

# (This Way Out)

(BY DOUG LANSKY)

Form **3243**  
Department of the Treasury  
Internal Revenue Service

## 2003 Income Tax Form for the Top 1 Percent

OMB No. 1434-1843

Name(s) as appeared on last year's income tax return\*

<b>DEPENDENTS</b> (Please include name and Social Security No.) Wife _____ Mistress(es) _____ Children by wife _____ Children by 2nd/3rd wife _____ Child from that night with hooker on business trip in Taiwan _____ Saudi prince(s) _____		<b>INCOME</b> <b>Expected income source:</b> <input type="checkbox"/> Equities investments <input type="checkbox"/> Year-end bonus <input type="checkbox"/> Raping previously protected wetlands <input type="checkbox"/> Pillaging previously protected coal-filled mountains <input type="checkbox"/> Exploiting child labor abroad <input type="checkbox"/> Lucrative closed-bidding military contracts <input type="checkbox"/> Raiding pension funds		<b>DEPRECIATING ASSETS</b> ___ Cessna year: ___ \$ ___ ___ Gulfstream ___ \$ ___ ___ Yacht ___ \$ ___ ___ Oil pipeline ___ \$ ___ ___ Wife ___ \$ ___	
<b>NEW TAX EXEMPTIONS</b> <input type="checkbox"/> If you now or have previously worked as an executive for a large corporation <input type="checkbox"/> If not gay or having an abortion <input type="checkbox"/> For cowboy boots <input type="checkbox"/> For each Hummer <input type="checkbox"/> For handgun and automatic and semi-automatic rifle purchases <input type="checkbox"/> Golf-club membership (segregated only) \$ _____ TOTAL DEDUCTIONS \$ _____ Donation to reelection campaign		<b>TAX ESTIMATES</b> How much you thought you were going to have to pay in taxes: \$ _____ How much you'd prefer to pay in taxes: \$ _____ How much we owe you: \$ _____ How much of a donation you can make to help reelect the president: \$ _____		<b>PROPERTY</b> <input type="checkbox"/> Tuscan villa <input type="checkbox"/> Condo in Aspen <input type="checkbox"/> Sort-of-working ranch <input type="checkbox"/> Mexico <input type="checkbox"/> I do not wish to pay property tax this year.	
<b>TAX-EXEMPT DONATIONS</b> <input type="checkbox"/> Several donations to worthy causes. Value \$ _____ <input type="checkbox"/> I am a Republican-party "Pioneer" (go to 309A)		<b>CAPITAL GAINS</b> <input type="checkbox"/> Man, did I get reamed in the market. <input type="checkbox"/> I did okay, but there were so many trades, it's hard to put an exact figure on it, if you know what I mean. <input type="checkbox"/> Didn't I just pay those last year?		<b>HOME-OFFICE EXPENSES</b> \$ _____ Phone and postage \$ _____ Computer/fax/printer \$ _____ Suntan lamp \$ _____ Retractable roof \$ _____ 16-car Bentley collection \$ _____ Van Gogh self-portrait	
<b>GIFT TAX</b> <b>To circumvent the \$11,000 cap on the gift tax:</b> <input type="checkbox"/> I plan to funnel funds to my children through an off-shore account in the Bahamas. <input type="checkbox"/> I will have family heirlooms "stolen," collect the insurance, then when they turn up in a Swiss safe-deposit box in my child's name in 20 years, who's gonna know? <input type="checkbox"/> I will use a locking briefcase filled with unmarked 20's and 50's.		<b>309A</b> If referred here from "tax-exempt donations," a government lottery has identified you as the recipient of a 20 percent tax cut. Do you wish to accept it? <input type="checkbox"/> Yes <input type="checkbox"/> No		<b>CHARITABLE CONTRIBUTIONS</b> <b>If you would like to donate to any of the following causes, please list the amount in the space provided.</b> \$ _____ American Family Association \$ _____ Fox News \$ _____ Committee to Fuck France, Russia, and Germany in the Ass \$ _____ Land Mine Legal Fund, stopping pesky, mutilated Third World kids from suing us over a bunch of old ordnance \$ _____ Jews for Bush Fund \$ _____ John Ashcroft Endowed Library of 28 Approved Books \$ _____ Alliance to Stop the Spread of Gayness \$ _____ Fund to Bring Down Paul Krugman, Enemy of America \$ _____ Alaskan Clear-cutters' Retirement Fund \$ _____ Confederation of Christian Yacht Owners	
<b>TAX PREPARATION</b> For tax preparer: Have your client sign the line below. It certifies that he has seen this paper but does not guarantee that he has read it or understood it in full. With this signature, neither of you may be held accountable. X _____		<b>* If you didn't file a tax return last year, please specify:</b> <input type="checkbox"/> Followed advice of my accountant <input type="checkbox"/> Negative net worth, didn't see the point <input type="checkbox"/> Was serving prison sentence			
<b>Community Service:</b> Have you loaned your private jet to a politician for more than 50 hours of flight time? <input type="checkbox"/> Yes <input type="checkbox"/> No					

<http://www.makewallstreetpay.org/bigbankdrain/index.html>

Today, National People's Action and the Public Accountability Initiative releases the groundbreaking report, "Big Bank Tax Drain: How Wall Street Speculation and Tax Avoidance are Starving Public Revenues."

[Download the full report here.](#)

#### EXECUTIVE SUMMARY

Wall Street banks caused the economic crisis that has left millions unemployed, foreclosed-on, and without prospects in the worst economy since the Great Depression. This crisis has, in turn, caused massive tax revenue shortfalls for the federal government and for state governments across the country: nearly \$300 billion combined for 50 states in the years since the crisis began. To deal with these budget woes, politicians are cutting public spending: laying off teachers, attacking public sector workers, raiding pensions, closing hospitals, and eliminating essential services for children, veterans, and the elderly.



Raising revenue from the wealthy, bailed-out banks that caused the crisis would be a far more sensible way to address these budget woes. This report analyzes data from the latest financial filings by the six big banks — Bank of America, Wells Fargo, JPMorgan Chase, Citigroup, Goldman Sachs, and Morgan Stanley — to expose the ways in which they continue to avoid taxes and contribute to tax revenue shortfalls, rather than pay for an economic recovery that will put people to work, keep people in their homes, and preserve the safety net — for people, not corporations.

#### Key findings:

- **This year Bank of America is receiving the "income tax refund from hell" — \$666 million for 2010**, according to its annual report filed in late February 2011. This is following a \$3.5 billion refund reported in 2009. Bank of America's federal income tax benefit this year is roughly two times the Obama administration's proposed cuts to the Community Development Block Grant program (\$299 million).
- Six banks — Bank of America, Wells Fargo, Citigroup, JPMorgan Chase, Goldman Sachs, and Morgan Stanley together paid income tax at an approximate rate of 11% of their pre-tax US earnings in 2009 and 2010. Had they paid at 35%, what they are legally mandated to pay, **the federal government would have received an additional \$13 billion in tax revenue**. This would cover more than two years of salaries for the 132,000 teacher jobs lost since the economic crisis began in 2008.
- **Wells Fargo reportedly received a \$4 billion federal income tax refund on \$18 billion in pre-tax income in 2009, and paid 7.5% of its pre-tax income of \$19 billion in 2010 in federal taxes**. Its net federal income tax benefit for 2009 and 2010 combined, \$2.5 billion, is equal to the Obama administration's proposed cuts of 50% to the Low-Income Home Energy Assistance Program.
- Banks use a variety of mechanisms to avoid corporate income taxes, including offshore tax shelters. **50% of the six banks' 1871 foreign subsidiaries are incorporated in jurisdictions that have been identified as offshore tax havens**, such as the Cayman Islands.
- **Bank of America operates 371 tax-sheltered subsidiaries, more than any other big bank studied**, and 204 subsidiaries in the Cayman Islands alone, according to its latest regulatory filings. 75% of Goldman Sachs's foreign subsidiaries are incorporated in offshore tax havens.
- The banks' private banking arms also protect the wealth of rich clients from taxation through offshore investment strategies. **Bank of America's wealth management arm encourages clients to register their yachts in foreign jurisdictions for tax reasons**.
- Closing special tax loopholes on the financial sector and implementing sensible revenue-raising initiatives such as the Financial Speculation Tax could generate over **\$150 billion in federal tax revenue each year**.

[Download the full report here »](#)

<http://www.makewallstreetpay.org/bigbankdrain/big-bank-tax-drain.pdf>