



Why, Yes, I Would Like to Pay as Much Tax as Half the U.S. Does!

By **Stony Olsen**

We've all heard about how those rich, nasty corporations are the source of most of what's wrong with America and perhaps the rest of the world. Whether that's true or not, I'm not going to venture an opinion.



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I will venture an opinion on the taxes paid by those corporations, though. To twist a line from the movie Spiderman, "with great

profits come great...taxes?"

Yes, 'tis true: those corporations pay a lot of money in taxes. Consider as a case in point Exxon Mobil. Exxon makes a lot of money — in 2006 Exxon **earned a whopping \$67.4 billion** before taxes. That's a lot of dough. How much in taxes did Exxon pay on that income? \$27.9 billion. That's "billion" with a "B." That also reflects a nice 41.4% tax rate, which is higher than most individual rates.

So Exxon coughed up almost \$28 billion and has averaged about \$27 billion annually in taxes over the last three years. How much money is that?

Well, for tax year 2004, the latest year for which data is available, there were about 130 million tax returns filed. The

bottom 50% of taxpayers filed 65 million tax returns. Those same bottom 50% had an adjusted gross income of \$922 billion — and paid a total of \$27.4 billion in taxes.

So one corporation, Exxon Mobil, paid as much in taxes as 65 million taxpayers combined, or half the total number of taxpayers! The same bottom 50% paid about 3% in taxes, while Exxon paid 41%.

What's it all mean? Well, Exxon makes a lot of money...but they pay for it in taxes.

To put it all in perspective, however, consider this: the proposed budget for the federal government for 2008 is \$3 trillion. Exxon's massive, likely record tax bill would fund that budget for less than four days.

I would just like to take Exxon's income without the tax bill, please. Think you could cash a traveler's check for that much?

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