



ANALYSIS: MAJOR CORPORATIONS GETTING HUGE TRUMP TAX CUTS NOT VERY GENEROUS TO WORKERS

January 29, 2018

Widespread publicity about corporations sharing a big slice of their huge Trump tax cuts with their workers through bonuses and wage hikes is mostly hype, this Americans for Tax Fairness analysis reveals. Even though America's biggest corporations are poised to reap hundreds of billions in tax cuts, only 18 corporations in the Fortune 100 have announced any sort of employee benefits tied to those cuts, as of today. Only 46 of the Fortune 500—just 9%—have announced any plans to share the tax-cut wealth.

These counts come from the list of corporations sharing tax-cut benefits that's being maintained by Americans for Tax Reform (ATR) that [ATF analyzed here](#). ATR is a principal backer of the GOP's tax giveaway to Corporate America that presumably has compiled as much good news about the tax cuts as it can find.

Highlights of ATF's findings from the report are below. Profiles of 42 corporations, most of which are in the Fortune 500, begin on page 2.

- **Findings of Fortune 100 corporations:**
 - Only 18 (18%) of them appear on the ATR list for having given some benefit to employees due to their tax cuts. These 18, as well as another four corporations that have announced stock buybacks, are profiled below.
 - Only 13 (13%) of them are on the list for one-time bonuses and just 6 (6%) are on the list for wage increases.
 - Nine (9%) are on the list for other types of benefits being provided to employees.
- **Findings of Fortune 500 corporations:**
 - Only 46 (9%) of them appear on the ATR list for having given some benefit to employees, customers, or charitable organizations due to their tax cuts. Sixteen additional corporations between the Fortune 100 and 500 are profiled below; some are included because they have announced increases in their stock buyback plans.
 - Only 29 (5.8%) of them are on the ATR list for one-time bonuses and just 17 (3.4%) are on the list for wage increases.
 - 26 (5.2%) are on the ATR list for other types of benefits being provided to employees or for charitable contributions or consumer benefits, such as lower electricity rates.
- **Tax cuts in 2018 and beyond:** Data about each corporation's tax savings is very limited, as reported by the media. For those companies where the tax cuts are included, it is worth noting how many times larger the one-year tax cut is compared with the costs of one-time bonuses. The most startling example is Apple, which got a \$40 billion tax break on its offshore profits and announced one-time bonuses of \$300 million.
- **\$100 billion in stock buybacks:** 20 corporations in the chart below have announced new stock buybacks since the Senate tax bill was passed in early December, which total \$100 billion. Stock buybacks put money in the pockets of already wealthy shareholders and divert precious resources from making new investments or raising workers' pay.
- **27,000 jobs cut:** This is the number of jobs being cut in 2018 by eight of the 42 corporations profiled below.
- **Amount of investments:** Few corporations have made announcements about specific levels of new investment due to the tax cuts. Those that did claim new investments need to be examined very closely; there is a very good chance it is not the result of the tax cuts but is the company's typical level of investment in recent years or was already planned due to market conditions.

COMPANY	FORTUNE RANK	DOW JONES	WHAT WORKERS & THE AMERICAN PEOPLE GET	WHAT CORPORATIONS & SHAREHOLDERS GET
ABBVIE	111		<ul style="list-style-type: none"> • Investments: \$2.5 billion investment in capital projects in U.S. over 5 years (does not appear to be new investment) • Other: Acceleration of pension funding by \$750 million; one-time charitable contribution of \$350 million [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Tax rate will drop from 19% in 2017 to 9% in 2018 because most profits are booked offshore. [LINK] • Stock Buybacks/Dividends: Planning to accelerate the growth of its stock dividend and repurchase more of its shares. [LINK]
ALASKA AIRLINES	438		<ul style="list-style-type: none"> • One-time Bonuses: \$20 million—\$1,000 bonuses for 20,000 employees [LINK] 	<ul style="list-style-type: none"> • Not Available
AMERICAN AIRLINES	67		<ul style="list-style-type: none"> • One-time Bonuses: \$130 million—\$1,000 bonuses that may affect 113,000 workers and other expenses [LINK] 	<ul style="list-style-type: none"> • Not Available
AMERICAN TOWER	449		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$2 billion [LINK]
ANTHEM INC.	29		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$5 billion [LINK]
APPLE	3	Yes	<ul style="list-style-type: none"> • One-time Bonuses: About \$300 million—\$2,500 in stock grants for most of its 120,000 employees [LINK] Costs less than 1% of \$40 billion tax cut. • Investment: Announced it will “contribute” \$350 billion to U.S. economy over 5 years (includes employee wages, purchases from domestic suppliers and investments, most of which appear to be previously planned, plus its one-time tax payment of \$38 billion) [LINK] 	<ul style="list-style-type: none"> • Tax Cut: \$38 billion tax payment on offshore profits is \$40 billion below what it owed before new tax law [LINK] • Stock Buybacks/Dividends: Research/ venture capital firm predicts Apple will increase buybacks/dividends by \$125-\$150 billion over 5 years, of which \$88 billion is attributed to tax law changes [LINK]
AT&T	9		<ul style="list-style-type: none"> • One-time Bonuses: \$200 million—\$1,000 for 200,000 employees. [LINK] Costs 20% of the \$1 billion tax cut. • Investments: \$1 billion increase in capital spending, but likely not due to tax law [LINK] • Job Cuts: 2,000-plus employees [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Over \$1 billion a year from a single provision of the tax law [LINK] • Regulatory: AT&T’s bid to merge with Time Warner has been blocked by the Justice Department with litigation pending [LINK]
BANK OF AMERICA	26		<ul style="list-style-type: none"> • One-time Bonuses: \$145 million—\$1,000 for 145,000 employees [LINK] Costs 4% to 5% of a single year’s \$2.7-3.5 billion tax cut. • Other: Eliminating free checking accounts for customers with low bank balances [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Between \$2.7 billion and \$3.5 billion a year • Stock Buybacks: \$5 billion in new purchases in 2018; \$12 billion announced in 2017 [LINK]
BANK OF NEW YORK MELLON	177		<ul style="list-style-type: none"> • Pay Increases: \$15 million—1,000 of its 52,500 employees will get a wage increase to \$15/hour [LINK] Costs 6% of one-year \$250 million tax cut. 	<ul style="list-style-type: none"> • Tax Cuts: \$250 million in 2018 [LINK]
BOEING	24	Yes	<ul style="list-style-type: none"> • Investments: \$300 million, including \$100 million in workforce development, \$100 million in corporate giving, and \$100 million in facilities [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$4 billion in new buybacks, added to existing \$14 billion authorization [LINK]
CAPITAL ONE FINANCIAL	100		<ul style="list-style-type: none"> • Pay Increases: Raised minimum wage to \$15/hr [LINK] 	<ul style="list-style-type: none"> • TBD
CARRIER (subsidiary of United Technologies Corporation)	50 – UTC	Yes – UTC	<ul style="list-style-type: none"> • Job Cuts: Carrier cut 215 employees from Indiana plant in January 2018 (and 300 in July 2017), after Trump made deal in 2016 to stop the plant from moving to Mexico [LINK] 	<ul style="list-style-type: none"> • Tax Cut: UTC expects to get \$150-\$200 million each year [LINK] • Other: UTC is in the process of acquiring Rockwell Collins for \$30 billion, and will be able to pay down the debt quicker [LINK]

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COMCAST	31		<ul style="list-style-type: none"> • One-time Bonuses: \$100 million—\$1,000 for 100,000 employees [LINK] • Investments: Says it plans to invest \$50+ billion over next five years on infrastructure, broadband capacity and more due to tax cuts and ending of net neutrality, but this is about the same as its existing pace of investment [LINK] • Job Cuts: 500 workers in December [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: Expects to spend \$5 billion in 2018 out of its existing \$7 billion buyback authorization [LINK] • Dividends: Increasing dividend by 21%, costing \$600+ million in 2018 [LINK]
DISNEY	52	Yes	<ul style="list-style-type: none"> • One-time Bonuses: \$125 million—\$1,000 for 125,000 employees [LINK] Costs 10% of the one-year \$1.2 billion tax cut. • Other: \$50 million higher education program for workers [LINK] 	<ul style="list-style-type: none"> • Tax Cut: roughly \$1.2 billion a year [LINK] • Merger: \$52 billion will be spent to acquire 21st Century Fox [LINK] • Regulatory: The merger would need Department of Justice approval [LINK]
EDWARDS LIFESCIENCES	734		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$1 billion [LINK]
FEDEX	58		<ul style="list-style-type: none"> • Pay Increase: \$200 million to move up annual pay increases for hourly workers by 6 months and increase incentives for salaried employees. [LINK] Costs 13% of the one-year \$1.5 billion tax cut. • Investments: \$1.5 billion to expand Indianapolis hub over 7 years (not clear due to tax cuts) • Other: \$1.5 billion voluntary contribution to pension plan [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Expects to save \$1.5 billion in 2018 [LINK]
HOME DEPOT	23	Yes	<ul style="list-style-type: none"> • One-time Bonuses: \$200 to \$1,000 (based on length of employment) for hourly workers [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Might save about \$1.8 billion from corporate tax rate cut [LINK] • Stock Buybacks: \$15 billion [LINK]
HONEYWELL	73		<ul style="list-style-type: none"> • Employee Benefits: Unspecified increase in 401(k) match [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$6.5 billion in new buybacks, in addition to the \$1.5 billion remaining in previous buyback authorization [LINK] • Profits: Expect earnings per share to increase by 9-13% in 2018 as a result of tax cuts and 2017 results [LINK]
HUMANA	53		<ul style="list-style-type: none"> • Pay Increase: Raising minimum hourly wage to \$15 and accelerating start of an annual performance-based incentive program • Job Cuts: Cut 1,300 workers and bought out another 1,150 in November—workers set to leave at beginning of 2018 [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$750 million [LINK] • Acquisition: Acquiring Kindred Healthcare for about \$800 million, in partnership with private equity firms [LINK]
HYATT	552		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$750 million [LINK]
JET BLUE	403		<ul style="list-style-type: none"> • One-time Bonuses: \$21 million—\$1,000 for all 21,000 employees [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$750 million [LINK]
J.P. MORGAN CHASE	21	Yes	<ul style="list-style-type: none"> • One-time Bonuses: \$750 to 100,000 employees earning less than \$60,000; similar payments made past few years [LINK] • Pay Increase: Hourly wage increased to \$15 to \$18 for 22,000 employees (10% average increase) • Investments: Says it will make \$20 billion in new investments over 5 years due to tax cuts but reason to doubt this given CEO Dimon's prominent role lobbying for tax cuts [LINK] 	<ul style="list-style-type: none"> • Tax Cuts: Tax rate dropped from 35% to 19% but no estimate of savings provided [LINK]

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KELLOGG COMPANY	216		<ul style="list-style-type: none"> • Not available 	<ul style="list-style-type: none"> • Stock Buybacks: \$1.5 billion [LINK]
KIMBERLY-CLARK	155		<ul style="list-style-type: none"> • Job Cuts: 5,000-5,500 employees (13% of workforce) as part of restructuring and closure of 10 factories. Gains from tax cuts helping offset the cost of the restructuring plan. [LINK] 	<ul style="list-style-type: none"> • Profits: Will be boosted 6% in 2018 by tax cuts [LINK] • Stock Buybacks: \$700-900 million in 2018 [LINK]
KOCH INDUSTRIES	NA		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Tax cut: Koch Industries and/or the Koch brothers could get a \$1-1.4 billion tax cut annually [LINK]
MACY'S	110		<ul style="list-style-type: none"> • Job Cuts: 5,000 layoffs and nearly a dozen store closures announced in January, as part of previously announced plans to close 100 stores [LINK] 	<ul style="list-style-type: none"> • Not Available
MASTERCARD	267		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$4 billion [LINK]
NATIONWIDE	68		<ul style="list-style-type: none"> • One-time Bonuses: \$29 million--\$1,000 for 29,000 employees • Other: Increased 401(k) contributions for 33,000 employees [LINK] 	<ul style="list-style-type: none"> • TBD
ORACLE	81		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$12 billion [LINK]
PFIZER	54	Yes	<ul style="list-style-type: none"> • Job Cuts: 300 employees will lose jobs as funding for Alzheimer's and Parkinson's research is discontinued [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$10 billion new, in addition to \$6.4 billion previously authorized [LINK]
PPG INDUSTRIES	183		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$2.5 billion in new buybacks authorized, in addition to \$1.4 billion existing authorization [LINK]
PRUDENTIAL FINANCIAL	48		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$1.5 billion [LINK]
SOUTHWEST	138		<ul style="list-style-type: none"> • One-time Bonuses: \$54 million—\$1,000 for 53,500 employees [LINK] Costs much less than the one-year tax cut. • Charity: \$5 million in charitable donations [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Hundreds of millions in 2018 [LINK]
STARBUCKS	131		<ul style="list-style-type: none"> • One-time Bonuses and Pay Increases: \$250 million in stock bonuses (of \$500 to \$2,000) and pay increases (\$120 million) [LINK] 	<ul style="list-style-type: none"> • Tax Cuts: \$425 million annually [LINK]
T-MOBILE	NA		<ul style="list-style-type: none"> • Not Available • Note T-Mobile is a subsidiary of a foreign corporation. 	<ul style="list-style-type: none"> • Tax Cut: CFO said in December it will likely pay zero cash taxes until 2024 under new tax law [LINK] • Stock Buybacks: \$1.5 billion [LINK]
TRAVELERS COMPANIES	99	Yes	<ul style="list-style-type: none"> • One-time Bonuses: \$14 million—\$1,000 to 14,000 employees. [LINK] • Pay Increase: Increased hourly wage to \$15 for "small number" of U.S. employees making less than that amount • 	<ul style="list-style-type: none"> • Not available
UNITED AIRLINES	NA		<ul style="list-style-type: none"> • Not Available 	<ul style="list-style-type: none"> • Stock Buybacks: \$3 billion [LINK] •
U.S. BANCORP/ U.S. BANK	125		<ul style="list-style-type: none"> • One-time Bonuses: \$60 million—\$1,000 to nearly 60,000 employees • Pay Increases: Increased minimum wage to \$15 an hour, • Charity: \$150 million one-time contribution to the U.S. Bank Foundation. [LINK] 	<ul style="list-style-type: none"> • Not available

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VERIZON	14	Yes	<ul style="list-style-type: none"> • One-time Bonuses: About \$400 million—bonuses worth \$2,650 for 153,000 employees. [LINK] Costs about 10% of the one-year \$4 billion tax cuts. 	<ul style="list-style-type: none"> • Tax Cuts: Cash flow will increase \$3.5 billion to \$4 billion [LINK]
WALMART	1	Yes	<ul style="list-style-type: none"> • One-time Bonuses: \$400 million—range from \$200 (less than 2 years of service) to \$1,000 (20 years of service) [LINK] Costs 18% of the one-year \$2.2 billion tax cut. • Wages: \$300 million on minimum wage increase from \$9 to \$11 [LINK] • Job Cuts: Around 10,000 employees due to closure of 63 Sam's Club stores. [LINK] Also, 3,500 store co-managers being replaced with 1,700 lower-paid assistant store managers [LINK] • Other: Expansion of maternity/parental leave, and new adoption assistance program [LINK] 	<ul style="list-style-type: none"> • Tax Cut: about \$2.2 billion each year [LINK] • Other: Spending \$4 billion to buy back company-issued debt to reduce interest expenses [LINK]
WASTE MANAGEMENT	201		<ul style="list-style-type: none"> • One-time Bonuses: Approximately \$68 million—\$2,000 for 34,000 employees—a little more than 5% of amount spent on buybacks [LINK] 	<ul style="list-style-type: none"> • Stock Buybacks: \$1.25 billion [LINK]
WELLS FARGO	25		<ul style="list-style-type: none"> • Wages: Increasing hourly minimum wage from \$13.50 to \$15, but good evidence suggesting it was planned before the tax law. [LINK] Cost of raises and philanthropy will be about 5% of new profits from tax cuts. [LINK] • Charity: \$400 million in donations to community and nonprofit organizations [LINK] • Job Cuts: Employees will lose jobs as 800 branches will close by 2020, including 250 in 2018 [LINK] 	<ul style="list-style-type: none"> • Tax Cut: Roughly \$3.7 billion a year [LINK] • Stock Buybacks: \$22 billion [LINK] • Other: Regulatory: U.S. government reviewing whether bank should pay tens of millions of dollars for mortgage lending abuse [LINK]

Additional Sources:

Fortune 500 membership <http://fortune.com/fortune500/list/>

30 members of the Dow Jones Industrial Average <http://money.cnn.com/data/dow30/>