



TSTA NEWS

TEXAS STATE TEACHERS ASSOCIATION

316 W. 12th St., Austin, TX 78701 • 877-ASK-TSTA • www.tsta.org • Fax 512-486-7049

**November 21, 2011
FOR IMMEDIATE RELEASE**

**Contact:
Clay Robison, TSTA Public Affairs
512-476-5355, ext. 1233; clayr@tsta.org
Cell: 512-535-8994**

TSTA: Close corporate tax loopholes

The Texas State Teachers Association today urged Congress to close corporate tax loopholes that have allowed many of America's most profitable companies to drain nearly \$223 billion over the past three years from public schools and other critical services that impact almost every American taxpayer.

"We're not calling for a tax increase, we just need tax fairness" said TSTA President Rita Haecker. "Many big corporations make billions of dollars in profits from our free enterprise system and some pay no taxes at all, while the rest pay a lower share of taxes on their income than millions of hard-working American families. It's time for Congress to make these big companies pay their fair share, just like the rest of us do."

The National Education Association (NEA) estimates that closing tax loopholes would have provided some \$9.8 billion to public education, including as much as \$915 million to Texas. That \$915 million Texas share could have been used to pay the salaries of 11,600 teachers and other school employees; support programs for 960,000 low-income students; assist 450,000 students with disabilities; provide college financial aid to 540,000 young people; or enroll 33,300 additional low-income children in Head Start.

This information is based on a study by Citizens for Tax Justice and the Institute on Taxation and Economic Policy, which found that during 2008-2010, the country's 280 most profitable companies (all on the Fortune 500 list) received tax subsidies worth \$222.7 billion. Some 78 of them paid no federal income tax in at least one of the three years studied. The studies, linked below, come as the Joint Select Committee on Deficit Reduction, co-chaired by U.S. Rep. Jeb Hensarling, R-Dallas, continues to drag its feet in the face of a Wednesday (Nov. 23) deadline to reduce future deficits by \$1.2 trillion over 10 years.

The Texas Legislature, while cutting education funding, allows corporations to avoid paying billions of dollars in state taxes as well. To cite but one example, lawmakers last spring refused to close a tax loophole for the natural gas industry that is costing the state about \$1.2 billion a year, despite reports it has outlived its usefulness.

<http://www.nea.org/assets/docs/costofcorporatetaxavoidance11.pdf>

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