

CORPORATE LOBBYING ON TAX EXTENDERS AND THE “GE LOOPHOLE”



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Credits

The principal author(s) of this report are Harry Gural, Communications Director, and Frank Clemente, Executive Director, at Americans for Tax Fairness. Tam Doan, Research Director at Public Campaign, provided all the analysis of lobbying disclosure data and prepared the tables. Additional research support was provided by Erin Weiler, Research Assistant at Americans for Tax Fairness.



Americans for Tax Fairness is a diverse coalition of [400 national and state organizations](#) that collectively represent tens of millions of members. The organization was formed on the belief that the country needs comprehensive, progressive tax reform that results in greater revenue to meet our growing needs. ATF is playing a central role in Washington and in the states on federal tax-reform issues.



[Public Campaign](#) is a national nonpartisan organization that fights to raise the voices of everyday people in our democracy through changing our campaign finance laws and through holding elected officials accountable.



The lobbying disclosure data used in this report is unique to the [Center for Responsive Politics](#) (CRP). The methodology section of this report explains how the data was derived.

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Executive Summary

Washington lobbyists are quietly laying the groundwork for passage of a mammoth package of 55 tax breaks – known as tax extenders – that could cost \$46 billion in 2014 and about \$700 billion over 10 years, according to Congressional Budget Office data.

Some of the tax breaks are clearly boondoggles, like special tax breaks for owners of thoroughbred racehorses and NASCAR race tracks.

Some help middle-class families, like a deduction for schoolteachers who pay for supplies out of their own pockets, tax breaks for employees who ride mass transit to work, and a deduction for “underwater” homeowners who receive help when they lose money on the sale of their homes. But **90 percent** of the cost of the tax package benefits businesses, especially large corporations. These tax breaks are far more expensive – some would cost tens of billions of dollars over ten years – and they may be of little benefit to anyone but the large corporations that receive them.

One of the largest giveaways is a special tax break that enables multinational corporations to avoid paying federal income taxes on financial income that can be claimed to have been generated offshore. Known as the Active Financing Exception (AFE), it will cost American taxpayers \$62.5 billion over ten years.

General Electric is one of the biggest beneficiaries of this tax break. GE claimed tax refunds of **\$3.1 billion** between 2008 and 2012 on **\$27.5 billion** in profits, according to Citizens for Tax Justice (CTJ), for a federal income tax rate of **negative 11.1%**. A significant reason was the AFE loophole.

This report reveals that corporate America is lobbying hard to pass the tax extender package. An army of **1,359** individual lobbyists swarmed Capitol Hill to press members of Congress on the issue between January 2011 and September 2013, the period covered in this report. This represents more than **1 in 10** of the federal lobbyists registered in Washington in 2013.

The intensity of lobbying on tax extenders is startling. These lobbyists appeared **12,378** times in quarterly lobbying reports in the period studied – each report representing from one to dozens of contacts with members of Congress and their staffs during the quarter it was filed.

Although this study looks broadly at lobbying on tax extenders, it focuses on the Active Financing Exception loophole, one of the most expensive tax breaks in the package. The AFE enables some large corporations to escape paying federal taxes on interest and dividend

income “earned” offshore. The report shows that lobbying on the AFE is far more concentrated than on the overall tax extender package – 30 large corporations and industry associations do **98 percent of all lobbying** on the issue.

No company has lobbied more aggressively on the AFE or benefits more handsomely than General Electric, which is why the report refers to this tax break as the “GE Loophole.”

Key Findings

- **The size of the “tax extenders” lobby:** Overall, **1,359** individual lobbyists representing **373** companies and trade associations reported lobbying on the broad topic of “tax extenders” between January 2011 and September 2013.¹ [Table 1] That is more than **1 out of 10** of the more than 12,000 lobbyists registered in Washington in 2013, according to Center for Responsive Politics data. There are more than **2.5** lobbyists on tax extenders for every member of Congress. There are more than **21** lobbyists on tax extenders for every member of the two tax-writing committees in Congress, the House Ways and Means Committee and the Senate Finance Committee.
- **Access to Members of Congress: 58 percent** of the lobbyists who worked on tax extenders have passed through the revolving door – they have worked for Congress or the executive branch, or both. [Table 1] They include two powerful former Senators – John Breaux (D-LA), a former senior member of the Senate Finance Committee, and Trent Lott (R-MS), the former Senate Majority Leader.
- **Dominant industries lobbying on tax extenders:** The industries that lobbied most heavily on tax extenders were miscellaneous manufacturing and distributing, computer and internet, securities and investment, and the pharmaceuticals and health products industries. [Table 2] The companies and trade associations that lobby on tax extenders spent **\$2.9 billion** lobbying Congress on all issues combined in the period covered by the study.
- **Wall Street industries and companies dominate Active Financing Exception lobbying:** General Electric, lobbying to advance the interests of its financing arm GE Capital, employs more lobbyists and is more active than any other institution on AFE and tax extender issues in general. The other big players are financial firms, banks and insurers including Citigroup, Prudential Financial, Bank of New York Mellon, Morgan Stanley, Goldman Sachs, Principal Financial Group, State Street Corp. and American Express. [Tables 3 and 4]

- **The size and intensity of the lobby on the GE Loophole (Active Financing Exception):** A total of **292** individual lobbyists representing **41** companies and trade associations lobbied specifically on the AFE. These firms spent **\$643.6 million** lobbying on tax extenders and all other issues combined during the report period. Individual lobbyists appeared **4,352** times overall in quarterly reports documenting that they lobbied on the GE Loophole. Each appearance could represent from one to dozens of contacts. [Table 3]
- **General Electric is a lobbying powerhouse on the AFE:** GE employed **48** lobbyists to work on tax extenders and worked on the AFE. That's more than any other corporation or trade association in both cases. GE's lobbyists included 14 in-house employees and 34 lobbyists from Washington's premier lobbying firms. GE's lobbyists appeared **16.5 percent** of the time in lobbying reports on the AFE – more than twice as often as the next most active company, Citigroup at **7.5 percent**. [Table 3]
- **General Electric employs the cream of the crop on the AFE:** Of the top 50 lobbyists working on the AFE, **32** have lobbied on behalf of GE. **Twenty-eight** of them are “revolvers” – former members of Congress, congressional staffers or executive branch officials. Remarkably, all of the 10 top AFE lobbyists are on contract to GE. [Table 5]
- **Impact of the AFE on General Electric's bottom line:** In its 2012 Annual Report, GE states: “If this provision [AFE] is not extended, we expect our effective tax rate to increase significantly after 2014.” It is not possible to know how much the AFE saves GE, but its lobbying operation is undoubtedly very cost effective. Overall, for every **\$1** GE spends lobbying it gets **\$24** in tax refunds, based on its \$130 million in lobbying expenses and tax refunds of \$3.1 billion from 2008 to 2012. While GE was busy making \$27.5 billion in profits over those five years, it paid less federal income taxes than an average American family pays in just one year.
- **Heavy lobbying for the AFE is associated with much lower corporate tax rates:** Twenty-two of the top 30 entities lobbying on the AFE are corporations – the rest are trade associations. Profit and tax data is available for 11 of those companies for 2008 to 2012. The average U.S. corporate income tax rate for those 11 corporations was just **10.4 percent** in that time period – less than **one-third** the statutory corporate income tax rate of 35 percent. These 11 companies made \$213.8 billion in profits over those five years and received a tax subsidy of **\$46.4 billion** – the taxes they saved by not paying the full 35 percent rate. [Table 6]

Introduction

Congress has begun to consider a package of 55 tax breaks – known as tax extenders – worth [\\$46 billion in 2014](#)² and up to \$700 billion over 10 years, according to [Congressional Budget Office data](#).³

This will not be the first time Congress has passed many of these tax breaks – for example, the research and experimentation tax credit (or R&D Tax Credit) [has been extended 15 times since it was enacted in 1981](#).⁴ Congress typically passes a package of tax extenders for a period of one or two years. The Congressional Research Service notes that enacting a temporary provision enables Congress to evaluate its effectiveness. However, it also notes that this rationale “is undermined if expiring provisions are regularly extended without systematic review, [as is the case in practice](#).”⁵ In other words, the tax extenders are usually passed with little debate, effectively rubber-stamped by Congress.

Senate Majority Leader Harry Reid (D-NV) [introduced a bill in December](#) that would have renewed the tax extender package without offsetting the cost.⁶ Senate Minority Leader Mitch McConnell (R-KY) said in January that [he opposes paying for the costs of tax extenders](#).⁷ His position is in sharp contrast to his refusal to pass a [\\$10 billion extension of emergency unemployment insurance benefits](#) unless it was paid for.⁸ Unlike unemployment benefits, he believes that tax extenders should be “off the books.” Unless both parties change direction and decide to offset the costs of the tax extender package, it will add billions to the deficit and pressure Congress to further cut spending, thereby putting vital services at risk.

The large package of tax breaks is very popular among lawmakers. It includes modest tax breaks for individuals – for example, a tax deduction for teachers who buy school supplies out of their own pockets, a deduction for “underwater” homeowners who receive help when they lose money on the sale of their homes, and a deduction for commuters who use public transit.

But [90 percent of the tax breaks are for businesses](#),⁹ including a tax credit for research and development, a tax credit for renewable energy production, and dozens of other tax breaks for large and small businesses. The tax extender package also contains some pure tax “pork” – special favors to small but powerful constituencies, like the [owners of NASCAR racetracks and thoroughbred racehorses](#).¹⁰

These 55 tax breaks expired at the end of 2013, and if no legislative action is taken the organizations and individuals that have benefited in the past will soon pay more in federal taxes. The corporations that get these breaks have hired a small army of lobbyists – at least 1,359 in all – to lobby on tax extenders. From the standpoint of the lobbyists working on tax extenders, the short-term nature of these tax breaks is a gift that keeps on giving. It means that every year or two lobbying firms will make millions of dollars twisting arms on Capitol Hill to keep the tax breaks alive.

Leading the way is General Electric, which is lobbying harder on tax extenders legislation in general, and on the AFE specifically, than any other corporation or trade association.

While large corporate interests tend to pair lobbying with campaign contributions to achieve their policy goals, this report focuses on lobbying activity, using newly available data provided by the Center for Responsive Politics exclusively to Americans for Tax Fairness.

The GE Loophole (Active Financing Exception)

Four corporate tax breaks account for most of the total cost of the tax extender package – bonus depreciation, the R&D Tax Credit, the Renewable Energy Production Credit, and the Active Financing Exception. The AFE alone comes with a [10-year price tag of \\$62.5 billion](#), according to Congressional Budget Office data.¹¹

The AFE makes it easier for banks, insurance companies, and others with big lending divisions (like GE Capital) to launder profits they make in the United States through offshore tax havens. Currently, U.S. corporations can postpone paying federal taxes on profits earned in foreign countries until the money is brought back to the United States – a tax break known as “deferral.” When Congress passed the deferral law it realized that some kinds of income, like interest, dividends, rents and royalties, can be easily manipulated to make it appear that profits earned in America were generated offshore. For this reason, Congress originally stipulated that [financial income is not subject to deferral and should be taxed when it is earned](#).¹² But the AFE reopens the tax loophole for financial income.

Several times in the past, both Congress and the president have made efforts to close the AFE loophole. Congress eliminated the AFE in the 1986 tax reform that swept away many corporate tax loopholes. But in 1997, Congress caved to pressure and passed a “temporary” amendment to the tax code, bringing back the exception. [President Clinton line-item vetoed it](#), but the Supreme Court declared his line-item veto unconstitutional.¹³ Since then, Congress has repeatedly [“extended” the Active Financing Exception](#).¹⁴

GE, which has earned **\$27.5 billion** in profits between 2008 and 2012, uses this loophole and other aggressive accounting practices to significantly reduce or even eliminate its federal income taxes. Over those five years, [GE claimed \\$3.1 billion in tax refunds](#) – an effective tax rate of **negative 11.1%**, according to Citizens for Tax Justice.¹⁵ The highly-profitable company paid less federal income taxes in five years than an average American family pays in one year.

General Electric’s [2012 Annual Report](#) states that the company’s extremely low federal income tax rate is due in large part to the AFE, and that if the provision is not extended, “we expect our effective tax rate to increase significantly after 2014.”¹⁶

The AFE is so important to GE’s bottom line that whenever the tax break nears expiration, the company coordinates an extensive lobbying effort to preserve it. At one point, the head of GE’s tax department [dropped to one knee to pretend to beg](#) the staff of the House Ways and Means Committee to save GE’s favorite loophole.¹⁷

Lobbying on Tax Extenders

Between January 2011 and September 2013, at least **1,359** unique lobbyists from **373** corporations and trade associations contacted members of Congress or their staffs about tax extenders in general, or about two of the largest provisions in the tax package, the AFE and the R&D Tax Credit. [Table 1]

Company/Organization	Lobbying Intensity*	Number of Lobbyists	Revolving Door Lobbyists	% Revolvers	Amount Spent
General Electric	863	48	40	83%	\$61,380,000
US Chamber of Commerce	789	41	10	24%	\$254,625,000
Hewlett-Packard	372	25	21	84%	\$18,578,544
National Assn of Manufacturers	366	30	16	53%	\$23,290,000
Citigroup Inc.	346	29	25	86%	\$14,760,000
Ford Motor Co	289	17	13	76%	\$18,127,000
Prudential Financial	285	14	10	71%	\$22,209,400
Active Financing Working Group	241	8	8	100%	\$880,000
Bank of New York Mellon	218	9	9	100%	\$3,220,000
IBM Corp	215	14	7	50%	\$14,160,000
Morgan Stanley	211	10	8	80%	\$9,270,000
Microsoft Corp	206	25	21	84%	\$23,141,000
AT&T Inc.	199	17	6	35%	\$49,990,000
International Paper	185	9	8	89%	\$11,750,000
Securities Industry & Fin. Mkt. Assn.	172	15	9	60%	\$41,053,000
Verizon Communications	172	23	14	61%	\$14,740,000
General Motors	172	37	30	81%	\$24,975,000
Goldman Sachs	154	7	7	100%	\$50,690,000
National Cable & Telecom. Assn.	154	19	13	68%	\$10,860,000
Roche Holdings	149	29	25	86%	\$14,556,352
Sanofi	146	11	6	55%	\$22,230,040
Wal-Mart Stores	144	26	20	77%	\$19,280,000
State Street Corp	141	8	8	100%	\$2,720,000
Pfizer Inc.	139	19	13	68%	\$30,810,000
Biotechnology Industry Org.	135	32	18	56%	\$21,490,000
Principal Financial Group	129	5	1	20%	\$6,699,000
American Express	126	3	2	67%	\$6,060,000
Johnson & Johnson	114	11	5	45%	\$16,441,000
Honeywell International	111	11	9	82%	\$19,140,000
R&D Credit Coalition	110	11	11	100%	\$960,000
Top 30 Organizations	7,053	453	289	64%	\$828,085,336
All 373 Organizations	12,378	1,359	787	58%	\$2,893,743,676
Top 30 as % of All Organizations	57%	33%	37%		16%

* Lobbying Intensity: Number of times lobbyists' names appear in lobbying reports on this issue or legislation.

Source: Center for Responsive Politics

More than **1 out of 10** of the nearly [12,300 lobbyists registered in Washington in 2013](#), according to the Center for Responsive Politics.¹⁸ There are more than **2.5** lobbyists on tax extenders for every member of Congress. There are more than **21** lobbyists on tax extenders for every member of the two tax-writing committees in Congress, the House Ways and Means Committee and the Senate Finance Committee.¹⁹ Together, the lobbyists appeared **12,378** times in quarterly reports documenting their work. Each of these reports may reflect many contacts with members of Congress or their staffs.

The companies and trade associations that lobby on tax extenders spent **\$2.9 billion** lobbying Congress on all issues combined during the nearly three-year period.

The top 30 corporations and trade associations employed a total of **453** unique lobbyists – **one-third** of the lobbyists who worked on this issue.

The corporation that lobbied most *intensely* on tax extenders was General Electric, whose **48** lobbyists appeared **7 percent** of the time in lobbying reports mentioning tax extenders. The U.S. Chamber of Commerce, the institution that [spends more money on lobbying than any other entity](#),²⁰ came in second to GE at **6.4 percent**. No other company or trade association lobbyists appeared half as often in lobbying reports as General Electric lobbyists.

Dominant Industries Lobbying on Tax Extenders

The industry that lobbied most aggressively on tax extenders was “miscellaneous manufacturing and distributing,” which is dominated by GE. [Table 2] Lobbyists paid by companies in those industries appeared **12.2 percent** of the time in lobbying reports, **57 percent** of which can be attributed to GE.

Industry	Lobbying Intensity*	% of All Industries	Number of Lobbyists	% of Total Lobbyists
Misc. Manufacturing & Distributing	1,509	12.2%	121	8.9%
Computers/Internet	1,309	10.6%	127	9.3%
Securities & Investment	1,253	10.1%	85	6.3%
Pharmaceuticals/Health Products	1,039	8.4%	157	11.6%
Business Associations	966	7.8%	91	6.7%
Insurance	621	5.0%	70	5.2%
Automotive	562	4.5%	82	6.0%
Commercial Banks	495	4.0%	59	4.3%
Telephone Utilities	371	3.0%	40	2.9%
Electric Utilities	362	2.9%	115	8.5%
Top 10 Industries	8,487	68.6%		
All Industries	12,378		1,359	

* Lobbying Intensity: Number of times lobbyists’ names appear in lobbying reports on this issue or legislation.
Source: Center for Responsive Politics

The computer and internet industry followed closely behind with **10.6 percent** of the lobbying intensity.²¹ The securities and investment industry placed third with **10.1 percent**, and the pharmaceuticals and health products industries finished fourth with **8.4 percent**.

Access to Members of Congress

The majority of the lobbyists working on tax extenders have passed through the “revolving door” – meaning they have worked for Congress or the executive branch. This gives them exceptional knowledge of the legislative process – how to pass a bill, how to insert a cherished provision, or how to kill an unwanted change. More importantly, it means that they have long-established personal connections with the people they are trying to influence.

Fifty-eight percent of all the lobbyists working on tax extenders were “revolvers.” [Table 1] General Electric’s lobbyists had far better connections to members of Congress and the executive branch; **83 percent** of its lobbyists were revolvers.

Lobbying on the Active Financing Exception

Between January 2011 and September 2013, **292** unique lobbyists representing 41 companies and trade associations pressed Congress on the AFE. [Table 3] They appeared **4,352** times in lobbying reports, representing one or dozens of phone calls, meetings or email exchanges with congressional offices.

Lobbying on the AFE is far more concentrated than it is on tax extenders in general. The top 30 corporations and industry associations together employed **95 percent** of all working lobbyists on this issue. All other corporations and trade associations that lobbied on the AFE employed only **16** other lobbyists.

Lobbyists for the top 30 institutions represented **98 percent** of the lobbying intensity on the AFE. That means only **2 percent** of the remaining lobbying documented was done by all other corporations or trade associations.

GE paid **48** lobbyists to convince members of Congress to back the AFE, more than any other organization including the U.S. Chamber of Commerce, which employed **33** lobbyists. Citigroup was third with **29** lobbyists.

Of those 48 GE lobbyists, **14** were employees of the company and **34** were lobbyists from Washington’s top lobbying firms. [Table 9] Lobbyists working for GE represented **16.5 percent** of the lobbying intensity on the AFE, more than twice as much as Citigroup at **7.5 percent**. By themselves, GE lobbyists appeared in reports about as often as the bottom 15 organizations in the top 30 put together. Overall, **83 percent** of GE lobbyists’ appearances in tax-extender lobbying reports analyzed for this study were for AFE.²²

In addition to the U.S. Chamber of Commerce, other very powerful trade associations also lobbied on the AFE, including the National Association of Manufacturers, the Securities Industry and Financial Markets Association, and the Financial Services Roundtable.

One trade association in the Top 30 exists solely for the purpose of lobbying on this issue – the Active Financing Working Group. It ranked #6 in the Top 30 in lobbying intensity and has spent [\\$1.7 million lobbying on the AFE since 2005](#), according to the Center for Responsive Politics.²³

TABLE 3. Top 30 Companies or Trade Associations Lobbying Most Intensely for the Active Financing Exception, Jan. 2011 – Sept. 2013					
Company/Organization	Lobbying Intensity*	Number of Lobbyists	Revolving Door Lobbyists	% Revolvers	Amount Spent
General Electric	717	48	40	83%	\$61,380,000
Citigroup Inc.	328	29	25	86%	\$14,760,000
US Chamber of Commerce	291	33	8	24%	\$254,625,000
Ford Motor Co	273	13	9	69%	\$18,127,000
Prudential Financial	271	14	10	71%	\$22,209,400
Active Financing Working Group	241	8	8	100%	\$880,000
Bank of New York Mellon	209	9	9	100%	\$3,220,000
Morgan Stanley	197	10	8	80%	\$9,270,000
Hewlett-Packard	191	23	19	83%	\$18,578,544
International Paper	168	7	7	100%	\$11,750,000
Goldman Sachs	147	7	7	100%	\$10,860,000
Principal Financial Group	129	5	1	20%	\$6,699,000
State Street Corp	126	7	7	100%	\$2,720,000
American Express	126	3	2	67%	\$6,060,000
Securities Industry & Fin. Mkt. Assn	121	15	9	60%	\$14,740,000
IBM Corp	111	14	7	50%	\$14,160,000
National Assn of Manufacturers	75	24	12	50%	\$23,290,000
Retail Industry Leaders Assn	75	9	7	78%	\$10,450,000
Unum Group	57	3	1	33%	\$2,200,000
Prudential Insurance	54	10	8	80%	\$487,000
Overseas Shipholding Group	53	16	16	100%	\$1,230,000
Liberty Mutual	50	7	4	57%	\$3,910,000
JPMorgan Chase & Co	45	7	7	100%	\$19,690,000
Financial Services Roundtable	36	4	3	75%	\$20,380,000
Bank of America	35	3	0	0%	\$8,170,000
Honeywell International	34	6	4	67%	\$19,140,000
Amway/Alticor Inc.	24	1	0	0%	\$1,210,000
American Insurance Assn	24	1	0	0%	\$3,220,000
Reinsurance Group of America	23	7	6	86%	\$880,000
Equipment Leasing & Finance Assn	22	3	2	67%	\$1,560,000
Top 30 Organizations	4,253	276	181		\$585,855,944
All 41 Organizations	4,352	292	189		\$643,603,789
Top 30 as % of All Organizations	98%	95%	96%		91%

*Lobbying Intensity: Number of times lobbyists' names appear in lobbying reports on this issue or legislation.
Source: Center for Responsive Politics

Wall Street Industries Dominate Lobbying on the Active Financing Exception

Lobbying reports reveal there is a relatively small but powerful club of Wall Street firms behind the AFE. [Table 4] The top four industries that they come from clearly benefit from the AFE because they earn substantial profits from investment income, which easily can be made to look as if it were generated in offshore tax havens.

- Securities and investment firm lobbyists appeared **21.6 percent** of the time in lobbying reports about the AFE. The biggest firms were Bank of New York Mellon, Morgan Stanley, Goldman Sachs, Principal Financial Group and State Street.
- Miscellaneous manufacturing and distributing firms appeared **19 percent** of the time in AFE lobbying reports. General Electric, through its financing arm GE Capital, dominated this industry, appearing **9 out of every 10** times.
- Insurance industry lobbyists appeared in AFE lobbying reports **11.4 percent** of the time. Leading companies were Prudential Financial, Unum Group and Prudential Insurance.
- Commercial bank lobbyists appeared **9.4 percent** of the time in AFE lobbying reports, led by Citigroup, JPMorgan Chase and Bank of America.

Industry	Lobbying Intensity*	% of All Industries	Number of Lobbyists	% of All Lobbyists All Industries
Securities & Investment	938	21.6%	33	11.3%
Misc. Manufacturing & Distributing	826	19.0%	78	26.7%
Insurance	494	11.4%	43	14.7%
Commercial Banks	408	9.4%	39	13.4%
Computers/Internet	302	6.9%	37	12.7%
Business Associations	299	6.9%	38	13.0%
Automotive	273	6.3%	13	4.5%
Misc. Issues	241	5.5%	8	2.7%
Forestry & Forest Products	168	3.9%	7	2.4%
Finance/Credit Companies	126	2.9%	3	1.0%
Top 10 Industries	4,075	94%		
All Industries	4,352		292	

* Lobbying Intensity: Number of times lobbyists' names appear in lobbying reports on this issue or legislation.

Source: Center for Responsive Politics

Top Lobbyists

Lobbying power on the AFE is highly concentrated at the very top of the ladder. The top 50 individual lobbyists were listed more often (**2,557 times**) in quarterly reports than the other 242 AFE lobbyists put together (**1,795 times**). The top 10 lobbyists represented **31 percent** of the lobbying intensity. [Table 5]

More than three-quarters (**78%**) of the lobbyists in the Top 50 are “revolvers” – former members of Congress, Hill staffers or executive branch employees.

General Electric dominates lobbying on the AFE. It employs **32** of the Top 50 lobbyists, including **8** in-house employees and **24** lobbyists from top Washington firms. All but four of these are “revolvers.” And GE employs every one of the top 10 lobbyists working on the AFE.

Two former U.S. senators rank among the Top 50 and both lobby for GE – former Senator John Breaux (D-LA), who retired as a senior member of the Senate Finance Committee, and former Senate Majority Leader Trent Lott (R-MS). Their deep connections to former colleagues and subordinates give them outsized influence in the lobbying process.

Capitol Tax Partners is by far the most aggressive lobbying force on the AFE, employing seven of the top 10 lobbyists, all of whom lobby for GE. Their lobbyists appeared **1,184** times on AFE lobbying reports. Tax Analysts, a leading trade publication, named Lindsay Hooper and Jonathan Talisman of Capitol Tax Partners to its list of the [top five tax lobbyists in Washington](#).²⁴

The seven Capitol Tax Partners lobbyists have a proven track record. All of them previously worked for Ryder System, the truck rental company. Ryder paid a [federal income tax rate of negative 5.4 percent](#) between 2008 and 2011, according to Citizens for Tax Justice.²⁵

General Electric’s outside lobbyists have exceptional contacts in Washington. Jonathan Talisman was formerly an [assistant secretary of the Treasury](#) for tax policy.²⁶ Joseph Mikrut was a [tax legislative counsel](#) for the Department of the Treasury and a former staffer for the Joint Committee on Taxation.²⁷ Chris Javens was [tax counsel for the Senate Finance Committee](#).²⁸ Laurence Willcox was the [tax counsel for former Sen. Jon Kyl](#) (R-AZ), a key member of the Senate Finance Committee.²⁹ William McKenney was the [staff director for the House Ways and Means Committee](#) under former chairman Bill Archer (R-TX).³⁰

Some of General Electric’s in-house tax lobbyists also have stellar political connections. Peter Prowitt was the [chief of staff to former Sen. Max Baucus](#) (D-MT),³¹ the recently departed chairman of the Senate Finance Committee. Lisa Wolski was the [chief of staff to Sen. Kyl](#).³²

TABLE 5. Top 50 Lobbyists on the Active Financing Exception, Jan. 2011 – Sept. 2013					
Lobbyist	Lobbying Firm/Employer	Revolver?	Works for GE?	Lobbying Intensity**	Number of Clients
Mikrut, Joseph	Capitol Tax Partners	Yes	Yes	186	8
Hooper, Lindsay D.	Capitol Tax Partners	Yes	Yes	186	8
Talisman, Jonathan	Capitol Tax Partners	Yes	Yes	168	7
Javens, Chris L.	Capitol Tax Partners	Yes	Yes	168	7
Willcox, Lawrence G.	Capitol Tax Partners	Yes	Yes	165	7
Grafmeyer, Richard	Capitol Tax Partners	Yes	Yes	144	6
McKenney, William	Capitol Tax Partners	Yes	Yes	144	6
Rossmann, Manny	Patton Boggs LLP	Yes	Yes	67	3
Breaux, John	Patton Boggs LLP	Yes	Yes	67	3
Lott, Trent	Patton Boggs LLP	Yes	Yes	67	3
Schuyler, Beau	Capitol Hill Strategies	Yes	Yes*	60	2
Brain, Charles M.	Capitol Hill Strategies	Yes	Yes*	60	2
Bock, Paul	Capitol Hill Strategies	Yes	Yes*	56	2
Morgan, David	American Express	--	--	42	1
Pianalto, Antonella	American Express	Yes	--	42	1
Christenson, Arne	American Express	Yes	--	42	1
LaSala, Barry	Elmendorf Ryan	Yes	Yes*	32	1
Stanton, Shanti	Elmendorf Ryan	Yes	Yes*	32	1
Cogorno, Robert	Elmendorf Ryan	Yes	Yes*	32	1
Ryan, James 'Jimmy'	Elmendorf Ryan	Yes	Yes*	32	1
Alexander, Stacey	Elmendorf Ryan	Yes	Yes*	32	1
Kennedy, Kristina	Elmendorf Ryan	Yes	Yes*	32	1
Elmendorf, Steven	Elmendorf Ryan	Yes	Yes*	32	1
Giordano, Nick	Ernst & Young	Yes	Yes	31	3
Wojciak, Adam J.	Capitol Hill Strategies	Yes	Yes*	30	1
McGuinness, Marty	Unum Group	Yes	--	30	1
Lawson, Richard L.	Principal Financial Group	--	--	30	1
Cavanaugh, James N.	Principal Financial Group	--	--	30	1
Roussel, Jerry	Ford Motor Co	--	--	30	1
Young, James T.	Assoc. Gen. Contractors	Yes	--	30	1
Blumer, Patti R.	Principal Financial Group	Yes	--	30	1
Jones, Alison	Ford Motor Co	Yes	--	30	1
Arapis, Peter	Ford Motor Co	Yes	--	30	1
Levey, Jeff	Ernst & Young	--	Yes	28	3
Getzoff, Robert	Bank of New York Mellon	Yes	--	28	1
Costello, Ann S.	Bank of New York Mellon	Yes	--	28	1
Shelk, Melissa	American Insurance Assn	--	--	24	1
Zarrelli, Michael J.	Amway/Alticor Inc	--	--	24	1
Ojakli, Ziad	Ford Motor Co	Yes	--	24	1
Mueller, Melissa	Capitol Tax Partners	Yes	Yes	23	1
Thomson, Lynn H.	General Electric	--	Yes	21	1
Mitchell, James	General Electric	--	Yes	21	1
Pelletier, Eric	General Electric	Yes	Yes	21	1
Mattox, Barbara G.	General Electric	Yes	Yes	21	1
Raymond, Joshua H.	General Electric	Yes	Yes	21	1
Dorn, Nancy	General Electric	Yes	Yes	21	1
Prowitt, Peter D.	General Electric	Yes	Yes	21	1
Riddle, Lucia	Principal Financial Group	Yes	--	21	1
Williams, Pieter	Unum Group	--	--	21	1
Peterson, Theresa	General Electric	--	Yes	20	1
Top 50 Lobbyists		39	32	2,557	

* Lobbyist works on this issue and is paid by General Electric, but lobbying reports don't indicate whether he or she is paid by GE to work on the Active Financing Exception.

** Lobbying Intensity: Number of times lobbyists' names appear in lobbying reports on this issue or legislation.

Source: Center for Responsive Politics

Lobbying Expenditures

The corporations and industry associations that lobby on tax extenders spend lavishly to plead their case on Capitol Hill. They spent **\$2.9 billion** lobbying on tax extenders and all other issues combined during the nearly three-year period covered in this report. The top 30 most active corporations and trade associations together spent **\$828.1 million** on lobbying on tax extenders and all other issues. [Table 1]

The 41 companies and trade associations that lobbied on the Active Financing Exception spent a total of **\$643.6 million** lobbying Congress on AFE and all other issues combined. GE alone spent **\$61.4 million** in total on lobbying during the nearly three years examined. [Table 3] This is more than four times the amount spent by the next most active corporation, Citigroup.

It is impossible to know from public records how much these firms spend lobbying on specific issues like the tax extenders and the AFE – federal law only requires expenditure disclosure for all the issues mentioned in each lobbying report. Nevertheless, the total expenditures reveal the broad outlines of the value of lobbying on tax issues.

Return on Investment from Lobbying

General Electric achieves a substantial tax savings from tax loopholes and deductions in the federal tax code, many placed there because of the large corporate tax lobbying operation in Washington, in which GE is recognized as the top player. It’s worth making a ballpark estimate of what all this lobbying is worth.

Company/Organization	5-Year Profits Dollars/Billions	5-Year Tax Paid	5-Year Effective Tax Rate	Tax Subsidy Dollars/Millions
General Electric	\$27,518	-\$3,054	-11.1%	\$12,685
Reinsurance Group of America	\$2,039	\$46	2.3%	\$668
International Paper	\$2,830	\$74	2.6%	\$917
IBM Corp	\$45,294	\$2,630	5.8%	\$13,223
State Street Corp	\$6,702	\$457	6.8%	\$1,889
Principal Financial Group	\$3,819	\$269	7.0%	\$1,068
Honeywell International	\$6,976	\$526	7.5%	\$1,916
American Express	\$21,340	\$3,733	17.5%	\$3,736
Goldman Sachs	\$33,527	\$7,641	22.8%	\$4,094
JPMorgan Chase & Co	\$59,538	\$14,952	25.1%	\$5,886
Unum Group	\$4,244	\$1,211	28.5%	\$275
TOTAL/AVERAGE TAX RATE	\$213,827	\$28,485	10.4%	\$46,355

[Source: Citizens for Tax Justice, The Sorry State of Corporate Taxes, p. 6](#)

[Source: Citizens for Tax Justice, The Sorry State of Corporate Taxes online spreadsheet, see column "BK"](#)

Between 2008 and 2012, GE earned **\$27.5 billion** in profits but claimed **\$3.1 billion** in federal income tax refunds – a tax rate of **negative 11.1%**, according to [Citizens for Tax Justice](#).³³ If the company had paid the top corporate income tax rate of 35 percent on those profits, its total federal income tax bill would have been \$9.6 billion. But GE claimed refunds of \$3.1 billion for a net savings of **\$12.7 billion**.³⁴ [Table 6]

The amount GE saves on its federal income taxes is undoubtedly a result of its use of a number of tax avoidance measures. GE itself says that the AFE is an important part of its tax strategy. In its 2012 Annual Report, the company stated that if the AFE is not renewed after 2013 “[we expect our effective tax rate to increase significantly after 2014](#).”³⁵

During the same five-year period, GE spent [\\$129.7 million lobbying on all issues combined](#).³⁶ If every one of GE’s lobbying dollars was spent on tax lobbying, the \$3.1 billion refund the company claimed for the years 2008 and 2012 would be **24 times** its lobbying investment. However, because GE’s lobbying budget is not all spent to lobby on taxes, the rate of return on that lower level of AFE spending would be considerably higher than 24 to 1.

Other companies that lobby on the AFE also have low effective federal income tax rates. Table 6 shows that 11 of the 41 companies that lobbied on the AFE are among the 288 Fortune 500 companies that have been consistently profitable each year from 2008 to 2012, as analyzed by Citizens for Tax Justice.³⁷ Their average effective tax rate was just **10.4 percent**.

This is **nearly half** the [19.4 percent corporate tax rate paid](#) by the 288 Fortune 500 companies in the CTJ study,³⁸ and it is less than **one-third** of the 35 percent statutory corporate tax rate. These 11 companies made \$213.8 billion in profits over those five years and received a tax subsidy of **\$46.4 billion** – the taxes they saved by not paying the full 35 percent rate.

Conclusion

The history of tax extenders legislation in Congress is not something to be proud of. The legislation is loaded with scores of tax breaks – the vast majority for corporate interests – that cost a substantial sum and are unpaid for. They include some meritorious tax breaks, some special-interest boondoggles, and some that should be carefully examined by lawmakers to determine their effectiveness.

Meanwhile, the rest of federal spending – from emergency unemployment benefits to new investments – is constrained by a requirement from Republican leaders that if you want to spend more you have to cut elsewhere in the budget to pay for it.

This double-standard for tax extenders is all the more disturbing in light of the chief finding of this report: A small army of lobbyists has descended on Capitol Hill to press lawmakers to renew a package of 55 expired tax breaks that could cost as much as \$700 billion over 10 years.

The general at the head of the army is General Electric, one of America's most profitable and powerful corporations – and one of the country's biggest tax dodgers. Its primary lobbying objective is to maintain a tax loophole – the Active Financing Exception – which enables multinational corporations to launder profits earned in the United States through offshore tax havens, sheltering those profits from federal taxes until they are brought back home. It will cost American taxpayers \$62.5 billion over ten years.

That is nearly enough to fund the [\\$75 billion cost of President Obama's initiative to provide universal pre-K funding to all Americans](#).³⁹ And it is much more than the [\\$39 billion that the U.S. House of Representatives recently voted to cut from the Food Stamps program](#), which would have put 4 million Americans at risk of hunger.⁴⁰ Clearly, in our nation's capital lobbyists have more influence than kids and families.

Congress usually rubber-stamps the tax extender package, and this report helps us understand why. Hopefully, it can shed some light on the process, and it will encourage members of Congress to rethink their approach. The Active Financing Exception loophole has expired – it should remain so. That is the least Congress should do.

Large corporate interests like General Electric and Citigroup enjoy privileged access to politicians, cultivated over years of lobbying contacts backed by campaign checks. One way to break up the influence game is to change the way political campaigns are financed. Legislation such as the [Government By The People Act of 2014](#) would elevate the voices of everyday people through small donor matching, making it harder for well-paid, well-connected K Street corporate lobbyists to hold undue sway over policymaking.⁴¹

Methodology

Definition of Tax Extenders

There are 55 tax extenders that expired at the end of 2013. This report used three categories of search terms and legislation (see tables below) to determine the companies that lobbied on tax extenders and the names of individual lobbyists and their employers. These were developed based on two criteria:

- A comprehensive search of the frequency that individual tax bills had been lobbied on from January 2011 through September 2013 provided by the Center for Responsive Politics. Only those bills were used that had clearly been the subject of significant industry lobbying compared with other bills.
- A search of lobbying records of 20 major companies across five industries to check that they had lobbied on the priority legislation identified in the CRP search and to determine the "issue" terms they had identified in their lobbying disclosure forms. Issues are often a substitute for specific legislation. As can be seen below, the issue "tax extenders" was more

commonly cited than any other tax extender issue or legislation searched for so it is a reasonably comprehensive proxy for total lobbying on tax extenders.

Besides using the general search term “tax extenders,” this report is also based on lobbying on a comprehensive tax extender bill that passed the Senate Finance Committee on August 2, 2012, [The Family and Business Tax Cut Certainty Act of 2012](#).⁴² The legislation was eventually rolled into H.R. 8, the “[American Taxpayer Relief Act of 2012](#),” which renewed tax extenders for two years (retroactively for 2012 and for 2013).⁴³ H.R. 8 passed both chambers of Congress on January 1, 2013 and was signed by President Obama on January 2, 2013. H.R. 8 was not used in this analysis because its primary purpose was not to renew tax extenders but to renew the Bush tax cuts and more.

We do not suggest that this study is exhaustive, which means there could be more companies and an even greater number of lobbyists that have worked on one or more tax extenders that were not captured by this analysis.

The tables below show the bills and issues used for this study.

Tax Extenders

Bill Or Issue	# of Lobbyists	# of Organizations	Description	Bill Sponsor
Tax Extenders	724	209	Issue	
S. 3521 (112 th Congress)	515	186	Family and Business Tax Cut Certainty Act of 2012	Baucus (D)

Active Financing Exception

Bill Or Issue	# of Lobbyists	# of Organizations	Description	Bill Sponsor
Active Financing Exception	188	33	Issue	
SubPart F	211	33	Issue	
H.R. 749 (112 th Congress)	144	24	To Permanently Extend the Subpart F Exception for Active Financing Income	Tiberi (R)

Research & Experimentation Tax Credit

Bill Or Issue	# of Lobbyists	# of Organizations	Description	Bill Sponsor
H.R. 942 (112 th Congress)	424	73	American Research and Competitiveness Act	Brady (R)
S. 1577 (112 th Congress)	205	39	Growth Act/Greater Research Opportunities With Tax Help Act	Baucus (D)

Lobbying Disclosure Data



The lobbying disclosure data used in this report is unique to the Center for Responsive Politics (CRP), and available at OpenSecrets.org. Americans for Tax Fairness worked with CRP to collect and standardize U.S. House of Representatives lobbyist data so that CRP could draw the connections between specific lobbyists and the bills and issues on which they lobbied. CRP is the only organization that collects and standardizes lobbyist information. It has historically done this by using data from the U.S. Senate. To provide the data found in this report CRP set up and implemented an entirely new data process using U.S. House of Representatives data, which finally allows for the illumination of lobbyist-to-bill and lobbyist-to-issue connections.

This analysis is restricted to corporate organizations (companies and trade associations) by excluding lobbying clients from the CRP categories for labor, ideological and “other” organizations, which include universities and nonprofits. This was done by filtering out organizations with category codes beginning with L, J, H5, H6, and X. The one exception was inclusion of corporate tax coalitions such as the Active Financing Working Group.

The CRP data allowed us to calculate the number of times specific lobbyists worked on specific issues and bills for each of their clients. In this report “lobbying intensity” refers to the number of times a set of lobbyists working on an issue appear in any number of quarterly reports covered by the period searched (January 2011 through September 2013). Thus, while a client organization may have mentioned an issue in five of the reports filed in this search period, that client might have employed four lobbyists on that issue each quarter. If each of their four names appeared in all five reports, the lobbying intensity count would be 20. This analysis required standardization of organization names, which was performed using CRP data.

Data provided by CRP included an indication of whether the lobbyists surfaced in our issue and bill searches had gone through the revolving door. Our reporting on their previous government positions relied both on the information lobbyists provided in their quarterly reports and publicly available information online. CRP also provided a list of former members of Congress, which was matched against the list of revolving door lobbyists using the unique lobbyist identification number provided by CRP.

Lobbying expenditure amounts often include lobbying on a number of issues and should not be considered spending specific to the issues discussed in this report. Lobbying records do not specifically list the amount spent on specific issues, so it is impossible to calculate the total amount spent on tax extender lobbying.

Additional Tables

Lobbyist Name	Firm/Employer	Revolver?	Works for GE?	Lobbying intensity*	Number of Clients
Mikrut, Joseph	Capitol Tax Partners	Yes	Yes	259	38
Hooper, Lindsay D.	Capitol Tax Partners	Yes	Yes	258	39
Talisman, Jonathan	Capitol Tax Partners	Yes	Yes	244	38
Javens, Chris L.	Capitol Tax Partners	Yes	Yes	228	33
Willcox, Lawrence G.	Capitol Tax Partners	Yes	Yes	210	26
Grafmeyer, Richard	Capitol Tax Partners	Yes	Yes	184	23
McKenney, William	Capitol Tax Partners	Yes	Yes	179	21
Nickerson, Gregory	Washington Tax Group	Yes		166	16
Fowler, Jan	Washington Tax Group	Yes		166	16
Rossmann, Manny	Patton Boggs LLP	Yes	Yes	113	11
Breaux, John	Patton Boggs LLP	Yes	Yes	105	11
Lott, Trent	Patton Boggs LLP	Yes	Yes	103	10
Schuyler, Beau	Capitol Hill Strategies	Yes	Yes	78	5
Brain, Charles M	Capitol Hill Strategies	Yes	Yes	78	5
Bock, Paul	Capitol Hill Strategies	Yes	Yes	74	5
Giordano, Nick	Ernst & Young	Yes	Yes	61	6
Mueller, Melissa	Capitol Tax Partners	Yes	Yes	54	14
Wojciak, Adam J.	Capitol Hill Strategies	Yes	Yes	48	4
McMillen, Jeffrey	Akin, Gump et al	Yes	Yes	46	6
Morgan, David	American Express			42	1
Pianalto, Antonella	American Express	Yes		42	1
Christenson, Arne	American Express	Yes		42	1
Siddiqui, Arshi	Akin, Gump et al	Yes	Yes	38	6
Evans, Linda C.	IBM Corp			38	1
McCulloch, Edgar H III	IBM Corp	Yes		38	1
Padilla, Christopher A.	IBM Corp	Yes		38	1
McGuinness, Marty	Unum Group	Yes		37	1
Dove, Randolph	Hewlett-Packard			36	1
Vasell, Shawn Michael	Hewlett-Packard	Yes		36	1
Tomb, Mark	Hewlett-Packard	Yes		36	1
Regalia, Martin A.	US Chamber of Commerce			36	1
Harris, Caroline	US Chamber of Commerce			36	1
Eidshaug, Ronald	US Chamber of Commerce			36	1
Josten, R Bruce	US Chamber of Commerce			36	1
Wilson, Ashley	US Chamber of Commerce			36	1
Warhola, Anne	US Chamber of Commerce			36	1
Donohue, Thomas J.	US Chamber of Commerce	Yes		36	1
Quaadman, Thomas	US Chamber of Commerce			34	1
LaSala, Barry	Elmendorf Ryan	Yes	Yes	33	2
Stanton, Shanti	Elmendorf Ryan	Yes	Yes	33	2
Cogorno, Robert	Elmendorf Ryan	Yes	Yes	33	2
Ryan, James 'Jimmy'	Elmendorf Ryan	Yes	Yes	33	2
Alexander, Stacey	Elmendorf Ryan	Yes	Yes	33	2
Kennedy, Kristina	Elmendorf Ryan	Yes	Yes	33	2
Elmendorf, Steven	Elmendorf Ryan	Yes		33	2
Coratolo, Giovanni	US Chamber of Commerce			32	1
Suckow, Sarah	US Chamber of Commerce			32	1
Hillenbrand, Daniel	US Chamber of Commerce			32	1
Francis, Stephen Adam	Ernst & Young	Yes	Yes	30	5
Lawson, Richard L.	Principal Financial Group			30	1
Top 50 Lobbyists		49	25		

* Lobbying Intensity: Number of times lobbyists' names appear in lobbying reports on this issue or legislation.
 Source: Center for Responsive Politics

TABLE 8. Top 50 Lobbyists on Tax Extenders Grouped by Firm				
Lobbying Firm/Employer	Lobbyist Name	Revolver?	Lobbying Intensity*	Total Unique Clients
Capitol Tax Partners	Mikrut, Joseph	Yes	259	38
	Hooper, Lindsay D	Yes	258	39
	Talisman, Jonathan	Yes	244	38
	Javens, Chris L	Yes	228	33
	Willcox, Lawrence G	Yes	210	26
	Grafmeyer, Richard	Yes	184	23
	McKenney, William	Yes	179	21
	Mueller, Melissa	Yes	54	14
Total			1616	
US Chamber of Commerce	Donohue, Thomas J	Yes	36	1
	Eidshaug, Ronald		36	1
	Harris, Caroline		36	1
	Josten, R Bruce		36	1
	Regalia, Martin A		36	1
	Warhola, Anne		36	1
	Wilson, Ashley		36	1
	Quaadman, Thomas		34	1
	Coratolo, Giovanni		32	1
	Hillenbrand, Daniel		32	1
	Suckow, Sarah		32	1
	Total			382
Washington Tax Group	Fowler, Jan	Yes	166	16
	Nickerson, Gregory	Yes	166	16
Total			332	
Patton Boggs LLP	Rossmann, Manny	Yes	113	11
	Breaux, John	Yes	105	11
	Lott, Trent	Yes	103	10
Total			321	
Capitol Hill Strategies	Brain, Charles M	Yes	78	5
	Schuyler, Beau	Yes	78	5
	Bock, Paul	Yes	74	5
	Wojciak, Adam J	Yes	48	4
Total			278	
Elmendorf Ryan	Alexander, Stacey	Yes	33	2
	Cogorno, Robert	Yes	33	2
	Elmendorf, Steven	Yes	33	2
	Kennedy, Kristina	Yes	33	2
	LaSala, Barry	Yes	33	2
	Ryan, James 'Jimmy'	Yes	33	2
	Stanton, Shanti	Yes	33	2
Total			231	
American Express	Christenson, Arne	Yes	42	1
	Morgan, David		42	1
	Pianalto, Antonella	Yes	42	1
Total			126	

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IBM Corp	Evans, Linda C		38	1
	McCulloch, Edgar H III	Yes	38	1
	Padilla, Christopher A	Yes	38	1
Total			114	

Hewlett-Packard	Dove, Randolph		36	1
	Tomb, Mark	Yes	36	1
	Vasell, Shawn Michael	Yes	36	1
Total			108	

Ernst & Young	Giordano, Nick	Yes	61	6
	Francis, Stephen Adam	Yes	30	5
Total			91	

Akin, Gump et al	McMillen, Jeffrey	Yes	46	6
	Siddiqui, Arshi	Yes	38	6
Total			84	

Unum Group	McGuinness, Marty	Yes	37	1
Total			37	

Principal Financial Group	Lawson, Richard L		30	1
Total			30	

Source: Center for Responsive Politics

TABLE 9. Lobbyists Paid by General Electric for Work on Tax Extenders and the AFE			
	Lobbyist Name	Firm/Employer	Revolver?
1	Angus, Barbara M	Ernst & Young	Yes
2	Bradshaw, Tara	Ernst & Young	Yes
3	Breaux, John	Patton Boggs LLP	Yes
4	Coulam, Weston J	Ernst & Young	Yes
5	Deuser, Jon S	Smith-Free Group	Yes
6	Dorn, Nancy	General Electric	Yes
7	Fitzgerald, Jayne T	Akin, Gump et al	Yes
8	Francis, Stephen Adam	Ernst & Young	Yes
9	Freedman, Jon	General Electric	
10	Garrett-Nelson, LaBrenda	Ernst & Young	Yes
11	Giordano, Nick	Ernst & Young	Yes
12	Grab, Francis	Ernst & Young	Yes
13	Grafmeyer, Richard	Capitol Tax Partners	Yes
14	Hall, Robert P III	General Electric	Yes
15	Hensler, Rachel Jones	Nickles Group	Yes
16	Heyniger, Will	Ernst & Young	
17	Hirschmann, Susan	Williams & Jensen	Yes
18	Hooper, Lindsay D	Capitol Tax Partners	Yes
19	Javens, Chris L	Capitol Tax Partners	Yes
20	Koch, Cathleen	General Electric	
21	Leonard, Robert J	Akin, Gump et al	Yes
22	Levey, Jeff	Ernst & Young	
23	Lott, Trent	Patton Boggs LLP	Yes
24	Marshall, Hazen	Nickles Group	Yes
25	Mattox, Barbara G	General Electric	Yes
26	McKenney, William	Capitol Tax Partners	Yes
27	McMillen, Jeffrey	Akin, Gump et al	Yes
28	Mikrut, Joseph	Capitol Tax Partners	Yes
29	Mitchell, James	General Electric	
30	Mueller, Melissa	Capitol Tax Partners	Yes
31	Nickles, Don	Nickles Group	Yes
32	Pelletier, Eric	General Electric	Yes
33	Peterson, Theresa	General Electric	Yes
34	Prowitt, Peter D	General Electric	Yes
35	Raymond, Joshua H	General Electric	Yes
36	Ritterpusch, Kurt	Ernst & Young	
37	Rossman, Manny	Patton Boggs LLP	Yes
38	Rozen, Robert M	Ernst & Young	Yes
39	Sandberg, James C II	General Electric	Yes
40	Schellhas, Robert	Ernst & Young	Yes
41	Siddiqui, Arshi	Akin, Gump et al	Yes
42	Swonger, Amy	Ernst & Young	Yes
43	Talisman, Jonathan	Capitol Tax Partners	Yes
44	Thomson, Lynn H	General Electric	
45	Urban, Tim	Ernst & Young	Yes
46	Wallace, George	General Electric	
47	Willcox, Lawrence G	Capitol Tax Partners	Yes
48	Wolski, Lisa	General Electric	Yes
	TOTAL REVOLVERS		40
Source: Center for Responsive Politics			

Endnotes

¹ Because of wide variance in the way lobbying visits are categorized, we searched the broad term “tax extenders,” but also searches for two of the largest provisions in the extender package, the “Active Financing Exception” and the “Research and Experimentation Tax Credit” “R&D Tax Credit” and other variations. The reported numbers are unique companies and lobbyists. For more on this see the Methodology section of this report.

² Richard Rubin, “Breaks For Commuters, Horses, Research Said to Get Vote,” *Bloomberg News* (March 20, 2014). <http://www.bloomberg.com/news/2014-03-20/breaks-for-commuters-horses-research-said-to-get-vote.html>

³ Congressional Budget Office (CBO), “Individual Income Tax Receipts and the Individual Tax Base—February 2014 Baseline” (Feb. 4, 2014), as modified by Americans for Tax Fairness. <http://www.americansfortaxfairness.org/files/CBO-Costs-of-Extending-Tax-Provisions-Set-to-Expire-Before-2024-Table-7-by-ATF-FINAL1.xlsx>

⁴ Congressional Research Service (CRS), “Tax Provisions Expiring in 2013 (‘Tax Extenders’)” (Nov. 5, 2013), p. 1. <http://www.fas.org/sgp/crs/misc/R43124.pdf>

⁵ CRS, p. 2.

⁶ Sen. Harry Reid, “Tax Extender Act of 2013 (S. 1859),” introduced Dec. 19, 2013. <http://thomas.loc.gov/cgi-bin/bdquery/z?d113:S.1859>:

⁷ Office of Senator Mitch McConnell, “McConnell Highlights Five Years of Failed Obama Economic Policies,” Jan. 27, 2014 http://www.mcconnell.senate.gov/public/index.cfm?p=PressReleases&ContentRecord_id=0c1a92d7-c9a7-4e05-981a-cd9390ac5250; McConnell -- “Typically, Republicans have felt that you shouldn't have to pay for current tax policy. I think occasionally these packages have been paid for, but most Republicans believe that the existing tax policy should not be paid for.” -- remarks at press conference, Jan. 28, 2014, aired on C-SPAN, <http://www.c-span.org/video/?c4483259/mitch-mcconnell-re-new-tax-breaks>

⁸ Jeremy W. Peters, “Senate Deal Is Reached on Restoring Jobless Aid,” *New York Times* (March 13, 2014). <http://www.nytimes.com/2014/03/14/us/senate-reaches-deal-to-pay-for-jobless-aid.html>

⁹ Americans for Tax Fairness (ATF), “Key Facts About Tax Extenders” (March 2013). <http://www.americansfortaxfairness.org/files/ATF-Key-Facts-about-Tax-Extenders.doc>

¹⁰ ATF, “Stretched to the Limit: A Sampling of Tax Extenders that Should Be Ended (or Substantially Reformed),” <http://www.americansfortaxfairness.org/files/ATF-Stretched-to-the-Limit-A-Sampling-of-Tax-Extenders-that-Should-be-Ended-FINAL-v2-4.docx>. Brad Plumer, “From NASCAR to Wind Power: Congress Just Let 55 Tax Breaks Expire,” *The Washington Post*, Jan. 2, 2014.

<http://www.washingtonpost.com/blogs/wonkblog/wp/2014/01/02/from-nascar-to-wind-power-congress-just-let-55-tax-breaks-expire/>

¹¹ ATF, “Key Facts About Tax Extenders.”

¹² Citizens for Tax Justice (CTJ), “Don't Renew the Offshore Tax Loopholes” (Aug. 2, 2012).

http://ctj.org/ctjreports/2012/08/dont_renew_the_offshore_tax_loopholes.php#.UzjIVfJFSC

¹³ CTJ, “Don't Renew the Offshore Tax Loopholes.”

¹⁴ The Washington Post, “‘Active financing’ exemption for some businesses to cost taxpayers \$9 billion” (Dec. 23, 2010). <http://www.washingtonpost.com/wp-dyn/content/article/2010/12/22/AR2010122204963.html>

¹⁵ CTJ, “The Sorry State of Corporate Taxes” (Feb. 2014).

<http://www.ctj.org/corporatetaxdodgers/sorrystateofcorptaxes.pdf>

¹⁶ General Electric (GE), “GE 2012 Annual Report,” p. 108 (Feb. 26, 2013).

http://www.ge.com/ar2012/pdf/GE_AR12.pdf

¹⁷ David Kocieniewski, “G.E.’s Strategies Let It Avoid Taxes Altogether,” *The New York Times* (March 24, 2011). <http://www.nytimes.com/2011/03/25/business/economy/25tax.html>

¹⁸ Center for Responsive Politics (CRP), <http://www.opensecrets.org/lobby/>

¹⁹ There are 39 members of the House Ways and Means Committee and 24 members of the Senate Finance Committee – 63 individuals altogether. There were 1,359 lobbyists on tax extenders for each of those 39 members, or 21.6 per member.

²⁰ CRP, List of 20 Organizations Spending the Most on Lobbying, 1998-2013.

<http://www.opensecrets.org/lobby/top.php?showYear=a&indexType=s>

²¹ Lobbying intensity is the number of times individual lobbyist names appear for a specific issue in any quarterly reports filed during the period searched (January 2011 through September 2013).

²² Calculation is based on 717 appearances in lobbying reports on AFE (Table 3) out of a total of 863 appearances on all tax extender issues (Table 1).

²³ CRP, “Active Financing Working Group.”

<http://www.opensecrets.org/lobby/clientsum.php?id=D000046352&year=2013>

²⁴ Meg Shreve and Michael M. Gleeson, “Tax Analysts Picks Washington's Top 5 Tax Lobbyists,” *Tax Notes* (Oct. 23, 2012).

<http://www.taxanalysts.com/www/features.nsf/Articles/A834D5E2DC9C2E4385257AA0004E047E?OpenDocument>

²⁵ CTJ, “Big No-Tax Corps Just Keep on Dodging” (Apr. 9, 2012). <http://www.ctj.org/pdf/notax2012.pdf>

²⁶ Georgetown Law School, Jonathan Talisman, <http://www.law.georgetown.edu/faculty/talisman-jonathan.cfm>

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³³ CTJ, “The Sorry State of Corporate Taxes.”

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<http://www.ctj.org/corporatetaxdodgers/sorrystateofcorptaxes.pdf>. Data for all companies is available on a spreadsheet prepared by CTJ located at <http://www.ctj.org/90reasons/SorryStateCompanyData.xls>. See column “BK”.

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