

# ATF & ATFAF 2013-2014 REPORT & ACCOMPLISHMENTS

Activities Primarily Covered: July 1, 2013 – July 31, 2014

(Note: field activities covered April 1 – Dec. 31, 2013; digital activities through Sept. 9, 2014)

*This report is based on information provided in grant reports to the Ford Foundation and the Stoneman Foundation and to a significant degree follows their formats.*

## I. Summary of 2013-2014 Goals and Accomplishments

*Below are goals that were stated in the grant proposals (in boldface) and highlights.*

### A. **Maintain a staffed and well-funded national campaign at the federal and state levels, which includes support for coalition partners that are carrying out the work of the campaign.**

- ATF raised \$1.4 million (c3 and c4) in 2013-2014.
- ATF launched an online fundraising program in spring 2014, and to date has raised \$8,000, most in c4 dollars.
- ATF's leadership and working committees operated effectively. The Steering Committee met regularly as did Field, Legislative and Policy-Research Committees.
- ATF's coalition partner membership increased significantly, growing from 275 national and state groups in spring 2013 to 425 groups today.
- ATF maintained a field network of 11 state groups for 8 months, most of which worked effectively on tax issues deepening their coalition work, lobbying senators, conducting public events, securing media coverage and engaging their online communities.
- ATF provided significant communications support to coalition partners' tax work and have widely promoted the work of coalition partners.
- ATF provided \$25,000 in funding to Citizens for Tax Justice/Institute on Taxation and Economic Policy. CTJ/ITEP provided significant support to ATF in the preparation of policy and research materials used to influence the public debate.
- ATF allocated \$70,000 in grant money to three small business groups – American Sustainable Business Council, Main Street Alliance and Small Business Majority.

**B. Educate the public about the need to raise \$700 billion to \$1 trillion in new revenue over 10 years and the consequences for not doing so.** ATF did not focus specifically on the need to raise \$700 billion to \$1 trillion as the policy debate veered off in a different direction. Instead, ATF conducted extensive public education campaigns on tax and spending tradeoffs, the need to close tax loopholes to raise revenues, tax extenders legislation and corporate inversions. ATF led coalition lobbying efforts in Congress and in 11 states, half of which were Senate Finance Committee member states. On the issues being debated, ATF produced six reports (four of which got significant media coverage) that influenced the debates, 16 public education fact sheets and numerous other materials on these topics. ATF also produced the [Tax Fairness Briefing Booklet: Messaging, Polling and Fact Sheets](#). ATF played a significant role in building public pressure that got Walgreens to decide not to do a corporate inversion, saving taxpayers at least \$4 billion over the next five years.

**C. Educate the public about the problems with corporate tax reform that does not raise revenue and promotes a territorial tax system, which will encourage U.S. multinational corporations to shift profits and jobs overseas.** Corporate tax reform was a major focus of ATF's work, especially

international tax issues – such as the use of tax havens and other offshore loopholes for corporations to dodge paying their fair share of taxes. While there have been no major breakthroughs on big picture reform, the corporate inversions issue provided a unique opportunity to successfully engage members of Congress, the media and the public. ATF played a leading role in this effort.

- D. Release polling and messaging work that continues to shape the narrative on tax issues and further specific policy proposals.** ATF released a major issues and message poll, which helped us have a great deal of success shaping a winning tax fairness message that resonates with policymakers and the public. This and earlier ATF work helped shape major polling and messaging work done by the Center for American Progress and a consortium of public sector unions in the last year.
- E. Work with local, state and national organizations to promote “tax fairness” and other top level frames and messages that derive from our polling and messaging work.**
- ATF regularly produced message materials that educated policymakers and advocates about how to talk about tax fairness issues. These were periodically adjusted to fit the current hot tax reform topics that are being debated.
  - The scale and quality of ATF’s national press coverage increased significantly in the last year.
  - ATF generated substantial national and state media coverage for tax reform issues:
    - 547 total media hits
    - 297 total op-eds were published – 67 original op-eds and 230 through syndication
    - At least 35 editorials and columns were published that ATF can claim full or partial credit for influencing
  - The size of ATF’s email activist list grew from 41,628 to 99,192 subscribers (as of Sept. 9), or by 138%. Our petition signers on MoveOn grew from 9,832 to 23,365. Our petition signers on CREDO Mobilize grew from zero to 126,295.
  - ATF’s c3 Facebook followers grew from 3,456 to 7,187. ATF’s c4 Facebook followers grew from about 100 to 405.
  - ATF’s c3 Twitter followers grew from 577 to 2,191.
  - Up to 18 national coalition partners regularly participate in coordinated online activism.

## II. Influence on Policy

ATF’s public education and advocacy work on federal taxes focused on three major policy issues:

### A. Adjusting the Federal the Budget Sequester and Tax Tradeoffs

Between August and December, 2013, a major focus of activity in Congress was whether to make a two or more year adjustment to the automatic budget cuts known as sequestration, which required cutting domestic and military spending by \$85 billion in the fiscal year 2014 budget – equally divided. Progressives thought that a multi-year deal might be possible that would reduce the spending cuts in exchange for new revenue raised by closing tax loopholes. ATF and its coalition partners were engaged in a public education and mobilization effort emphasizing the tradeoffs being made between the sequester cuts to domestic programs and tax loopholes that were ripe for closing. We were anticipating a battle between the Senate and House over these tradeoffs but that got upended by the government shutdown engineered by tea party Republicans in early October and the disastrous rollout of the Healthcare.gov website

by the Obama Administration. It threw Washington into disarray and public opinion of Congress and the Obama Administration plummeted. By November both parties wanted to strike a budget deal with the least amount of acrimony and debate. House Republicans gave in to Democrats by agreeing to reduce the spending cuts, and Senate Democrats dropped their demand for closing tax loopholes. A deal was reached reducing the discretionary spending cuts by about \$50 billion over the next two years paid for by cuts elsewhere in the budget. So the debate over closing loopholes to raise revenue fizzled.

#### **B. Tax Extenders**

For all of 2014 Congress has been debating what to do about 55 tax breaks — known as “tax extenders” — that expired at the end of 2013. If these tax breaks — 90% of which benefit businesses — were extended for 10 years the loss to the Treasury would be at least \$700 billion. The Senate Finance Committee approved legislation renewing the tax extenders for two years — at a cost of \$85 billion. The House has pursued a strategy to make about ten of these tax extenders permanent. It has held votes on each of them, which have all passed. If the House package becomes law it would add about \$700 billion to the deficit over 10 years. ATF spent a great deal of time exposing the special-interest nature of these tax breaks, some of which benefit companies that stash profits offshore, such as General Electric. We also criticized the hypocrisy of approving billions of dollars in corporate tax breaks without closing other corporate tax loopholes to pay for this largesse, while some lawmakers demanded that any domestic spending initiatives — such as extending unemployment benefits — had to be paid for. ATF has rallied the coalition to be actively engaged in this debate and has done extensive work with the media on this issue. The Senate has put off moving legislation until the lame-duck session after the election.

#### **C. Corporate Inversions**

Since April a wave of 14 companies have announced that they are pursuing a corporate inversion, which is made possible by a federal tax loophole that allows American companies to purchase a foreign company, and then re-incorporate in a foreign country when just 20% of the merged company’s stock is owned outside of the United States. The merged corporation then pays most of its taxes to a foreign government — usually a tax haven — with a low tax rate. This allows it to dodge paying its fair share of U.S. taxes. The inversion is essentially a change of address that takes place on paper, as most corporate operations remain in the United States. ATF has played a leading role exposing the tax loophole that permits these inversions. We released a major report on Walgreens, the giant pharmacy retailer, which showed that it would dodge about \$4 billion in U.S. taxes over five years if it became a Swiss company. The findings of this report were featured widely in the media. ATF has rallied our coalition to be engaged in this debate and has done extensive media work on the issue, including securing about three dozen editorials and columns, including by Paul Krugman (thanks to Larry Mishel at EPI) and Andrew Ross Sorkin in *The New York Times*. We also organized grassroots protests against Walgreens, and led a coalition that sent 300,000 letters to Walgreen’s CEO. In the end, Walgreens decided to not go through with its inversion citing concerns about public pressure as a factor. ATF was widely credited for playing a key role in the effort, which saved taxpayers \$4 billion over five years.

### III. Overview of Campaign Legislative and Field Strategy

- A. Move moderate Senate targets to support progressive tax reform.** The campaign has identified up to 12 senators who could pose significant problems when tax-reform legislation gets granular, where the winners and losers become clearer and powerful special interests hold sway. Many of them are on the tax-writing Finance Committee and were targeted by the campaign.
- B. Encourage champions and supporters to come forward in the legislative and public arenas.** Champions support our leading policy goals, help create public momentum for them, and work “inside” to move colleagues to support them. A field campaign must build support in the states that affirms the champion’s leadership, demonstrates continued public demand for the policy goals and holds him or her accountable for supporting the goals.
- C. Create the public context for the legislative fight by generating activity and “buzz” in enough places to shape the national narrative on the issue and to create visible momentum for achieving ATF’s goals.** This is done by creating a culture of action in red, purple and blue states alike; building a narrative from the bottom up by articulating a common set of demands; developing strong and diverse constituencies for change; generating local media; etc. The goal is to create national momentum and a wave of political support that make our priorities top of mind with our champions in Congress and the Administration.

### IV. Major Activities (Non-field – Section V reviews ATF-ATFAF Field Work)

- A. ATF maintained and expanded a national campaign led by a broad-based coalition**
- The campaign’s membership increased from 275 national and state organizations to 425 groups – a 55% increase and well beyond our goal of 350 groups during the grant period.
  - ATF maintained the following leadership and working committees with a total engaged membership of about 50 organizations: Steering Committee (sets overall policy and strategy), Field Committee, Legislative Committee, and Research and Policy Committee.
  - ATF provided \$25,000 in funding to Citizens for Tax Justice/Institute on Taxation and Economic Policy. CTJ/ITEP provided significant support to ATF in the preparation of policy and research materials used to influence the public debate.
  - ATF allocated \$70,000 in grant money to three small business groups. Highlights of their activities include the following:
    - American Sustainable Business Council: ASBC made tax reform one of the foci of its annual *Business Summit for a Sustainable Economy* on Oct. 23, 2013. Over 100 business leaders flew to Washington, D.C., for the main event, which included a panel on ending offshore tax loopholes and revenue positive tax reform. These leaders participated in 32 visits to congressional offices. ASBC members also placed five op-eds in national and state media outlets.
    - Main Street Alliance:
      - Conducted state-wide surveys and reports of small business owners in Washington State and Oregon that highlighted their support for progressive corporate tax reform and revenue raising policies.

- Targeted Microsoft in Washington State to highlight its corporate tax dodging and use of offshore tax shelters, in order to loosen the company's grip on Sen. Cantwell, who has not been a weak advocate of curbing use of offshore tax havens.
- Targeted American Express, one of the country's most egregious tax dodgers, which also charges high transaction fees to small businesses. The campaign elevated the tax fairness issue during the holiday shopping season.
- About 40 news stories or media mentions were generated by this work.
- Small Business Majority: Working with *The Hill* newspaper, SBM organized a daylong tax forum on Capitol Hill that attracted 100 participants, 70 of them legislators and policymakers. Titled *Small Business Voices: A Discussion on Tax Policy and Entrepreneurism*, the forum featured two small business owners from SBM's Network Council, in addition to policy experts. SBM brought 17 small business owners to town to meet with their members of Congress to share the small business perspective on corporate tax issues. [Highlights of the event are here.](#)

## **B. ATF continued to change the overall narrative on taxes by refining messages and implementing a strategic communications program**

### **1. Polling and messaging work**

ATF continued to play a leading role in shaping communications on progressive tax reform issues over the last year. We did this by commissioning our own polling and by providing a steady stream of messaging recommendations to allied organizations, policy makers and media talking heads.

For example, we conducted a major poll in October 2013, as Congress was debating what kind of a budget deal to strike to address the hardship caused by the budget sequester. The poll showed that the public wanted a balanced approach to deficit reduction – spending cuts and the closing of tax loopholes – rather than cuts alone. The poll gave our allies empirical evidence that gave them greater comfort to push for tax increases, along with spending cuts, and a set of poll-tested messages showing how popular that tax fairness position is compared with the conservative position on taxes. Materials from the poll are linked below:

- [Hart Research Memo on Americans' Budget Priorities Poll, Nov. 8, 2013](#)
- [Key Findings & Messages from ATF Tax Poll October 2013 – Private version](#)
- [Key Findings of ATF Tax Poll October 2013 – Public Version](#)
- [Poll PPT Americans' Budget Priorities, October 2013](#)
- [Poll Toplines, October 2013](#)

Using information from this poll and earlier ATF polls, we prepared and widely distributed the following message materials:

- [Messaging on Taxes and the Economy](#)
- [Messaging on Corporate Deserters and Walgreens](#)
- [Polling Questions on Tax Fairness Issues](#)
- [Messaging On Corporate Inversions and Walgreens](#)
- [Messaging on Tax Extenders and the General Electric Tax Loopholes](#)
- [Talking Points on Rep. Camp's Tax Reform Plan](#)
- [Messaging on Income Inequality, Economic Opportunity and Tax Fairness](#)

- [Tax Fairness Messaging Guide for August Recess 2013](#)
- [Messaging for July 4th Actions on Corporate Tax Dodging, July 2013](#)

ATF's polling and messaging work with Hart Research Associates paid off in two important ways in 2013-2014. In late 2013, the Center for American Progress (CAP) conducted a major national poll to identify a core set of economic issues of concern to Americans and an agenda for reform. Using ATF's pollster and building on the lessons learned from ATF's earlier polls, CAP's poll made a striking finding: that tax fairness – making the wealthy and corporations pay their fair share of taxes – was voters' top policy priority for strengthening America's economy. In its polling memo, Hart Research stressed the importance of the tax fairness message: "Making the wealthy and corporations pay their share in taxes is an extremely powerful issue."

Similar findings were made with an even more exhaustive set of research done by Hart Research for four public sector unions – all steering committee members of ATF – in their search for a common and compelling economic narrative in 2014 and for election work. Their findings were best summed up in a Hart Research memo: "One of the most consistent findings throughout all of our economic research is the powerful appeal of tax fairness issues. ... When voters are asked to choose their top priorities among eight different progressive policy planks, one item towers above the others as a priority: ask the wealthy and corporations to pay their fair share of taxes (selected by 44%, while no other issue exceeds 25%)."

Clearly "tax fairness" has deep roots among the American public right now, and ATF can claim considerable credit for helping to identify this and promote it to a diverse set of actors in tax and budget debates. Tax fairness messaging has not only become conventional wisdom, it is being identified as a winning issue. The challenge going forward is to get policymakers to own what the public believes.

2. ATF produced the [Tax Fairness Briefing Booklet: Messaging, Polling and Fact Sheets](#). It is a comprehensive resource for coalition partners, members of Congress, candidates, the media and grassroots activists that provides the best poll-tested messaging, a compilation of key polling questions from ATF surveys and independent surveys, and seven fact sheets on top tax reform issues.

### C. ATF generated substantial media coverage at the national and state levels

For a small operation, ATF runs a robust earned media program through a communications director, one-third of the executive director's time, a part-time writer and a media firm. The campaign generates earned media through four tactics:

- National: ATF promotes to the media our activities and that of coalition partners, and it issues reports that are relevant to current debates in Congress.
- National: ATF's media firm – American Forum – promotes national op-eds that we write, some of which get syndicated to state papers. The firm also promotes our work and that of coalition partners to editorial boards and columnists.
- State: ATF's field partners organize earned media events, which are typically part of a nationally coordinated action.

- State/National: ATF works with state groups to get op-eds and letters to the editor (LTEs) drafted and placed. For op-eds, typically the state group identifies a signer, ATF drafts the oped in the voice of the signer, and our media firm places the oped. With respect to LTEs, either ATF or the state group identify LTE opportunities, the state identifies a signer, ATF or the state group drafts the LTE and the state group submits it.

The table below summarizes **547 media hits** ATF earned from July 1, 2013 through July 31, 2014. A full set of the press clips is [available here](#).

ATF Media Hits, July 1, 2013 - July 31, 2014								
	News Stories	Original Op-Eds	Syndicated Op-Eds	Editorials*	Columnists*	Blogs	LTE**	TOTAL
<b>National</b>	80	16	0	1	13	15	3	<b>156</b>
<b>State</b>	50	51	230	35	6	13	34	<b>391</b>
<b>TOTAL</b>	<b>130</b>	<b>67</b>	<b>230</b>	<b>36</b>	<b>19</b>	<b>28</b>	<b>37</b>	<b>547</b>

\* It is difficult to determine influence with editorial writers and columnists unless ATF is specifically mentioned; we believe ATF's influence exceeds the number of editorials claimed here.

\*\* Many Letters to the Editor (LTEs) do not show up in the online version of newspapers. Many more LTEs have been placed by ATF partners than is recorded here.

#### D. ATF secured a significant number of op-ed placements and letters to the editor (LTEs) in national and state publications

ATF believes an important way to influence elite media opinion and policymakers is through the placement of opeds and LTEs, which are carefully read by policymakers and media talking heads. We put considerable time into and had good success getting opeds and LTEs published over the last year. (Note the paid field operation in 11 states ended in March, which limited media coverage.) As shown in the table above, we successfully placed the following:

- 16 original national op-eds
- 51 original state-based op-eds
- 230 op-eds syndicated in state papers
- 34 state-based letters to the editor

These figures only record the number of *successful* placements. While we have a relatively high success rate, it is worth noting that we regularly fail to get opinion pieces placed, which still takes up a lot of staff and consultants time to draft and try to place. Some of the national op-eds prepared and/or promoted by ATF and its partners are below.

- [Walgreens, don't dodge taxes](#), *USA Today*, 7/26/14, James Burke, Mayor of Dixon, IL
- [Fix America's Tax Code](#), *Detroit News* (MI), 7/9/14, by Rep. Sander Levin and Rep. Chris Van Hollen (syndicated by American Forum in more than 13 papers)
- [A pharmacy's tax tricks could make you sick](#), *Palm Beach Post* (FL), 6/20/14, by Frank Clemente, Executive Director, Americans for Tax Fairness, (syndicated by American Forum in more than 16 papers)
- [You Pay Taxes -- Why Doesn't General Electric?](#), *Reno-Gazette-Journal* (NV), 4/14/14, by Frank Clemente, Executive Director, Americans for Tax Fairness (syndicated by American Forum in more than 26 papers)

- [Executive pay loophole is an outrage](#), *The Austin American-Statesman* (TX), 6/18/14, Rep. Lloyd Doggett, (syndicated by American Forum in more than 26 papers)
- [Fulfilling Martin Luther King's dream](#), *Politico*, 8/28/13, Rep. John Conyers (syndicated by American Forum in more than 15 papers)
- [Congress gets a failing grade for its education funding](#), *The Houston Chronicle*, 10/13/13, by Dennis Van Roekel, President, National Education Association (syndicated by American Forum in more than 20 papers)
- [Small Business Needs Big Business to Pay its Fair Share](#), *Roll Call*, 12/8/13, by John Arensmeyer, President, Small Business Majority
- [Cutting corporate tax loopholes is not food for kids](#), *The Hill*, 9/18/13, by Deborah Weinstein, Director, Coalition on Human Needs

ATF also provided LTE toolkits to help state groups draft their own letters:

- [ATF Letters to the Editor Toolkit for States August 2013](#)
- [ATF Letters to the Editor Toolkit for States July 4, 2013](#)

#### E. ATF influenced editorial boards and columnists at the national and state levels

Newspaper editorials and opinion pieces by columnists are very influential with policymakers and media talking heads. In the last year, ATF put considerable time into educating the media elite who are writing opinion pieces by sending them well-crafted editorial memos. Our media firm – American Forum – then personally reached out to writers to be sure the memos were received and read. It encouraged them to editorialize or else to run an op-ed column penned by ATF or an ally. ATF sent out 11 editorial board memos in the last 14 months – nearly one a month:

- [Editorial Board Memo: While Americans Celebrate Independence Day U.S. Multinationals Prepare To Renounce Their American 'Citizenship', 6 30 2014](#)
- [Editorial Board Memo: U.S. House Poised to Add \\$310 billion to Federal Budget Deficit by making Six Corporate Tax Breaks Permanent, 5 5 14](#)
- [Editorial Board Memo: Tax Day, 4 10 2014](#)
- [Editorial Board Memo: Tax Extenders, 3 27 2014](#)
- [Editorial Board Memo: Federal Budget Deal Would Be Better If Congress Closed Tax Loopholes, 12 12 13](#)
- [Editorial Board Memo: ATF October Polling, 11 13 13](#)
- [Editorial Board Memo: Hart Research Memo on ATF October Polling, 11 12 13](#)
- [Editorial Board Memo: Baucus Economic Summit, 9 10 13](#)
- [Editorial Board Memo: Tax Tradeoffs, 8 22 13](#)
- [Editorial Board Memo: Tax Reform Heating Up in WDC 8 5 13](#)
- [Editorial Board Memo: More U.S. Corporations Prepare To Renounce Their American 'Citizenship' To Dodge Taxes, 9 4 2014](#)

Success with editorial boards and columnists is sometimes hard to gauge. It also ebbs and flows, depending on whether a significant tax issue is being debated in Congress. We believe this work has begun to pay off. While it was slow going in 2013 and in early 2014 when federal tax issues were not in the news much, in recent months the response from elite media has picked up considerably.

During the last year ATF received 55 favorable opinion columns that we believe our memos and outreach helped instigate and shape. They are [available here](#), and include:

- 36 editorials
- 19 columns by writers at newspapers. Of note were columns by New York Times writers Paul Krugman: [Corporate Artful Dodgers](#), which appeared within a week after a personal memo was sent to him by Larry Mishel at EPI at the request of ATF; and by Andrew Ross Sorkin: [At Walgreen, Renouncing Corporate Citizenship](#), a piece based substantially on ATF's Walgreens report.

**F. ATF increased significantly the size of the email activist list and the involvement of national partners in the online media program**

The goals of ATF's digital program are to organize coalition partners into coordinated actions, provide content ideas and tips on messaging to inspire coalition partners to more fully adopt the issue as their own, grow and engage a greater number of ATF online activists to take action, and cultivate individual supporters to help carry our message forward over social networks and to help expand our base, and fundraise.

ATF's c3 digital presence currently includes a [website](#), [Facebook page](#) and [Twitter handle](#). ATF's c4 digital presence also includes a [website](#), [Facebook page](#) and [Twitter handle](#). We also maintain an email list and some additional accounts on BuzzFeed Community, CREDO Mobilize and MoveOn Petitions.

ATF grew its email list by 138% from May 2013 to September 2014 – increasing it from 41,628 to 99,192 subscribers. We also significantly expanded our presence in social media over the last year, as shown in the table below.

Medium or Platform	Size or Traffic of ATF's Digital Platforms on May 15, 2013	Size of ATF's Digital Platforms on September 9, 2014
<b>C3 Website</b>	99,788 unique visitors between July 9, 2012 and May 15, 2013 (average 9,979 per month)  238,453 unique page views between July 9, 2012 and May 15, 2013 (average 23,845 per month)	359,855 unique visitors between May 15, 2013 and Sept. 9, 2014 (average 22,848 per month)  746,337 unique page views between May 15, 2013 and Sept. 9, 2014 (average 47,346 per month)
<b>Email List (shared c3 and c4)</b>	41,628 subscribers (approx. 37,000 in March 2013)	99,192 subscribers
<b>C3 Facebook</b>	3,456 followers	7,187 followers
<b>C3 Twitter</b>	577 followers	2,192 followers
<b>C4 Facebook</b>	~0	405 followers
<b>C4 Twitter</b>	0	204 followers
<b>MoveOn Petition (shared c3 and c4)</b>	9,832 petition signatures	23,365 petition signatures

CREDO Mobilize (shared c3 and c4)	Account not launched	126,295 petition signatures
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We also use MoveOn's petition tool and CREDO Mobilize's petition tool, to take action. On MoveOn's site, we now have 23,365 people who have signed our petitions and who we can now message through the site. On CREDO Mobilize, we have 126,295 people who have signed our petitions and who we can message. These activists extend our reach significantly.

While ATF's lists are not large, we can deliver an outsized impact. We have had digital actions inspire up to 25,759 people to participate in a single action. We regularly see a quarter of our email file participate in individual online actions, which is an extraordinarily high action rate. We also regularly produce updates and action alerts for social media, including producing shareable graphics and other multimedia content that get shared widely. A sampling of these shareable graphics is below.

- [What Could \\$4 Billion Pay For?](#)
- [Walmart Got \\$104 Million in Tax Breaks for the Bonuses It Paid to 8 Top Executives](#)
- [\\$310 Billion: Cost of 6 Tax Breaks for General Electric...](#)
- [Should Walmart and the Waltons Get These Tax Breaks?](#)
- [Walmart Has a Receipt for You](#)
- [For Every Dollar GE Spends Lobbying](#)
- [What Inequality Looks Like: Many Hedge Fund Managers Pay a Lower Tax Rate than Middle-Class Families](#)

ATF also significantly increased the engagement of national coalition partners in coordinated online activism – growing from about 7 active groups now to 18. ATF achieved considerable growth getting coalition partners to engage with us in coordinated digital actions. The best expressions of this effort were 1) on Tax Day 2014 when 13 organizations did a coordinated effort to support the elimination of two offshore tax loopholes that will cost more than \$80 billion over the next 10 years, and 2) through a joint petition pushed by 12 organizations that focused initially on telling Walgreens not to pursue a tax inversion, which was then converted over into a petition to ask the Obama administration to create an executive order on tax inversions after Walgreens abandoned its plans. The groups that participated in these actions included unions such as the American Federation of Government Employees and AFSCME; progressive groups like USAction, Progressive Congress and the Campaign for America's Future; and Netroots groups such as Moms Rising, Daily Kos, Roots Action and Democracy for America.

#### **G. ATF coordinated legislative activities on tax issues among coalition partners**

ATF's legislative program consists of the following:

- ATF staff spends a significant amount of time working with the Legislative Committee co-chairs to implement a legislative program. The Legislative Committee has about 15 organizations that participate. It meets irregularly (but at least once a month), on an as-needed basis depending on what is happening in Congress. Meeting activities include sharing intelligence, discussing strategy, and taking lobbying assignments.
- ATF staff gathers intelligence and discusses strategy with congressional staff and the Obama Administration.

- ATF staff drafts all of the campaign’s formal letters to Congress, which go through a review process by coalition partners. (See letters below.) If ATF is doing a sign-on letter, ATF staff plays the lead role in getting groups to sign it and administer the process.
  - [Sign-on Letter: 538 Organizations to Congress: Close Offshore Corporate Tax Loopholes – Invest in the U.S.](#)
  - [ATF Letter to the Senate Finance Committee on the Stop Corporate Inversions Act \(S. 2360\)](#)
  - [Sign-on Letter: 37 National Organizations to Congress: Reject the Partnership to Build America Act](#)
  - [ATF Letter in Opposition to Bonus Depreciation Bill](#)
  - [Sign-On Letter: 39 National Organizations Object to Corporate Tax Extenders Legislation](#)
  - [Sign-On Letter: 53 National Organizations Opposed to U.S. House Tax Extenders Legislation](#)
  - [Sign-On Letter: 54 National Organizations Opposed to Tax Extenders Legislation before the U.S. House Ways and Means Committee](#)
  - [Sign-On Letter: 35 National Organizations Say Oppose Offshore Corporate Tax Loopholes in Tax-Extenders Legislation before the Senate Finance Committee](#)

## H. ATF coordinated research and policy work

1. **ATF produced six reports showing how corporations take advantage of tax loopholes, many of which garnered substantial media coverage:**
  - [Report: Offshoring America’s Drugstore: Walgreens May Move Its Corporate Address to a Tax Haven to Avoid Paying Billions in U.S. Taxes](#)  
This report garnered [61 media stories or media mentions and 16 op-eds](#). The key findings in the report – that Walgreens would avoid \$4 billion in taxes over 5 years with an inversion and that one-quarter of its revenue comes from Medicare and Medicaid – became the numbers of record in the media.
  - [Report: Corporate Lobbying on Tax Extenders and the GE Loophole](#)  
This report garnered [12 media stories or media mentions](#) and was the basis for 26 published op-eds.
  - [Report: Walmart on Tax Day: How Taxpayers Subsidize America’s Biggest Employer and Richest Family](#)  
This report garnered [18 media stories or media mentions](#). There was a substantial amount of buzz about this report, and the amount of taxpayer subsidy that it calculated Walmart gets each year from taxpayers – \$6.2 billion – was widely cited.
  - [Walmart’s Executive Bonuses Cost Taxpayers Millions](#) (prepared jointly with the Institute for Policy Studies)  
This report garnered [22 media stories or media mentions and 26 op-eds](#).
  - [Report: The High Price of Tax Loopholes](#) (prepared jointly with National Women’s Law Center)
  - [Report: A Good Starting Point: 23 Options from Rep. Dave Camp for Closing Tax Loopholes](#) (prepared jointly with National Women’s Law Center)
2. **ATF produced the [Tax Fairness Briefing Booklet: Messaging, Polling and Fact Sheets](#).** It is a comprehensive resource for coalition partners, members of Congress, candidates, the media

and grassroots activists that provides the best poll-tested messaging, a compilation of key polling questions from ATF surveys and independent surveys, and seven fact sheets on top priority issues.

- 3. ATF produced 16 fact sheets about policy priorities issues.** ATF collaborated with coalition partners on these and distributed them widely, as part of ATF's ongoing public education efforts. Links to the materials produced are below:

#### Corporate Inversions

- [Fact Sheet: Corporate Tax Inversions](#)
- [Fact Sheet: Offshore Corporate Tax Loopholes](#)
- [Fact Sheet: State Locations and Market Share of Walgreens & Other Major Chain Drug Stores](#)
- [Fact Sheet: Selected Completed, Prospective and Withdrawn Corporate Tax Inversions, July 2014](#)
- [Fact Sheet: Collection of Polling Questions on Key Corporate Tax Issues](#)
- [Best Recent News Stories and Opinion Pieces about Corporate Tax Inversions](#)

#### Tax Extenders

- [Fact Sheet: Key Facts about Tax Extenders](#)
- [Fact Sheet: Tax Extenders Tradeoff Chart](#)
- [Fact Sheet: General Electric's Special Tax Loophole Lets Company Dodge Billions in Taxes](#)
- [Fact Sheet: Stretched to the Limit: A Sampling of Tax Extenders that Should Be Ended \(Or Substantially Reformed\)](#)
- [Fact Sheet: Congressional Budget Office Table of Costs of Extending Tax Provisions set to Expire before 2024](#)
- [Fact Sheet: Cost of Six Tax Extender Bills Before the House Ways and Means Committee](#)

#### Tax Tradeoffs

- [Fact Sheet: The High Price of Tax Loopholes](#)
- [Fact Sheet: Table of Tax Tradeoffs](#)

#### Miscellaneous

- [Fact Sheet: Congressional Progressive Caucus's "Better off Budget" vs. Rep. Paul Ryan's "Path to Prosperity" Budget](#)
- [Fact Sheet: Racial Inequality and Taxes](#)

#### Blog Posts

ATF staff, working with coalition partners, prepared a highly acclaimed series of 18 Tuesday Tax Tradeoff blog posts between July 16, 2013 through January 16, 2014 that compared the cost of tax loopholes with programs and services that matter to key constituency groups. These were heavily promoted on social media and through email notices and were favorites of coalition partners. A sampling of the posts is below and the full set is [available here](#).

- January 16, 2014 -- [Tax Tradeoff: Cures for Deadly Diseases OR Tax Breaks for Oil Wells?](#)
- November 26, 2013 -- [Tuesday Tax Tradeoff: Thanksgiving Dinner for Every Family OR Tax Breaks for Wealthy Families](#)

- November 12, 2013 -- [Tuesday Tax Tradeoff: Ending Automatic Budget Cuts to Domestic Services OR Continuing Special Low Tax Rates for Wealthier Americans](#)
- November 5, 2013 -- [Tuesday Tax Tradeoff: Affordable Housing for Families OR Tax Deductions for Corporate Wrongdoing](#)
- October 29, 2013 -- [Tuesday Tax Tradeoff: Public Services for Americans OR Offshore Corporate Tax Dodging](#)
- October 22, 2013 -- [Tuesday Tax Tradeoff: Nutritious Meals for Seniors OR Subsidizing Corporate Wrongdoers](#)

## V. Field Activities

### A. ATF funded partner groups in 11 states, which garnered significant earned media, educated the public and mobilized activists and grassroots leaders.

ATF supported and coordinated a field infrastructure to carry out public education and communications activities around federal tax issues in target states. This infrastructure was comprised of:

- Four core national field networks – Alliance for a Just Society, Americans for Democratic Action, National People’s Action, and USAction.
- A broader national field committee, including field staff from the labor and public interest communities.
- 17 state-level organizations in target states, which mostly are affiliates of the four core national field networks. The states were AR, DE, IA, IL, IN, MA, ME, MI, MO, MT, NC, NY, OH, OR, VA, WA, and WV.
- ATF maintained contracts for \$5,000 a month with the following states from April 1 to Dec. 31, 2013:

ST	Senator Targets	Moderate/ Champion	Finance Committee Member	Lead State Organization	National Field Network
AR	Pryor	Moderate		Arkansas Community Organizations	LCCG
DE	Carper, Coons	Moderates	Carper	Americans for Democratic Action	ADA
IN	Donnelly	Moderate		Americans for Democratic Action	ADA
ME	Collins, King	Moderates		Maine People's Alliance	NPA
MI	Levin, Stabenow	Champions	Stabenow	Michigan Citizen Action	USAction
MO	McCaskill	Moderate		Grassroots Roots Organizing (GRO)	NPA
MT	Baucus, Tester	Moderates	Baucus	Montana Organizing Project	AJS
NC	Hagan	Moderate		Together North Carolina	SFAI
VA	Warner, Kaine	Moderates	Warner	Virginia Organizing	USAction
WA	Murray, Cantwell	Champ/Mod	Cantwell	WashCAN	AJS
WV	Rockefeller, Manchin	Champ/Mod	Rockefeller	West Virginia Citizen Action Group	USAction

The campaign’s 2013 field infrastructure included a half-time field manager (Margarida Jorge, also the field director at Health Care for America Now) and a full-time field coordinator

(Christine Sloane). The campaign contracted with four core national field groups for day-to-day management of their state partners in nine states, as well as for engagement of their affiliates beyond the paid field. ATF managed the field program in two states directly – Arkansas and North Carolina.

ATF field staff managed the overall field program and the national field networks collaborated through the field committee to determine the content and direction of ATF's field work, including unified days of action, core deliverables, communications strategies, rapid response and other activities. ATF's staff provided the following to state groups:

- Weekly calls with the field managers working for national field groups to develop strategy and supervise the overall implementation of the field plan.
- Coordination of ATF's Field Committee of national organizations to collaborate on plans, engage more groups, and coordinate joint activities.
- Weekly calls for state groups to hear directly from ATF staff, plan activities, offer feedback, and collaborate with peers in other states.
- Regular phone and email communications to the entire field apparatus about strategy, messaging, new legislative developments, field successes and basic training on federal tax issues.
- Support to individual state groups to discuss strategy, media work and to troubleshoot program challenges.
- Materials needed to implement the strategy, on-the-ground actions and public education activities.
- Extensive support from the campaign's communications staff to help state groups secure earned media. Support included: press release templates, talking points and statements; drafting customized op-eds and letters to the editor and placing them at media outlets; and providing strategic advice on planning media events, recruiting messengers and adjusting message.
- Collection and organization of reports to assess whether state partners have met their deliverables.
- Periodic reviews of each state group's work.

**B. ATF's field program accomplished the following, from April 1 to December 31, 2013:**

**1. ATF helped secure the support of Senate policymakers**

The campaign had statewide partners in 11 states, whose activity helped educate target senators. The state lobbying was reinforced by Washington, D.C.-based lobbyists from coalition partners. State groups did the following:

- Held 224 meetings with members of Congress or their staff.
- Participated in 31 national and state sign-on letters, which collectively secured 524 organizations demonstrating support for our tax fairness position and urging Senators to join us.
- Generated 26,833 individual contacts to members of Congress (including letters and petition signatures, postcards, grassroots visits to offices, etc.)

Because there was never a vote on a tax reform proposal in the last year we can't say with certainty whether the campaign had secured the support of every target senator. But based on lobby meetings in Washington with target Senate offices, we feel reasonably certain that

if a significant vote had been held there was a good chance that we would have had the votes of all or nearly all Democrats.

## 2. Coalition building by state groups

State partners continued to grow the number of new partners and allies engaged in promoting tax fairness through lobbying and public education activities. For example:

- The number of state campaign endorsers more than doubled from 128 to 295 – a 130% increase.
- In addition, ATF partners recruited 524 groups, 325 of which were outside of the existing list of campaign endorsers, to add their organization's names to sign on letters urging members of Congress to support our policy positions.

## 3. ATF mobilized national and state field partners for coordinated activity

Overall, in 2013 the campaign's field partners:

- Organized 162 events on their own, including 114 events that were part of national days of action coordinated with allied groups, and 48 separate events.
- Participated in more than 100 other events organized by coalition partners.

These events were designed to engage supporters and coalition partners to demand that corporations pay their fair share of taxes by ending offshore tax loopholes, secure media coverage and show elected officials that constituents are mobilized on these issues. The following national mobilizations were organized by the campaign:

- **April 15<sup>th</sup>, Tax Day, 2013:** The campaign worked with partners and allies to generate and coordinate a wide range of activity highlighting tax fairness across the country on Tax Day. State partners led "Who Pays" events in 15 states challenging tax-dodging corporations that fail to pay their fair share of taxes, and we coordinated with allies on over 50 additional events in a total of 32 states. ATF produced [profiles of 10 tax-dodging corporations](#) used by field groups and for online promotion. The activities resulted in 43 news stories.
- **August Congressional Recess, August 17-25:** The campaign organized a week of action during which our partners led 29 events in 17 states to highlight the tradeoffs between closing corporate tax loopholes and damaging sequester cuts to programs that help families. In addition to our core paid field in 11 states, the campaign organized events in California, Colorado, Illinois, Iowa, Kansas, Minnesota and New York.
- **Food Stamps vs. Corporate Tax Tradeoff Mobilization:** In September, field partners organized 12 actions in 10 states around the theme "Hunger Games" in response to proposed cuts to SNAP, the Food Stamps program. These events demanded that Congress close offshore tax loopholes to raise revenue to reduce the deficit, rather than cut \$40 billion from Food Stamps for hungry kids.
- **Budget Sequester Deal:** In December, the campaign organized 13 state events in response to a vote on the federal budget deal, which proposed to increase discretionary spending by about \$50 billion over the next two years paid for by cuts elsewhere in the budget. The campaign had proposed that the increased spending be paid for by closing offshore tax loopholes, but leaders in the Senate decided to avoid a fight with Republicans after the disastrous launch of the Healthcare.gov website and the shutdown of the federal government for 16 days. Their concern was that a nasty battle

with Republicans over taxes would once again show that government is not working, which both parties were suffering from in public opinion polls.

#### 4. State-based media coverage

Besides some of the earned media activities described above, the campaign's field partners also focused heavily on generating elite media coverage through op-eds in major papers, and publication of letters-to-the-editor (LTEs), which allowed them to respond to local headlines about federal budget cuts with our revenue message. The national campaign partnered with state field partners to identify these media opportunities, and the national campaign provided significant help to states by drafting and placing op-eds and LTEs.

The campaign generated significant state media coverage for tax reform issues during the last year, including:

- 368 total state media hits
- 76 media hits from earned media events
- 229 total op-eds placed – 47 original state op-eds and 182 through syndication
- At least four dozen letters to the editor in local papers from volunteers

The Table below summarizes press coverage during the paid field program from *April 1, 2013 through Dec. 31, 2013 only*. Some of these clips overlap with the table of media clips presented earlier, covering July 1, 2013 through July 31, 2014. A set of the campaign's national and state press clips during this shorter period in 2013 is [available here](#).

ATF State Media Hits, April 1, 2013 - December 31, 2013							
	News	Blogs	Original Op-Eds	Syndicated Op-Eds	Editorials	LTEs*	Totals
State	76	9	47	182	8	46	368

\* Many Letters to the Editor (LTEs) do not show up in the online version of newspapers. Many more LTEs have been placed by ATF partners than is recorded here.

Samples of state-based editorials and op-eds secured are below:

- Editorial: [Legislation to Curb Foreign Tax Havens Would Bolster Budget](#) – *The Seattle Times*, 9/26/13
- Editorial: [U.S. Budget – End Loopholes, Abuses](#) – *The Charleston Gazette* (WV), 11/15/13
- Editorial: [Federal budget deal must tackle tax reform](#) – *The Portland Press Herald* (ME), 10/19/13
- State Op-ed: [Bad Bargain for Small Biz](#), *The Business Journal* (NC), 8/16/13, Frank Knapp Jr., American Sustainable Business Council
- State Op-ed: [Restore economic opportunity with corporate tax reform](#), *Billings Gazette* (MT), 8/19/13, Ken Crouch, Billings City Council
- State Op-ed: [Tax code hurts American businesses](#), *The Detroit News*, 12/16/13, Bruce McFee, Saylor-Beall Manufacturing Co.
- State Op-ed: [Let's pledge to do better by our working families](#), *South Bend Tribune*, 9/2/13, Tony Flora, North Central Indiana AFL-CIO Council

### 5. Public education and training events by state groups

In 2013, ATF partners also focused on elevating our central demand to close corporate tax loopholes and invest in an economy that works for all of us by conducting public education events and media events. Partners presented information at 152 public education presentations, events and trainings that reached 27,802 people.

## VI. Lessons Learned and Challenges

- A. **Belief in tax fairness runs deep with the American public.** ATF's long-term goal is to change the national climate regarding raising tax revenues in order to secure the funds needed to make adequate investments in our national future in a sustainable manner. ATF and other groups' polling in 2013-2014 showed how strongly the public believes in the tax fairness agenda – not just that our positions are popular, but that people believe our agenda can make a significant difference for them personally.
- B. **ATF has had significant success communicating the tax fairness message to the media and to the wider public.** Success has depended on a dedicated and creative staff, talented consultants and funded state groups that had the capacity to conduct earned media efforts. Of course, one cannot get media coverage in the abstract; it is directly related to the extent to which these issues are debated in Congress.
- C. **ATF has nurtured growing engagement by the Netroots community.** It has taken time to develop relationships. Also Netroots groups are very opportunistic; they typically will not work on an issue unless there is a big debate on it in Congress, in the traditional media or on social media.
- D. **Issuing well-researched and timely reports gives ATF credibility with the media and policymakers, which elevates its profile.** ATF issued six reports during the last year (two with the National Women's Law Center), four of which garnered good to very good media coverage. ATF became a go-to group for the issues analyzed in the reports and its profile rose significantly.
- E. **ATF accomplishes a lot with a small staff.** Currently ATF has just four staff – an executive director, communications director, digital director and an administrative assistant. We decided not to replace the field director (who left in May) because the limited responsiveness of state groups that are not being funded does not require a full-time position. The lack of a field director, legislative director and/or a policy/research director puts a significant burden on the executive director, who fills all of these roles on top of other duties, and hampers ATF's ability to grow and expand its influence.
- F. **Building a sustained "movement capacity" to achieve progressive tax reform nationally and in key states is a serious challenge for ATF and the tax reform advocates.** ATF was able to fund groups in 11 states during 9 months in 2013. When funding dried up, activity largely dried up. This was due primarily to three factors: there was no major reform initiative (progressive or conservative) that had much traction in Congress to get groups engaged until the corporate inversions issue heated up in May 2014; many state groups lack the capacity to carry out programs unless they are funded to do it; and for most coalition partners the tax issue is still not

as rewarding to work on compared with advocating for new rights and benefits or protecting existing ones that are under attack.

- G. Debates about Federal tax reform issues are unpredictable.** Everyone thought there would be a major fight in Congress over mitigating the damage from the budget sequester in the fall of 2013, and that raising revenue would be at the center of the debate. That did not happen, as both parties sought a quick compromise after the debacle of the government shutdown and the disastrous rollout of Healthcare.gov, the online marketplace for Obamacare. No one foresaw the wave of corporate inversions that have occurred in recent months, which have provided a rich opportunity to debate tax fairness issues leading up to the fall elections.
- H. Policymakers are comfortable raising taxes on the wealthy but many are conflicted about raising more revenue from corporations.** A consensus has emerged that the U.S. corporate income tax rate is too high compared with our economic competitors. Moreover, the corporate sector exercises considerable power over policymakers due to lobbying, campaign contributions and because of the jobs they generate in states. This requires a reevaluation of our strategy going forward about what is possible and how to achieve it.

## VII. Future Plans

Through the remainder of 2014, ATF will be focused on two policy objectives:

- Minimize the harmful effect from a possible renewal of 55 tax extenders, which could cost \$85 billion or more over two years and mostly benefit corporations.
- Make it much more difficult for U.S. corporations to undertake a corporate inversion by merging with a foreign company, which enables the U.S. corporation to change its corporate address to a tax haven and thus avoid paying its fair share of U.S. taxes.

After the election ATF will undertake an evaluation of next steps. Below are the top considerations that are likely to affect ATF's future:

- **Democrats retain the Senate majority:** Sen. Ron Wyden (D-OR), chairman of the Senate Finance Committee, will put a lot of effort into corporate tax reform. He has command of the substance, has a great deal of personal drive to reform the system, and he wants to work in close collaboration with Sen. Orrin Hatch (R-UT), the committee's ranking Republican. Many Senate Democrats subscribe to revenue neutral corporate tax reform, which means not raising additional revenue by closing tax loopholes. Wyden will have a willing and very capable partner to work with in the House – Rep. Paul Ryan (R-WI), who is likely to be the chairman of the House tax writing committee next year. Two years ago Wyden and Ryan teamed up to propose a harmful Medicare overhaul. Moreover, President Obama on numerous occasions has endorsed revenue neutral corporate tax reform with a top rate of 28%.
- **Republicans become the majority in the Senate and stay in control of the House.** In this case, Republicans in both chambers are likely to propose very regressive tax reform; and some Democrats will be tempted to join them. A very strong opposition campaign would be needed to counter such an effort. Clearly, progressives have made a lot of headway on tax issues in recent years; but that progress could crumble with corporate tax reform. This would not be just a fight

about tax legislation; it's a larger ideological fight about more government vs. less government and which economic policies promote growth and fairness. If our side loses this debate at this time in our history, we will have been pushed backwards a far way.