

# REAL REASON FOR US DEFICIT: GE GREED- \$14.2B PROFIT, \$0 TAX

For all the caterwauling from the right and, stupifyingly, from the Obama Administration and Blue Dog left as well, here is the real reason the United States has the sizable deficit issues it does (well, in addition to the fact we will not tax even rich individuals appropriately either) – our biggest corporations pay no tax. Even when they make unholy amounts of profit. From a sobering article just up at the New York Times:



General Electric, the nation's largest corporation, had a very good year in 2010.

The company reported worldwide profits of \$14.2 billion, and said \$5.1 billion of the total came from its operations in the United States.

Its American tax bill? None. In fact, G.E. claimed a tax benefit of \$3.2 billion.

That may be hard to fathom for the millions of American business owners and households now preparing their own returns, but low taxes are nothing new for G.E. The company has been cutting the percentage of its American profits paid to the Internal Revenue Service for years, resulting in a far lower rate than at most multinational companies.

Its extraordinary success is based on an aggressive strategy that mixes fierce lobbying for tax breaks and innovative accounting that enables it to concentrate its profits offshore. G.E.'s giant tax department, led by a bespectacled, bow-tied former Treasury official named John Samuels, is often

referred to as the world's best tax law firm. Indeed, the company's slogan "Imagination at Work" fits this department well. The team includes former officials not just from the Treasury, but also from the I.R.S. and virtually all the tax-writing committees in Congress.

Read the whole article and weep for your and your children's future. And then take a moment to consider that a competent political class, that was honest about their representation of their constituents and oath to office, would have moved the country away from this reverse Robin Hood dystopia instead of moving ever further down the black hole of elite and corporate greed, robber barons and neo-feudalism.