



FACTCOALITION
Financial Accountability & Corporate Transparency

FACT Sheet: Tax Haven Abuse by the Numbers

- **\$150 billion:** The amount that the U.S. loses in tax revenue due to offshore tax abuse every year¹
- **\$1 trillion:** the amount of unrepatriated foreign profits sitting offshore²
- **\$810 billion:** The average outflow of illicit money from developing countries per year between 2000-2008 as estimated by Global Financial Integrity³
- **18,857:** The number of registered businesses at one address in the Cayman Islands⁴
- **217,000:** The number of companies housed at 1209 Orange Street in Wilmington, Delaware⁵
- **759:** Number of offshore subsidiaries in tax havens for Citigroup, Bank of America, and Morgan Stanley combined⁶
- **83:** number of the 100 largest U.S. companies that use offshore tax havens - including the big banks taxpayers bailed out in 2008⁷
- **\$57.2 billion** – Amount of money Egypt lost to trade mispricing and other forms of commercial crime between 2000 and 2008⁸
- **\$2:** Daily earnings for at least one third of Egyptians⁹
- **30%:** Corporate share of the nation's tax receipts in the mid 1950s¹⁰
- **6.6%:** Corporate share of the nation's tax receipts in 2009¹¹
- **64%:** Publicly traded U.S. parent companies incorporated in Delaware¹²
- **51%:** Publicly traded U.S. subsidiaries incorporated in Delaware¹³
- **6.2%:** Next highest percentage of subsidiaries incorporated in any other state¹⁴

¹ This \$150 billion estimate is derived from studies conducted by a variety of tax experts. See, e.g., Joseph Guttentag 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) (estimating offshore tax evasion by individuals at \$40-\$70

billion annually in lost U.S. tax revenues); Clausing, Kimberly A., *The Revenue Effects of Multinational Firm Income Shifting*. This article updates Clausing's prior work on the U.S. government revenue costs resulting from income shifting by multinational corporations. Extending the analysis to 2008, the author finds that the revenue costs of income-shifting practices have increased in recent years along with the rise in corporate profits of foreign affiliates of U.S. firms (estimating \$90 billion annually lost in U.S. tax revenues).

² Drucker, Jesse. "Tax Holiday for \$1 Trillion May Lure Back Profits Without Growth." Bloomberg. 17 March 2011 <http://www.bloomberg.com/news/2011-03-17/tax-holiday-for-1-trillion-may-lure-profits-without-spurring-u-s-growth.html>

³ Kar, Dev and Curcio, Karly. *Illicit Financial Flows from Developing Countries 2000-2009*. Jan 2011

⁴ Government Accountability Office, *International Taxation: Large U.S. Corporations and Federal Contractors with Subsidiaries In Jurisdictions Listed as Tax Havens or Financial Secrecy Jurisdictions*, Dec 2008. <http://www.gao.gov/highlights/d08778high.pdf>

⁵ Shaxson, Nicholas. (2011) *Treasure Islands: Tax Havens and The Men Who Stole the World* (p.143). London: The Bodley Head

⁶ Government Accountability Office, *International Taxation: Large U.S. Corporations and Federal Contractors with Subsidiaries In Jurisdictions Listed as Tax Havens or Financial Secrecy Jurisdictions*, Dec 2008. <http://www.gao.gov/highlights/d08778high.pdf>

⁷ Id.

⁸ Kar, Dev and Curcio, Karly. *Illicit Financial Flows from Developing Countries 2000-2009*. Jan 2011

⁹ Bronner, Eithan. "Mubarak Denies Corruption and Defends His Legacy." New York Times. 11 April 2011 <http://www.nytimes.com/2011/04/11/world/middleeast/11egypt.html?scp=1&sq=Egypt%20%242&st=cse>

¹⁰ 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

¹¹ Id.

¹² Dyreng, Scott, Lindsey, Bradley P. and Thornock, Jacob R., *Exploring the Role Delaware Plays as a Domestic Tax Haven* 28 April 2011 <http://ssrn.com/abstract=1737937>

¹³ Id.

¹⁴ Id.