.6%: Corporate share of the nation's tax receipts in 2009.^{xv}

\$675 billion – Amount of money Sub-Saharan Africa lost to trade mispricing and other illicit financial flows from 2004–2013.^{xvi}

6.1% – Percent of GDP that Sub-Saharan Africa loses in illicit outflows each year—higher than any other region in the world.^{xvii}

ⁱ 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>.

ⁱⁱ 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).

ⁱⁱⁱ 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>).

^{iv} Ibid.

^v 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>).

^{vi} 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).

^{vii} Id.

^{viii} Phillips, Gardner, Kitson, Robins, and Surka.

^{ix} Id.

^x *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>).

^{xi} 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).

^{xii} Id.

^{xiii} Id.

^{xiv} 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

^{xv} Id.

^{xvi} Kar and Spanjers.

^{xvii} Id.