



Offshore Shell Games

2015

The Use of Offshore Tax Havens
by Fortune 500 Companies

Florida PIRG
Education Fund

CTJ Citizens for
Tax Justice

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Citizens for Tax Justice (CTJ)

Citizens for Tax Justice, founded in 1979, is a public interest research and advocacy organization focusing on federal, state and local tax policies and their impact upon our nation. CTJ's mission is to give ordinary people a greater voice in the development of tax laws. Against the armies of special interest lobbyists for corporations and the wealthy, CTJ fights for fair taxes for middle- and low-income families, requiring the wealthy to pay their fair share, closing corporate tax loopholes, and adequately funding important government services. For more information about CTJ, please visit www.ctj.org.

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Executive Summary

U.S.-based multinational corporations are allowed to play by a different set of rules than small and domestic businesses or individuals when it comes to the tax code. Rather than paying their fair share, many multinational corporations use accounting tricks to pretend for tax purposes that a substantial portion of their profits are generated in offshore tax havens, countries with minimal or no taxes where a company's presence may be as little as a mailbox. Multinational corporations' use of tax havens allows them to avoid an estimated \$90 billion in federal income taxes each year.

Congress, by failing to take action to end to this tax avoidance, forces ordinary Americans to make up the difference. Every dollar in taxes that corporations avoid by using tax havens must be balanced by higher taxes on individuals, cuts to public investments and public services, or increased federal debt.

This study examines the use of tax havens by Fortune 500 companies in 2014. It reveals that tax haven use is ubiquitous among America's largest companies and that a narrow set of companies benefits disproportionately.

Most of America's largest corporations maintain subsidiaries in offshore tax havens. At least 358 companies, nearly 72 percent of the Fortune 500, operate subsidiaries in tax haven jurisdictions as of the end of 2014.

- All told, these 358 companies maintain at least 7,622 tax haven subsidiaries.
- The 30 companies with the most money officially booked offshore for tax purposes collectively operate 1,225 tax haven subsidiaries.

Approximately 60 percent of companies with tax haven subsidiaries have set up at least one in Bermuda or the Cayman Islands — two particularly notorious tax havens. Furthermore, the profits that all American multinationals — not just Fortune 500 companies — collectively claimed they earned in these two island nations in 2010 totaled 1,643 percent and 1,600 percent of each country's entire yearly economic output, respectively.

Fortune 500 companies are holding more than \$2.1 trillion in accumulated profits offshore for tax purposes. Just 30 Fortune 500 companies account for 65 percent of these offshore profits. These 30 companies with the most money offshore have booked \$1.4 trillion overseas for tax purposes.

Only 57 Fortune 500 companies disclose what they would expect to pay in U.S. taxes if these profits were not officially booked offshore. In total, these 57 companies would owe \$184.4 billion in additional federal taxes. Based on these 57 corporations' public disclosures, the average tax rate that they have collectively paid to foreign countries on these profits is a mere

6.0 percent, indicating that a large portion of this offshore money has been booked in tax havens. **If we apply that average tax rate of 6.0 percent to the entirety of Fortune 500 companies, they would collectively owe \$620 billion in additional federal taxes.** Some of the worst offenders include:

- **Apple:** Apple has booked \$181.1 billion offshore — more than any other company. It would owe \$59.2 billion in U.S. taxes if these profits were not officially held offshore for tax purposes. A 2013 Senate investigation found that Apple has structured two Irish subsidiaries to be tax residents of neither the United States, where they are managed and controlled, nor Ireland, where they are incorporated. This arrangement ensures that they pay no tax to *any* government on the lion's share of their offshore profits.
- **American Express:** The credit card company officially reports \$9.7 billion offshore for tax purposes on which it would owe \$3 billion in U.S. taxes. That implies that American Express currently has paid only a 4 percent tax rate on its offshore profits to foreign governments, indicating that most of the money is booked in tax havens levying little to no tax. American Express maintains 23 subsidiaries in offshore tax havens.
- **Nike:** The sneaker giant officially holds \$8.3 billion offshore for tax purposes on which it would owe \$2.7 billion in U.S. taxes. This implies Nike pays a mere 2.5 percent tax rate to foreign governments

on those offshore profits, indicating that nearly all of the money is officially held by subsidiaries in tax havens. Nike likely does this in part by licensing the trademarks for some of its products to three subsidiaries in Bermuda to which it then pays royalties (essentially to itself).

Some companies that report a significant amount of money offshore maintain hundreds of subsidiaries in tax havens, including the following:

- **PepsiCo** maintains 132 subsidiaries in offshore tax havens. The soft drink maker reports holding \$37.8 billion offshore for tax purposes, though it does not disclose what its estimated tax bill would be if it didn't book those profits offshore.
- **Pfizer**, the world's largest drug maker, operates 151 subsidiaries in tax havens and officially holds \$74 billion in profits offshore for tax purposes, the fourth highest among the Fortune 500. Pfizer recently attempted the acquisition of a smaller foreign competitor so it could reincorporate on paper as a "foreign company." Pulling this off would have allowed the company a tax-free way to use its supposedly offshore profits in the U.S.
- **Morgan Stanley** reports having 210 subsidiaries in offshore tax havens. The bank officially holds \$7.4 billion offshore. It has also been infamously implicated in facilitating individual tax evasion through its Swiss banking division.

Corporations that disclose fewer tax haven subsidiaries do not necessarily dodge taxes less. Many companies have disclosed fewer tax haven subsidiaries in recent years, all while increasing the amount of cash they keep offshore. Some companies may simply be failing to disclose substantial numbers of tax haven subsidiaries. Others may be booking larger amounts of income to fewer tax haven subsidiaries.

Consider:

- **Citigroup** reported operating 427 tax haven subsidiaries in 2008 but disclosed only 41 in 2014. Over that time period, Citigroup nearly doubled the amount of cash it reported holding offshore. The company currently pays only an 8.5 percent tax rate offshore, implying that most of those profits have been booked to low- or no-tax jurisdictions.
- **Walmart** reported operating zero tax haven subsidiaries in 2014 and for the past decade. Despite this, a recent report released by Americans for Tax Fairness revealed that the company operates as many as 75 tax haven subsidiaries (using this report's list of tax haven countries) that were not included in its SEC filings. Over the past decade, Walmart's offshore income has grown from \$6.8 billion in 2005 to \$23.3 billion in 2014.
- **Bank of America** reported operating 264 tax haven subsidiaries in 2013 but disclosed

only 22 in 2014. At the same time, Bank of America's offshore holdings have increased modestly from \$17 billion to \$17.2 billion.

- **Google** reported operating 25 subsidiaries in tax havens in 2009, but since 2010 only discloses two, both in Ireland. During that period, it increased the amount of cash it reported offshore from \$7.7 billion to \$47.4 billion. An academic analysis found that as of 2012, the 23 no-longer-disclosed tax haven subsidiaries were still operating.
- **Microsoft**, which reported operating 10 subsidiaries in tax havens in 2007, disclosed only five in 2014. During this same time period, the amount of money that Microsoft reported holding offshore jumped by a factor of 14. Microsoft has paid a tax rate of only 3 percent to foreign governments on those profits, suggesting that most of the cash is booked in tax havens.

Congress can and should take strong action to prevent corporations from using offshore tax havens, which in turn would restore basic fairness to the tax system, reduce the deficit and improve the functioning of markets.

There are clear policy solutions that lawmakers can enact to crack down on tax haven abuse. They should end the incentives for companies to shift profits offshore, close the most egregious offshore loopholes and increase transparency.

Introduction

There is no greater symbol of the excesses of the world of corporate tax havens than the Ugland house, a modest five-story office building in the Cayman Islands that serves as the registered address for 18,857 companies.¹ Simply by registering subsidiaries in the Cayman Islands, U.S. companies can use legal accounting gimmicks to make much of their U.S.-earned profits appear to be earned in the Caymans and thus pay *no* taxes on those profits.

U.S. law does not even require that subsidiaries have any physical presence in the Caymans beyond a post office box. In fact, about half of the subsidiaries registered at the infamous Ugland have their billing address in the U.S., even while they are officially registered in the Caymans.² This unabashedly false corporate “presence” is one of the hallmarks of a tax haven subsidiary.

Companies can avoid paying taxes by booking profits to a tax haven because U.S. tax laws allow them to defer paying U.S. taxes on profits that they report are earned abroad until they “repatriate” the money to the United States. Many U.S. companies game this system by using loopholes that allow them to disguise profits actually made in the U.S. as “foreign” profits earned by subsidiaries in a tax haven.

Offshore accounting gimmicks by multinational corporations have created a disconnect between where companies locate their actual workforce and investments, on one hand, and where they claim to have earned profits, on the other. The Congressional Research Service found that in 2008, American multinational companies collectively reported 43 percent of their foreign earnings in five small tax haven countries: Bermuda, Ireland, Luxembourg,



What is a Tax Haven?

Tax havens have four identifying features.³ First, a tax haven is a jurisdiction with very low or nonexistent taxes. Second is the existence of laws that encourage financial secrecy and inhibit an effective exchange of information about taxpayers to tax and law enforcement authorities. Third is a general lack of transparency in legislative, legal or administrative practices. Fourth is the lack of a requirement that activities be “substantial,” suggesting that a jurisdiction is trying to earn modest fees by enabling tax avoidance.

This study uses a list of 50 tax haven jurisdictions, which each appear on at least one list of tax havens compiled by the Organisation for Economic Cooperation and Development (OECD), the National Bureau of Economic Research, or as part of a U.S. District Court order listing tax havens. These lists were also used in a 2008 GAO report investigating tax haven subsidiaries.⁴

the Netherlands, and Switzerland. Yet these countries accounted for only 4 percent of the companies’ foreign workforces and just 7 percent of their foreign investments. By contrast, American multinationals reported earning just 14 percent of their profits in major U.S. trading partners with higher taxes — Australia, Canada, the UK, Germany, and Mexico — which accounted for 40 percent of their for-

eign workforce and 34 percent of their foreign investment.⁵ The IRS released data last year showing that American multinationals collectively reported in 2010 that 54 percent of their foreign earnings were “earned” in 12 notorious tax havens (see table 4).⁶

Profits booked “offshore” often remain *on-shore*, invested in U.S. assets.

Much if not most of the profits kept “offshore” are actually housed in U.S. banks or invested in American assets, but are registered in the name of foreign subsidiaries. In such cases, American corporations benefit from the stability of the U.S. financial system while avoiding paying taxes on their profits that officially remain booked “offshore” for tax purposes.⁷ A Senate investigation of 27 large multinationals with substantial amounts of cash that was supposedly “trapped” offshore found instead that more than half of the offshore funds were already invested in U.S. banks, bonds, and other assets.⁸ For some companies the percentage is much higher. A *Wall Street Journal* investigation found that 93 percent of the money Microsoft has officially booked “offshore” is invested in U.S. assets.⁹ In theory, companies are barred from investing directly in their U.S. operations, paying dividends to shareholders or repurchasing stock with money they declare to be “offshore.” But even that restriction is easily evaded because companies can use the cash supposedly “trapped” offshore for those purposes by borrowing at negligible rates using their offshore holdings as implied collateral.

A Note On Misleading Terminology

“Offshore profits”: Using the term “offshore profits” without any qualification inaccurately describes how U.S. multinationals hold profits in tax havens. The term implies that these profits were earned purely through foreign business activity. In reality, much of these “offshore profits” are actually U.S. profits that companies have disguised as foreign profits made in tax havens to avoid taxes. To be more accurate, this study instead describes these funds as “profits booked offshore for tax purposes.”

“Repatriation” or “bringing the money back”: Repatriation is a legal term used to describe when a U.S. company declares offshore profits as returned to the U.S. As a general description, “repatriation” wrongly implies that profits companies have booked offshore for tax purposes are actually sitting offshore and missing from the U.S. economy, and that a company cannot make use of those profits in the U.S. without “bringing them back” and paying U.S. tax.

Average Taxpayers Pick Up the Tab for Offshore Tax Dodging

Congress has created loopholes in our tax code that allow offshore tax avoidance, which forces ordinary Americans to make up the difference. The practice of shifting corporate income to tax haven subsidiaries reduces federal revenue by an estimated \$90 billion annually.¹⁰ Every dollar in taxes companies avoid by using tax havens must be balanced by higher taxes paid by other Americans, cuts to government programs, or increased federal debt. If small business owners were to pick up the full tab for offshore tax avoidance by multinationals, they would on average each have had to pay an estimated \$3,244 in additional taxes last year.¹¹

It makes sense for profits earned in America to be subject to U.S. taxation. The profits earned by these companies generally depend on access to America’s largest-in-the-world consumer market, a well-educated workforce trained by our school systems, strong private-property rights enforced by our court system, and American roads and rail to bring products to market.¹² Multinational companies that depend on America’s economic and social infrastructure are shirking their obligation to pay for that infrastructure when they shelter their profits overseas.

Most of America's Largest Corporations Maintain Subsidiaries in Offshore Tax Havens

This study found that as of 2014, 358 of Fortune 500 companies — nearly three-quarters — disclose subsidiaries in offshore tax havens, indicating how pervasive tax haven use is among large companies. All told, these 358 companies maintain at least 7,622 tax haven subsidiaries.¹³ The 30 companies with the most money held offshore collectively disclose 1,225 tax haven subsidiaries. Bank of America, Citigroup, JPMorgan-Chase, Goldman Sachs, Wells Fargo and Morgan Stanley — all large financial institutions that received taxpayer bailouts in 2008 — disclose a combined 412 subsidiaries in tax havens.

Companies that rank high for both the number of tax haven subsidiaries and how much profit they book offshore for tax purposes include:

- **PepsiCo** maintains 132 subsidiaries in offshore tax havens. The soft drink maker reports holding \$37.8 billion offshore for tax purposes, though it does not disclose what its estimated tax bill would be if it didn't keep those profits offshore.
- **Pfizer**, the world's largest drug maker, operates 151 subsidiaries in tax havens and officially \$74 billion in profits offshore for tax purposes, the fourth highest among the Fortune 500. The company made more

than 41 percent of its sales in the U.S. between 2008 and 2014,¹⁴ but managed to report no federal taxable income for seven years in a row. This is because Pfizer uses accounting techniques to shift the location of its taxable profits offshore. For example, the company can transfer patents for its drugs to a subsidiary in a low- or no-tax country. Then when the U.S. branch of Pfizer sells the drug in the U.S., it “pays” its own offshore subsidiary high licensing fees that turn domestic profits into on-the-books losses and shifts profit overseas.

Pfizer recently attempted a corporate “inversion” in which it would have acquired a smaller foreign competitor so it could reincorporate on paper in the United Kingdom and no longer be an American company. A key reason Pfizer attempted this maneuver was to make it even easier to shift U.S. profits offshore and have full use of their offshore cash without paying taxes on them.

- **Morgan Stanley** reports having 210 subsidiaries in offshore tax havens. The bank officially holds \$7.4 billion offshore. It has also been infamously implicated in facilitating individual tax evasion through its Swiss banking division.

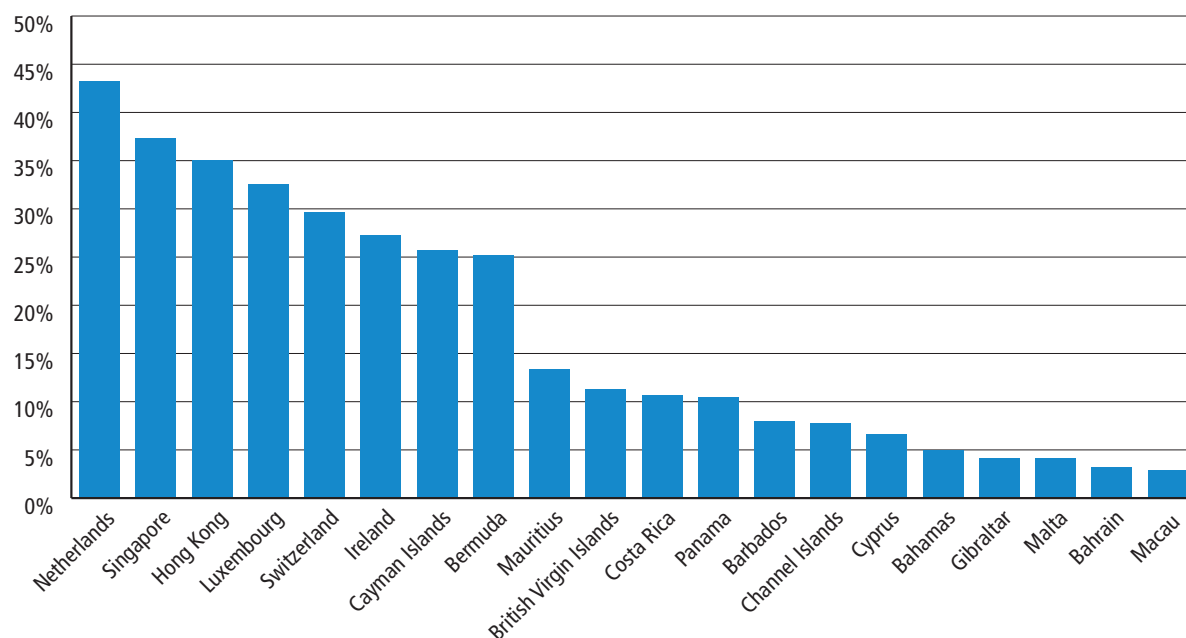
Table 1: Top 20 Companies with the Most Tax Haven Subsidiaries

Company	Number of Tax Haven Subsidiaries	Locations of Subsidiaries
KKR	258	Cayman Islands (217), Channel Islands (6), Cyprus (1), Hong Kong (3), Ireland (12), Luxembourg (6), Mauritius (5), Singapore (8)
Morgan Stanley	210	Bermuda (4), Cayman Islands (100), Channel Islands (10), Cyprus (2), Gibraltar (3), Hong Kong (12), Ireland (6), Luxembourg (36), Malta (1), Mauritius (5), Netherlands (21), Singapore (8), Switzerland (2)
AES	206	Bahamas (1), Barbados (1), Bermuda (6), British Virgin Islands (10), Cayman Islands (83), Channel Islands (1), Costa Rica (1), Cyprus (2), Hong Kong (1), Ireland (3), Jordan (2), Luxembourg (1), Mauritius (3), Netherlands (78), Panama (7), Singapore (6)
Blackstone Group	161	Cayman Islands (128), Channel Islands (2), Hong Kong (5), Ireland (7), Luxembourg (1), Mauritius (4), Netherlands (12), Singapore (2)
Thermo Fisher Scientific	155	Barbados (4), Bermuda (4), British Virgin Islands (1), Cayman Islands (12), Channel Islands (1), Costa Rica (1), Gibraltar (2), Hong Kong (12), Ireland (7), Luxembourg (24), Malta (6), Netherlands (53), Singapore (10), Switzerland (18)
Pfizer	151	Cayman Islands (1), Channel Islands (8), Costa Rica (3), Hong Kong (8), Ireland (27), Luxembourg (38), Netherlands (52), Panama (4), Singapore (5), Switzerland (5)
PepsiCo	132	Barbados (1), Bermuda (15), Cayman Islands (6), Costa Rica (2), Cyprus (13), Gibraltar (3), Hong Kong (9), Ireland (12), Jordan (1), Liechtenstein (1), Luxembourg (26), Mauritius (2), Netherlands (32), Panama (1), Singapore (2), Switzerland (6)
Merck	121	Bermuda (10), Cayman Islands (1), Costa Rica (2), Cyprus (3), Hong Kong (3), Ireland (25), Lebanon (1), Luxembourg (1), Netherlands (42), Panama (5), Singapore (9), Switzerland (19)
Marsh & McLennan	117	Aruba (1), Bahamas (1), Bahrain (1), Barbados (5), Bermuda (23), British Virgin Islands (1), Cayman Islands (2), Channel Islands (3), Cyprus (2), Hong Kong (10), Ireland (17), Isle of Man (4), Jordan (1), Liechtenstein (1), Luxembourg (7), Macau (1), Malta (2), Mauritius (1), Netherlands (14), Panama (2), Singapore (9), Switzerland (9)
Stanley Black & Decker	110	British Virgin Islands (4), Cayman Islands (8), Costa Rica (1), Hong Kong (16), Ireland (23), Liechtenstein (1), Luxembourg (17), Macau (1), Mauritius (1), Netherlands (20), Panama (4), Singapore (8), Switzerland (6)
Wells Fargo	98	Aruba (1), Bahamas (2), Barbados (1), Bermuda (5), British Virgin Islands (3), Cayman Islands (36), Costa Rica (1), Hong Kong (6), Ireland (4), Luxembourg (23), Mauritius (7), Netherlands (6), Singapore (3)
Dow Chemical	92	Bahrain (3), Bermuda (7), Costa Rica (2), Hong Kong (7), Ireland (2), Luxembourg (1), Mauritius (2), Netherlands (41), Panama (1), Singapore (15), Switzerland (10), U.S. Virgin Islands (1)
Abbott Laboratories	91	Bahamas (2), Barbados (1), Bermuda (6), British Virgin Islands (1), Cayman Islands (4), Costa Rica (3), Cyprus (1), Gibraltar (3), Ireland (13), Lebanon (1), Luxembourg (7), Malta (2), Netherlands (23), Panama (13), Singapore (5), Switzerland (5), U.S. Virgin Islands (1)
Emerson Electric	86	Bahrain (2), Bermuda (2), British Virgin Islands (1), Cayman Islands (4), Channel Islands (1), Costa Rica (1), Hong Kong (14), Ireland (4), Luxembourg (1), Mauritius (3), Netherlands (25), Panama (1), Singapore (14), Switzerland (13)

Table 1 (continued): Top 20 Companies with the Most Tax Haven Subsidiaries

Company	Number of Tax Haven Subsidiaries	Locations of Subsidiaries
Mondelēz International	82	Bahamas (1), Bahrain (2), Costa Rica (2), Cyprus (1), Hong Kong (2), Ireland (15), Lebanon (2), Luxembourg (3), Mauritius (1), Netherlands (27), Panama (1), Singapore (10), Switzerland (15)
Illinois Tool Works	81	Bermuda (11), British Virgin Islands (4), Costa Rica (2), Hong Kong (9), Ireland (5), Luxembourg (10), Malta (1), Mauritius (2), Netherlands (23), Singapore (11), Switzerland (3)
Ecolab	80	Antigua and Barbuda (1), Aruba (1), Bahamas (1), Barbados (1) Bermuda (1), Cayman Islands (2), Channel Islands (1), Costa Rica (1), Hong Kong (5), Ireland (4), Luxembourg (11), Malta (3), Mauritius (1), Netherlands (33), Panama (1), Singapore (4), St. Lucia (1), Switzerland (6), U.S. Virgin Islands (2)
Occidental Petroleum	80	Bermuda (59), Cayman Islands (9), Hong Kong (1), Liberia (1), Malta (1), Netherlands (4), Panama (1), Singapore (2), Switzerland (2)
Marriott International	79	Anguilla (1), Aruba (1), Bahamas (1), Bahrain (1), Barbados (1) Bermuda (6), British Virgin Islands (7), Cayman Islands (10), Channel Islands (1), Costa Rica (1), Ireland (4), Jordan (2), Lebanon (1), Luxembourg (6), Malta (1), Netherlands (17), Panama (1), Singapore (4), St. Kitts and Nevis (2), St. Lucia (1), Switzerland (6), Turks and Caicos (1), U.S. Virgin Islands (3)
National Oilwell Varco	76	Aruba (1), Bahrain (1), Barbados (2), Bermuda (1), British Virgin Islands (2), Cayman Islands (7), Channel Islands (1), Cyprus (1), Mauritius (2), Netherlands (38), Netherlands Antilles (1), Singapore (18), Switzerland (1)
TOTAL	2,466	

Figure 1: Percent of Fortune 500 Companies with 2014 Subsidiaries in 20 Top Tax Havens



Cash Booked Offshore for Tax Purposes by U.S. Multinationals Doubled between 2008 and 2014

In recent years, U.S. multinational companies have sharply increased the amount of money that they book to foreign subsidiaries. An April 2015 study by research firm Audit Analytics found that the Russell 1000 list of U.S. companies collectively reported having nearly \$2.3 trillion held offshore. That is more than double the income reported offshore in 2008.¹⁵

For many companies, increasing profits held offshore does not mean building factories abroad, selling more products to foreign customers, or doing any additional real business activity in other countries. Instead, many companies use accounting tricks to disguise their profits as “foreign,” and book them to a subsidiary in a tax haven to avoid taxes.

The practice of artificially shifting profits to tax havens has increased in recent years. In 1999, the profits American multinationals reported earning in Bermuda represented 260 percent of that country’s entire economy. In 2008, it was up to 1,000 percent.¹⁶ More offshore profit shifting means more U.S. taxes avoided by American multinationals. A 2007 study by tax expert Kimberly Clausing of Reed College estimated that the revenue lost to the Treasury due to offshore tax haven abuse by corporations totaled \$60 billion annually. In 2011, she updated her estimate to \$90 billion.¹⁷

The 286 Fortune 500 Companies that report offshore profits collectively hold \$2.1 trillion offshore, with 30 companies accounting for 65 percent of the total.

By the end of 2014, the 286 Fortune 500 companies that report holding offshore cash had collectively accumulated over \$2.1 trillion that they declare to be “permanently reinvested” abroad. (This designation allows them to avoid counting the taxes they have “deferred” as a future cost in their financial reports to shareholders.) While 57 percent of Fortune 500 companies report having income offshore, some companies shift profits offshore far more aggressively than others. The 30 companies with the most money offshore account for \$1.4 trillion of the total. In other words, just 30 Fortune 500 companies account for 65 percent of the offshore cash.

Not all companies report how much cash they have “permanently reinvested offshore,” so the finding that 286 companies report offshore profits does not include all cash booked offshore. For example, Northrop Grumman reported in 2011 having \$761 million offshore. But since 2012, the defense contractor has reported that it continues to have permanently reinvested earnings, but no longer specifies how much.

Table 2: Top 30 Companies with the Most Money Held Offshore

Company	Amount Held Offshore (Millions \$)	Number of Tax Haven Subsidiaries	Company	Amount Held Offshore (Millions \$)	Number of Tax Haven Subsidiaries
Apple	181,100	3	Chevron	35,700	12
General Electric	119,000	18	Coca-Cola	33,300	12
Microsoft	108,300	5	J.P. Morgan Chase & Co.	31,100	4
Pfizer	74,000	151	Amgen	29,300	8
International Business Machines	61,400	15	United Technologies	28,000	28
Merck	60,000	121	Eli Lilly	25,700	27
Johnson & Johnson	53,400	58	Qualcomm	25,700	3
Cisco Systems	52,700	59	Goldman Sachs Group	24,880	20
Exxon Mobil	51,000	37	Bristol-Myers Squibb	24,000	22
Google	47,400	2	Wal-Mart Stores	23,300	75
Procter & Gamble	45,000	38	Intel	23,300	14
Citigroup	43,800	41	AbbVie Inc.	23,000	35
Hewlett-Packard	42,900	25	Abbott Laboratories	23,000	91
Oracle	38,000	5	Dow Chemical	18,037	92
PepsiCo	37,800	132	Caterpillar	18,000	72
			Total:	1,402,117	1,225

Evidence Indicates Much of Offshore Profits are Booked to Tax Havens

Companies are not required to disclose publicly how much they tell the I.R.S. they've earned in specific foreign countries. Still, some companies provide enough information in their annual SEC filings to deduce that these companies characterize for tax purposes that much of their offshore cash is sitting in tax havens.

Only 57 Fortune 500 companies disclose what they would pay in taxes if they did not book their profits offshore.

In theory, companies are required to disclose how much they would owe in taxes on their offshore profits in their annual 10-K filings to the SEC and shareholders. But a major loophole allows them to avoid such disclosure if the company claims that it is "not practicable" to calculate the tax.¹⁸ The 57 companies that do publicly disclose the tax calculations report that they would owe \$184.4 billion in additional federal taxes, a tax rate of 29 percent.

The U.S. tax code allows a credit for taxes paid to foreign governments when profits held offshore are declared in the U.S. and become taxable here. While the U.S. corporate tax rate is 35 percent, the average tax rate that these 57 companies have paid to foreign governments on the profits they've booked offshore appears to be a mere 6 percent.¹⁹ That in turn indicates that the bulk of their offshore cash has been booked in tax havens that levy little or no corporate tax.

If the additional 29.0 percent tax rate that the 57 disclosing companies say they would owe would also apply to the offshore cash held by the non-disclosing companies, then the Fortune 500 companies as a group would owe an additional \$620 billion in federal taxes.

Examples of large companies paying very low foreign tax rates on offshore cash include:

- **Apple:** Apple has booked \$181.1 billion offshore — more than any other company. It would owe \$59.2 billion in U.S. taxes if these profits were not officially held offshore for tax purposes. This means that Apple has paid a miniscule 2.3 percent tax rate on its offshore profits. That confirms that Apple has been getting away with paying almost nothing in taxes on the huge amount of profits it has booked in Ireland.
- **American Express:** This company reports \$9.7 billion in accumulated offshore profits, on which it says it would owe \$3 billion in U.S. taxes. That implies that it has paid only a 4 percent tax rate to foreign governments on its offshore profits, and thus indicates that most of that money has been booked in tax havens levying little to no tax.²⁰ American Express maintains 23 subsidiaries in offshore tax havens.

Table 3: 29 Companies disclose paying less than a 10 percent tax rate on profits booked offshore, implying that most of those profits are in tax havens.

Company	Amount Held Offshore (\$ millions)	Estimated Deferred Tax Bill (\$ millions)	Implied Tax Rate Paid on Offshore Cash	Number of Tax Haven Subsidiaries
Owens Corning	1,400	511	0%	17
Wynn Resorts	412	144	0%	14
Gilead Sciences	15,600	5,500	0%	12
Amgen	29,300	10,500	0%	8
Safeway	180	65	0%	4
Qualcomm	25,700	9,100	0%	3
Advanced Micro Devices	349	122	0%	3
Universal Health Services	10	4	0%	0
Netflix	29	10	0.1%	1
AK Steel Holding	27	10	0.1%	4
Biogen	4,600	1,550	1.3%	14
Western Digital	9,400	3,100	2%	17
Apple	181,100	59,200	2.3%	3
Nike	8,300	2,700	2.5%	52
Microsoft	108,300	34,500	3.1%	5
PNC Financial Services Group	77	24	3.8%	0
Oracle	38,000	11,800	4%	5
American Express	9,700	3,000	4.1%	23
NetApp	3,300	1,000	4.7%	14
FMC Technologies	1,619	492	4.7%	10
Baxter International	13,900	4,200	4.8%	19
Wells Fargo	1,800	513	6.5%	98
Group 1 Automotive	17	5	6.9%	3
Jacobs Engineering Group	26	7	7%	12
Symantec	3,600	1,000	7.2%	4
Leucadia National	171	46	8.1%	4
Citigroup	43,800	11,600	8.5%	41
Clorox	204	54	8.5%	11
Bank of America Corp.	17,200	4,500	8.8%	22
Total:	518,121	165,257	Ave: 3.1%	423

* See methodology for an explanation of how this number was calculated based on what these companies disclosed in their public 10-K filing with the SEC.

- **Nike:** The sneaker giant reports \$8.3 billion in accumulated offshore profits, on which it would owe \$2.7 billion in U.S. taxes. That implies Nike has paid a mere 2.5 percent tax rate to foreign governments on those offshore profits. Again, this indicates that nearly all of the offshore money is held by subsidiaries in tax havens. Nike is likely able to engage in such tax avoidance in part by transferring the ownership of Nike trademarks for some of its products to 3 subsidiaries in Bermuda. Humor-

ously, Nike's Bermuda subsidiaries bear the names of Nike shoes such as "Air Max Limited" and "Nike Flight."²¹

The latest IRS data show that in 2010, more than half of the foreign profits reported by all U.S. multinationals were booked in tax havens for tax purposes.

In the aggregate, IRS data show that in 2010, American multinationals collectively reported to the IRS that they earned \$505 billion in 12

Table 4: Profits Reported Collectively by American Multinational Corporations in 2010 to 12 Notorious Tax Havens

Tax Haven Country	Reported Profits of U.S.-Controlled Subsidiaries (dollars in billions)	Gross Domestic Product (billion dollars of GDP)	Subsidiary profits as % of GDP
Bermuda	94	\$6	1,643%
Cayman Islands	51	3	1,600%
British Virgin Islands	10	1	1,102%
Bahamas	10	8	123%
Luxembourg	55	52	106%
Ireland	87	208	42%
Netherlands Antilles	1	4	25%
Netherlands	127	772	16%
Cyprus	3	23	13%
Barbados	0	4	10%
Singapore	20	217	9%
Switzerland	47	551	9%
Total:	\$505	1,849	Ave: 27%
Total for all other countries in IRS Data	\$424	42,363	Ave: 1%

Source for profit and tax figures: IRS, Statistics of Income Division, April 2014

Source for GDP Figures: World Bank <http://data.worldbank.org/indicator/NY.GDP.MKTP.CD>, United Nations Statistics Division <http://unstats.un.org/>

well known tax havens. That's more than half (54 percent) of the total profits that American companies reported earning abroad that year. For the five tax havens where American companies booked the most profits, those reported earnings were greater than the size of those countries' entire economies (as measured by GDP). This illustrates how little relationship there is between where American multination-

als actually do business and where they report that they made their profits for tax purposes.

Approximately 65 percent of companies with tax haven subsidiaries have registered at least one subsidiary in Bermuda or the Cayman Islands — the two tax havens where profits from American multinationals accounted for the largest percentage of the two countries' GDP.

Maximizing the benefit of offshore tax havens by reincorporating as a "foreign" company: a new wave of corporate "inversions"

Some American companies have gone so far as to change the address of their corporate headquarters, on paper, so they can reincorporate in a foreign country, a maneuver called an "inversion." Inversions increase the reward for exploiting offshore loopholes. In theory, an American company must pay U.S. tax on profits it claims were made offshore if it wants to officially bring the money back to the U.S. to pay out dividends to shareholders or make certain U.S. investments. However, this scheme stands reality on its head. Once a corporation reconfigures itself as "foreign," the profits it claims were earned for tax purposes outside the U.S. become exempt from U.S. tax.

Even though a "foreign" corporation still is supposed to pay U.S. tax on profits it earns in the U.S., corporate inversions are often followed by "earnings-stripping." This is a scheme in which a corporation loads the American part of the company with debt owed to the foreign part of the company. The interest payments on the debt are tax deductible, thus reducing taxable American profits. The foreign company to which the U.S. profits are shifted will be set up in a tax haven to avoid foreign taxes as well.²²

In 2004, Congress passed bipartisan legislation to crack down on inversions. The law now requires that inverted companies that have at least 80 percent of the same shareholders as the pre-inversion parent to be treated as American companies for tax purposes, unless the company did "substantial business" in the country in which it was reincorporating.²³ The Treasury's definition of "substantial business" made this law difficult to game.²⁴

However, in recent years, companies have discovered a way to circumvent the bipartisan anti-inversion laws. They do so by acquiring a smaller foreign company so that shareholders of the foreign company own slightly more than 20 percent of the newly merged company.²⁵ Walgreens and Pfizer — two quintessentially American companies — made headlines when it was revealed that they were considering mergers that would allow them to reincorporate abroad. A Bloomberg investigation found that 15 publicly traded companies have reincorporated abroad within the last few years, explaining that "most of their CEOs didn't leave. Just the tax bills did."²⁶

Firms Reporting Fewer Tax Haven Subsidiaries Do Not Necessarily Dodge Fewer Taxes Offshore

In 2008, the Government Accountability Office conducted a study revealing 83 of the top 100 publicly traded companies operated subsidiaries in offshore tax havens. But more tax haven subsidiaries doesn't necessarily mean that a company dodges more taxes than other companies. Today, some companies report fewer subsidiaries in tax haven countries than they did in 2008, but some of these same companies report significant increases in how much cash they hold abroad. They report paying such low tax rates to foreign governments that it indicates most if not all of the money has been booked in tax havens.

One explanation for this phenomenon is that some companies are simply not reporting some of the offshore subsidiaries that they previously disclosed. The SEC requires that companies report all "significant" subsidiaries, based on multiple measures of a subsidiary's share of the company's total assets. Furthermore, if the combined assets of all subsidiaries deemed "insignificant" collectively qualified as a significant subsidiary, then the company would have to disclose them. But a recent academic study found that the penalties for not disclosing subsidiaries are so light that companies might decide that disclosure isn't worth the bad publicity it could engender. The researchers postulate that increased media attention on offshore tax

dodging and/or IRS scrutiny could be a reason why some companies have stopped disclosing all of their offshore subsidiaries. Examining the case of Google, the academics found that it was so improbable that the company could only have two significant foreign subsidiaries that Google "may have calculated that the SEC's failure-to-disclose penalties are largely irrelevant and therefore may have determined that disclosure was not worth the potential costs associated with increases in either tax and/or negative publicity costs."²⁷ Moreover, the researchers found that as of 2012, 23 of Google's no-longer-disclosed tax haven subsidiaries were still operating.

Another possibility is that companies are simply consolidating more income in fewer offshore subsidiaries, since having just one tax haven subsidiary is enough to dodge billions in taxes. For example, a 2013 Senate investigation of Apple found that the tech giant primarily uses two Irish subsidiaries — which own the rights to some of Apple's intellectual property — to hold \$102 billion in offshore cash. Manipulating tax loopholes in the U.S. and other countries, Apple has structured these subsidiaries so that they are not tax residents of either the U.S. or Ireland, ensuring that they pay no taxes to any government on the lion's share of the money. One of the subsidiaries has no employees.²⁸

Examples of large companies that have reported fewer tax haven subsidiaries in recent years while simultaneously shifting more profits offshore include:

- **Citigroup** reported operating 427 tax haven subsidiaries in 2008 but disclosed only 41 in 2014. Over that time period, Citigroup increased the amount of cash it reported holding offshore from \$21.1 billion to \$43.8 billion, ranking the company 12th for the amount of cash booked offshore. The company estimates it would owe \$11.6 billion in taxes had it not booked those profits offshore. The company currently pays an 8.5 percent tax rate offshore, implying that most of those profits have been booked to low- or no-tax jurisdictions.
- **Walmart** reported operating zero tax haven subsidiaries in 2014 and for the past decade. Despite this, a recent report released by Americans for Tax Fairness revealed that the company had as many as 75 tax haven subsidiaries (using this report's list of tax haven countries) in operation that were not included in its SEC filings.²⁹ Over the past decade, Walmart's accumulated offshore profits have grown from \$6.8 billion in 2005 to \$23.3 billion in 2014.
- **Bank of America** reported operating 264 tax haven subsidiaries in 2013, but disclosed only 22 in 2014. At the same time, Bank of America's offshore holdings have increased modestly, from \$17 billion to \$17.2 billion.
- **Google** reported operating 25 subsidiaries in tax havens in 2009, but since 2010 it has only disclosed two, both in Ireland. During that period, it increased the amount of profits it has booked offshore from \$7.7 billion to \$47.4 billion. As noted above, an academic analysis found that as of 2012, the 23 no-longer-disclosed tax haven subsidiaries were still operating.³⁰ Google uses accounting techniques nicknamed the "double Irish" and the "Dutch sandwich," according to a Bloomberg investigation. Using two Irish subsidiaries, one of which is headquartered in Bermuda, Google shifts profits through Ireland and the Netherlands to Bermuda, shrinking its tax bill by approximately \$2 billion a year.³¹
- **Microsoft** reported operating 10 subsidiaries in tax havens in 2007; in 2014, it disclosed only five. During this same time period, the company increased the amount of money it held offshore from \$7.5 billion to \$108.3 billion, on which it says it would owe \$34.5 billion in U.S. taxes. That implies that the company has paid a tax rate of just 3 percent to foreign governments on those profits, indicating that most of the cash is booked to tax havens. Microsoft ranks 3rd for the amount of cash it keeps offshore. A Wall Street Journal investigation found that over 90 percent of Microsoft "offshore" cash was actually invested by its offshore subsidiaries in U.S. assets like Treasuries, allowing for the company to benefit from the stability of the U.S. financial system without paying taxes on those profits.³²

Measures to Stop Abuse of Offshore Tax Havens

Strong action to prevent corporations from using offshore tax havens will not only restore basic fairness to the tax system, but will also alleviate pressure on America's budget deficit and improve the functioning of markets. Markets work best when companies thrive based on their innovation or productivity, rather than the aggressiveness of their tax accounting schemes.

Policymakers should reform the corporate tax code to end the incentives that encourage companies to use tax havens, close the most egregious loopholes, and increase transparency so companies can't use layers of shell companies to shrink their taxes.

End incentives to shift profits and jobs offshore.

- The most comprehensive solution to ending tax haven abuse would be to stop permitting U.S. multinational corporations to indefinitely defer paying U.S. taxes on profits they attribute to their foreign subsidiaries. In other words, companies should pay taxes on their foreign income at the same rate and time that they pay them on their domestic income. Paying U.S. taxes on this overseas income would not constitute "double taxation" because the companies already subtract any foreign taxes they've paid from their U.S. tax bill, and that would not change. Ending "deferral" could raise nearly \$900 billion over ten years, according to the both the Congressional Joint Committee on Taxation and the U.S. Treasury Department.³³

- The best way to deal with existing profits being held offshore would be to tax them through a deemed repatriation at the full 35 percent rate (minus foreign taxes paid). President Obama has proposed a much lower rate of 14 percent, which would allow large multinational corporations to avoid around \$400 billion in taxes that they owe. Former Republican Ways and Means Chairman Dave Camp proposed a rate of only 8.75 percent, which would allow large multinational corporations to avoid around \$450 billion in taxes that they owe. At a time of fiscal austerity, there is no reason that companies should get hundreds of billions in tax benefits to reward them for their offshore income.

Reject the Creation of New Loopholes

- Reject a "territorial" tax system. Tax haven abuse would be worse under a system in which companies could shift profits to tax haven countries, pay minimal or no tax under those countries' tax laws, and then freely use the profits in the United States without paying any U.S. taxes. The JCT estimates that switching to a territorial tax system could add almost \$300 billion to the deficit over ten years.³⁴
- Reject the creation of a so-called "innovation" or "patent box." Some lawmakers are trying to create a new loophole in the

code by giving companies a preferential tax rate on income earned from patents, trademarks, and other “intellectual property” which is easy to assign to offshore subsidiaries. Such a policy would be an unjustified and ineffective giveaway to multinational U.S. corporations.³⁵

Close the most egregious offshore loopholes.

Policy makers can take some basic common-sense steps to curtail some of the most obvious and brazen ways that some companies abuse offshore tax havens.

- Cooperate with the OECD and its member countries to implement the recommendations of the group’s Base Erosion and Profit Shifting (BEPS) project, which represents a modest first step toward international coordination to end corporate tax avoidance.³⁶
- Close the inversion loophole by treating an entity that results from a U.S.-foreign merger as an American corporation if the majority (as opposed to 80 percent) of voting stock is held by shareholders of the former American corporation. These companies should be treated as U.S. companies if they are managed and controlled in the U.S. and have significant business activities in the U.S.³⁷
- Stop companies from shifting intellectual property (e.g. patents, trademarks, licenses) to shell companies in tax haven countries and then paying inflated fees to use them. This common practice allows companies to legally book profits that were earned in the U.S. to the tax haven subsidiary owning the patent. Limited reforms proposed by President Obama could save taxpayers \$21.3 bil-

lion over ten years, according to the Joint Committee on Taxation (JCT).³⁸

- Reform the so-called “check-the-box” rules to stop multinational companies from manipulating how they define their status to minimize their taxes. Right now, companies can make inconsistent claims to maximize their tax advantages, telling one country that a subsidiary is a corporation while telling another country the same entity is a partnership or some other form.
- Stop companies from taking bigger tax credits than the law intends for the taxes they pay to foreign countries by reforming foreign tax credits. Proposals to “pool” foreign tax credits would save \$58.6 billion over ten years, according to the JCT.³⁹
- Stop companies from deducting interest expenses paid to their own offshore affiliates, which put off paying taxes on that income. Right now, an offshore subsidiary of a U.S. company can defer paying taxes on interest income it collects from the U.S.-based parent, even while the U.S. parent claims those interest payments as a tax deduction. This reform would save \$51.4 billion over ten years, according to the JCT.⁴⁰

Increase transparency.

- Require full and honest reporting to expose tax haven abuses. Multinational corporations should report their profits on a country-by-country basis so they can’t mislead each nation about the share of their income that was taxed in the other countries. An annual survey of CEOs around the globe done by PricewaterhouseCoopers found that nearly 60 percent of the CEOs support this reform as a way to clamp down on avoidance.⁴¹

Methodology

To calculate the number of tax haven subsidiaries maintained by the Fortune 500 corporations, we used the same methodology as a 2008 study by the Government Accountability Office that used 2007 data (see endnote 5).

The list of 50 tax havens used is based on lists compiled by three sources using similar characteristics to define tax havens. These sources were the Organisation for Economic Co-operation and Development (OECD), the National Bureau of Economic Research, and a U.S. District Court order. This court order gave the IRS the authority to issue a “John Doe” summons, which included a list of tax havens and financial privacy jurisdictions.

The companies surveyed make up the 2015 Fortune 500, a list of which can be found here: <http://money.cnn.com/magazines/fortune/fortune500/>.

To figure out how many subsidiaries each company had in the 50 known tax havens, we looked at “Exhibit 21” of each company’s 2014 10-K report, which is filed annually with the Securities and Exchange Commission (SEC). Exhibit 21 lists out every reported subsidiary of the company and the country in which it is

registered. We used the SEC’s EDGAR database to find the 10-K filings. 358 of the Fortune companies disclose offshore subsidiaries, but it is possible that many of the remaining 142 companies simply do not disclose their offshore tax haven subsidiaries.

We also used 10-K reports to find the amount of money each company reported it kept offshore in 2014. This information is typically found in the tax footnote of the 10-K. The companies disclose this information as the amount they keep “permanently reinvested” abroad.

As explained in this report, 57 of the companies surveyed disclosed what their estimated tax bill would be if they repatriated the money they kept offshore. This information is also found in the tax footnote. To calculate the tax rate these companies paid abroad in 2014, we first divided the estimated tax bill by the total amount kept offshore. That number multiplied by 100 equals the U.S. tax rate the company would pay if they repatriated that foreign cash. Since companies receive dollar-for-dollar credits for taxes paid to foreign governments, the tax rate paid abroad is simply the difference between 35% — the U.S. statutory corporate tax rate — and the tax rate paid upon repatriation.

Appendix: Offshore Profits and Tax Haven Subsidiaries of Fortune 500 Companies

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
3M	13	Hong Kong(1), Luxembourg(3), Netherlands(1), Panama(1), Singapore(4), Switzerland(3)	11,200			Minnesota
Abbott Laboratories	91	Bahamas(2), Barbados(1), Bermuda(6), British Virgin Islands(1), Cayman Islands(4), Costa Rica(3), Cyprus(1), Gibraltar(3), Ireland(13), Lebanon(1), Luxembourg(7), Malta(2), Netherlands(23), Panama(13), Singapore(5), Switzerland(5), U.S. Virgin Islands(1)	23,000			Illinois
AbbVie Inc	35	Bahamas(1), Bermuda(3), Channel Islands(3), Cyprus(1), Gibraltar(2), Hong Kong(1), Ireland(5), Luxembourg(5), Netherlands(9), Panama(1), Singapore(2), Switzerland(2)	23,000			Illinois
Advance Auto Parts			108			Virginia
Advanced Micro Devices	3	Barbados(1), Bermuda(1), Singapore(1)	349	0%	122	California
AECOM Technology			977			California
AES	206	Bahamas(1), Barbados(1), Bermuda(6), British Virgin Islands(10), Cayman Islands(83), Channel Islands(1), Costa Rica(1), Cyprus(2), Hong Kong(1), Ireland(3), Jordan(2), Luxembourg(1), Mauritius(3), Netherlands(78), Panama(7), Singapore(6)				Virginia
Aetna	11	Bermuda(5), Cayman Islands(1), Hong Kong(2), Ireland(1), Singapore(2)				Connecticut

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
AGCO	17	Hong Kong(1), Ireland(2), Luxembourg(1), Netherlands(10), Singapore(1), Switzerland(2)	3,300			Georgia
Agilent Technologies	7	Luxembourg(2), Netherlands(1), Singapore(3), Switzerland(1)	5,700			California
Air products & Chemicals	14	Bahrain(1), Bermuda(1), Ireland(3), Netherlands(5), Panama(1), Singapore(2), Switzerland(1)	5,894	10%	1,466	Pennsylvania
AK Steel Holding	4	Cayman Islands(1), Netherlands(1), Singapore(1), Vanuatu(1)	27	0%	10	Ohio
Alcoa	2	Luxembourg(1), Netherlands(1)	4,600			New York
Alleghany	5	Gibraltar(1), Panama(2), Switzerland(2)				New York
Allergan	28	Bermuda(5), Cayman Islands(2), Costa Rica(1), Hong Kong(2), Ireland(10), Luxembourg(1), Netherlands(4), Singapore(1), Switzerland(2)	4,485			California
Alliance Data Systems	33	Bermuda(3), Hong Kong(3), Ireland(3), Luxembourg(2), Netherlands(19), Singapore(1), Switzerland(2)	55			Texas
Allstate	2	Barbados(1), Ireland(1)				Illinois
Amazon.com	2	Luxembourg(2)	2,500			Washington
American Express	23	Bahrain(1), Channel Islands(5), Hong Kong(1), Luxembourg(4), Netherlands(8), Netherlands Antilles(1), Singapore(1), Switzerland(2)	9,700	4%	3,000	New York
American Financial Group	2	Bermuda(1), Cayman Islands(1)				Ohio
American International Group	17	Bahrain(1), Bermuda(4), Cyprus(1), Hong Kong(2), Ireland(2), Lebanon(1), Liechtenstein(1), Panama(1), Singapore(3), Switzerland(1)				New York
Ameriprise Financial	18	Channel Islands(9), Hong Kong(1), Luxembourg(3), Singapore(1), Switzerland(4)	180	13%	40	Minnesota
AmerisourceBergen			217			Pennsylvania
Amgen	8	Bermuda(3), Ireland(1), Netherlands(2), Switzerland(2)	29,300	-1%	10,500	California

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Amphenol	15	Hong Kong(5), Ireland(1), Luxembourg(2), Netherlands(3), Samoa(2), Singapore(2)				Connecticut
AMR	3	Bermuda(2), St. Lucia(1)				Texas
Anadarko Petroleum	9	Barbados(1), Cayman Islands(3), Gibraltar(2), Luxembourg(2), Netherlands(1)				Texas
Anixter International	14	Barbados(1), Costa Rica(1), Hong Kong(2), Ireland(1), Netherlands(6), Panama(1), Singapore(1), Switzerland(1)	679	27%	52	Illinois
Apache	57	Cayman Islands(44), Luxembourg(8), Netherlands(1), Singapore(2), St. Lucia(1), Switzerland(1)				Texas
Apple	3	Ireland(3)	181,100	2%	59,200	California
Applied Materials	21	Cayman Islands(1), Gibraltar(1), Hong Kong(3), Ireland(1), Luxembourg(6), Netherlands(3), Singapore(3), Switzerland(3)	2,700			California
Aramark	18	Bermuda(1), British Virgin Islands(3), Cayman Islands(1), Hong Kong(1), Ireland(10), Luxembourg(1), Netherlands(1)				Pennsylvania
Archer Daniels Midland	4	Cayman Islands(1), Netherlands(2), Switzerland(1)	8,600			Illinois
ARRIS Group	10	Barbados(1), Hong Kong(2), Ireland(1), Luxembourg(2), Netherlands(2), Singapore(1), Switzerland(1)	48			Georgia
Arrow Electronics	51	British Virgin Islands(1), Cayman Islands(3), Channel Islands(1), Hong Kong(15), Ireland(1), Luxembourg(1), Mauritius(1), Netherlands(11), Seychelles(1), Singapore(15), Switzerland(1)	2,947			Colorado
Ashland	33	Barbados(1), Bermuda(5), British Virgin Islands(1), Cyprus(1), Gibraltar(2), Hong Kong(2), Ireland(2), Luxembourg(1), Netherlands(11), Singapore(3), Switzerland(2), U.S. Virgin Islands(2)	1,800			Kentucky
Assurant	12	Bermuda(1), Cayman Islands(4), Ireland(1), Isle of Man(1), Malta(1), Netherlands(2), Turks and Caicos(2)	163	34%	1	New York
Autoliv	3	Netherlands(3)	4,000			Michigan

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Automatic Data Processing			418			New Jersey
AutoNation	1	Cayman Islands(1)				Florida
AutoZone			345			Tennessee
Avery Dennison	70	British Virgin Islands(9), Channel Islands(1), Gibraltar(2), Hong Kong(8), Ireland(2), Luxembourg(13), Mauritius(2), Netherlands(25), Singapore(5), Switzerland(3)	2,200			California
Avis Budget Group	24	Barbados(1), Channel Islands(5), Isle of Man(3), Luxembourg(3), Monaco(1), Netherlands(6), Singapore(1), Switzerland(3), U.S. Virgin Islands(1)	853			New Jersey
Avnet	43	British Virgin Islands(3), Hong Kong(16), Ireland(4), Macau(1), Malta(1), Netherlands(7), Singapore(9), Switzerland(2)	3,060			Arizona
Avon Products	28	Bermuda(4), Cayman Islands(10), Hong Kong(1), Ireland(1), Luxembourg(1), Mauritius(1), Netherlands(6), Panama(2), Singapore(1), Switzerland(1)				New York
Baker Hughes	11	Luxembourg(8), Netherlands(3)	6,100			Texas
Ball	29	British Virgin Islands(4), Cayman Islands(2), Hong Kong(9), Luxembourg(5), Netherlands(6), Singapore(1), Switzerland(2)				Colorado
Bank of America Corp.	22	Bermuda(2), Cayman Islands(1), Channel Islands(1), Costa Rica(1), Hong Kong(3), Ireland(1), Luxembourg(3), Netherlands(2), Singapore(6), Switzerland(2)	17,200	9%	4,500	North Carolina
Bank of New York Mellon Corp.	5	Channel Islands(1), Ireland(3), Luxembourg(1)	6,000	15%	1,200	New York
Baxter International	19	Costa Rica(1), Hong Kong(1), Ireland(2), Malta(2), Netherlands(4), Singapore(2), Switzerland(7)	13,900	5%	4,200	Illinois
BB&T Corp.	3	Bermuda(1), Cayman Islands(1), Turks and Caicos(1)				North Carolina

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Becton Dickinson	38	Bermuda(2), British Virgin Islands(1), Cayman Islands(3), Gibraltar(4), Hong Kong(1), Ireland(4), Luxembourg(8), Mauritius(1), Netherlands(5), Singapore(5), Switzerland(4)	4,900			New Jersey
Berkshire Hathaway	9	Cayman Islands(1), Gibraltar(2), Luxembourg(2), Netherlands(4)	10,000			Nebraska
Best Buy	13	Bermuda(1), Hong Kong(2), Luxembourg(1), Mauritius(7), Netherlands(1), Turks and Caicos(1)	770			Minnesota
Biogen	14	Bermuda(1), Hong Kong(1), Ireland(1), Isle of Man(2), Luxembourg(1), Netherlands(2), Singapore(1), Switzerland(5)	4,600	1%	1,550	Massachusetts
BlackRock	40	Cayman Islands(5), Channel Islands(8), Cyprus(1), Hong Kong(4), Ireland(5), Isle of Man(3), Luxembourg(7), Netherlands(1), Singapore(5), Switzerland(1)	3,871			New York
Blackstone Group	161	Cayman Islands(128), Channel Islands(2), Hong Kong(5), Ireland(7), Luxembourg(1), Mauritius(4), Netherlands(12), Singapore(2)				New York
Boeing	1	Bermuda(1)	800			Illinois
BorgWarner	7	Bermuda(1), Hong Kong(1), Ireland(1), Luxembourg(3), Monaco(1)	2,700			Michigan
Boston Scientific	20	Bermuda(1), Costa Rica(1), Hong Kong(1), Ireland(6), Lebanon(2), Netherlands(6), Singapore(1), Switzerland(2)	7,700			Massachusetts
Bristol-Myers Squibb	22	Barbados(1), Bermuda(1), Hong Kong(1), Ireland(6), Luxembourg(2), Netherlands(7), Panama(1), Singapore(1), Switzerland(2)	24,000			New York
Broadcom	5	Bermuda(1), Cayman Islands(3), Singapore(1)	4,850			California
C.H. Robinson Worldwide	11	Hong Kong(3), Ireland(2), Luxembourg(1), Netherlands(1), Singapore(3), Switzerland(1)				Minnesota

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Caesars Entertainment	22	Bahamas(3), Barbados(1), Bermuda(2), British Virgin Islands(1), Hong Kong(3), Isle of Man(2), Macau(2), Netherlands(7), Singapore(1)	118	24%	13	Nevada
Cameron International	56	Barbados(1), Bermuda(1), Cayman Islands(11), Hong Kong(1), Ireland(4), Luxembourg(24), Malta(1), Netherlands(9), Singapore(4)	5,100			Texas
Campbell Soup	7	Hong Kong(4), Luxembourg(1), Netherlands(1), Singapore(1)	740			New Jersey
Capital One Financial			1,400			Virginia
Cardinal Health	8	Bermuda(1), Hong Kong(1), Ireland(1), Luxembourg(1), Malta(1), Netherlands(1), Singapore(1), Switzerland(1)	1,900			Ohio
CarMax	1	Bermuda(1)				Virginia
Caterpillar	72	Bermuda(8), Cayman Islands(2), Channel Islands(1), Costa Rica(1), Hong Kong(10), Ireland(2), Luxembourg(10), Netherlands(11), Panama(3), Singapore(11), Switzerland(13)	18,000			Illinois
CB Richard Ellis Group	4	Channel Islands(1), Luxembourg(2), Netherlands(1)	1,300			California
CBS	44	Bahamas(8), Bermuda(3), Cayman Islands(7), Cyprus(1), Luxembourg(6), Netherlands(12), Netherlands Antilles(1), Panama(1), Singapore(2), Switzerland(3)	3,990			New York
CC Media Holdings	45	Bahamas(1), Bermuda(1), British Virgin Islands(2), Cayman Islands(4), Costa Rica(1), Hong Kong(2), Ireland(4), Netherlands(10), Netherlands Antilles(4), Panama(1), Singapore(3), Switzerland(11), Turks and Caicos(1)				Texas
CDW			67			Illinois
Celanese	15	Bermuda(1), Cayman Islands(1), Cyprus(1), Hong Kong(1), Luxembourg(3), Netherlands(4), Singapore(4)	3,800			Texas

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Celgene	26	Bermuda(1), Hong Kong(2), Ireland(2), Luxembourg(2), Netherlands(4), Singapore(1), Switzerland(14)	7,541			New Jersey
CenturyLink	18	British Virgin Islands(2), Hong Kong(5), Mauritius(1), Netherlands(6), Singapore(3), Switzerland(1)				Louisiana
CH2M Hill	2	Luxembourg(1), Netherlands(1)	331			Colorado
Chevron	12	Bahamas(2), Bermuda(8), Liberia(1), Singapore(1)	35,700			California
CHS	11	Bermuda(1), Cyprus(1), Hong Kong(1), Luxembourg(3), Netherlands(1), Singapore(2), Switzerland(2)				Minnesota
Chubb	1	Bermuda(1)				New Jersey
Cigna	14	Bahrain(1), Bermuda(4), Channel Islands(1), Hong Kong(4), Malta(1), Netherlands(3)	1,800	23%	218	Connecticut
Cisco Systems	59	Bahrain(1), Bermuda(6), Cayman Islands(1), Channel Islands(1), Costa Rica(1), Cyprus(1), Hong Kong(9), Ireland(9), Jordan(1), Luxembourg(3), Mauritius(2), Netherlands(13), Panama(1), Singapore(7), Switzerland(3)	52,700			California
Citigroup	41	Bahamas(7), Bermuda(3), British Virgin Islands(1), Cayman Islands(6), Costa Rica(4), Hong Kong(5), Ireland(2), Mauritius(2), Netherlands(2), Panama(1), Singapore(5), Switzerland(3)	43,800	9%	11,600	New York
Clorox	11	Bermuda(1), British Virgin Islands(1), Cayman Islands(1), Costa Rica(1), Hong Kong(2), Luxembourg(2), Panama(1), Switzerland(2)	204	8.50%	54	California
CMS Energy	1	Cayman Islands(1)				Michigan
Coca-Cola	12	Cayman Islands(3), Costa Rica(1), Ireland(2), Luxembourg(1), Netherlands(1), Singapore(4)	33,300			Georgia
Coca-Cola Enterprises	4	Luxembourg(4)				Georgia

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Cognizant Technology Solutions	15	Channel Islands(2), Costa Rica(1), Cyprus(2), Ireland(1), Luxembourg(1), Mauritius(2), Netherlands(3), Singapore(1), Switzerland(2)	6,121			New Jersey
Colgate-Palmolive	11	British Virgin Islands(1), Hong Kong(2), Ireland(1), Netherlands(2), Singapore(3), Switzerland(2)	4,900			New York
Comcast	7	Bermuda(2), Cayman Islands(1), Netherlands(4)				Pennsylvania
Commercial Metals	13	Bermuda(2), Cyprus(1), Hong Kong(1), Luxembourg(4), Singapore(2), Switzerland(3)	488			Texas
Community Health Systems	2	Cayman Islands(2)				Tennessee
Computer Sciences	37	Bahrain(1), British Virgin Islands(2), Costa Rica(1), Hong Kong(3), Ireland(7), Luxembourg(5), Mauritius(1), Netherlands(5), Panama(1), Singapore(10), Switzerland(1)	2,552			Virginia
ConAgra Foods	1	Netherlands(1)	660			Nebraska
ConocoPhillips	18	Bahamas(1), Bermuda(5), British Virgin Islands(1), Cayman Islands(5), Liberia(1), Luxembourg(1), Netherlands(3), Singapore(1)	293			Texas
Con-way			32			Michigan
Corn Products International	9	Luxembourg(4), Mauritius(2), Netherlands(2), Singapore(1)	2,172			Illinois
Corning	12	Ireland(1), Luxembourg(6), Mauritius(1), Netherlands(3), Singapore(1)	10,300			New York
Costco Wholesale			3,619			Washington
Crown Holdings	19	Barbados(1), British Virgin Islands(1), Hong Kong(3), Ireland(1), Jordan(1), Luxembourg(1), Netherlands(4), Singapore(5), Switzerland(2)	774			Pennsylvania
CST Brands			965			Texas
Cummins	25	Barbados(1), Costa Rica(1), Hong Kong(3), Netherlands(13), Panama(2), Singapore(5)	3,800			Indiana
D.R. Horton	1	Turks and Caicos(1)				Texas

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Dana Holding	15	Bermuda(1), British Virgin Islands(2), Cayman Islands(1), Gibraltar(1), Hong Kong(3), Ireland(1), Luxembourg(4), Mauritius(1), Switzerland(1)				Ohio
Danaher	34	Hong Kong(5), Ireland(5), Netherlands(10), Singapore(5), Switzerland(9)	11,800			District of Columbia
DaVita	4	Netherlands(1), Singapore(3)				Colorado
Dean foods	2	Netherlands(2)	14			Texas
Deere	5	Luxembourg(3), Singapore(1), Switzerland(1)	4,677			Illinois
Delta Air Lines	1	Bermuda(1)				Georgia
Devon Energy			1,800			Oklahoma
Dick's Sporting Goods	4	Hong Kong(4)				Pennsylvania
Dillard's	1	Bermuda(1)				Arkansas
DirecTV	15	Barbados(1), British Virgin Islands(2), Cayman Islands(5), Mauritius(2), Netherlands(4), St. Lucia(1)	103			California
Discover Financial Services	2	Hong Kong(1), Singapore(1)				Illinois
Discovery Communications	3	Netherlands(2), Singapore(1)	329			Maryland
Dollar General	1	Hong Kong(1)				Tennessee
Domtar	1	Switzerland(1)				South Carolina
Dover	31	Barbados(1), Cayman Islands(1), Costa Rica(1), Hong Kong(3), Luxembourg(4), Netherlands(9), Singapore(4), Switzerland(7), U.S. Virgin Islands(1)	1,300			Illinois
Dow Chemical	92	Bahrain(3), Bermuda(7), Costa Rica(2), Hong Kong(7), Ireland(2), Luxembourg(1), Mauritius(2), Netherlands(41), Panama(1), Singapore(15), Switzerland(10), U.S. Virgin Islands(1)	18,037			Michigan
Dr Pepper Snapple Group	3	Netherlands(3)	354			Texas
Duke Energy	29	Bermuda(14), Cayman Islands(5), Luxembourg(4), Netherlands(6)				North Carolina

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
DuPont	22	Bermuda(2), Hong Kong(2), Luxembourg(10), Netherlands(4), Singapore(1), Switzerland(3)	17,226			Delaware
Eastman Chemical	43	Costa Rica(1), Gibraltar(1), Hong Kong(5), Luxembourg(8), Malta(1), Mauritius(1), Netherlands(15), Singapore(10), Switzerland(1)	1,600			Tennessee
eBay	38	British Virgin Islands(1), Cayman Islands(1), Hong Kong(2), Ireland(5), Luxembourg(18), Mauritius(1), Netherlands(2), Singapore(4), Switzerland(4)	7,900			California
Ecolab	80	Antigua and Barbuda(1), Aruba(1), Bahamas(1), Barbados(1), Bermuda(1), Cayman Islands(2), Channel Islands(1), Costa Rica(1), Hong Kong(5), Ireland(4), Luxembourg(11), Malta(3), Mauritius(1), Netherlands(33), Panama(1), Singapore(4), St. Lucia(1), Switzerland(6), U.S. Virgin Islands(2)	1,800			Minnesota
Eli Lilly	27	Bermuda(2), British Virgin Islands(3), Cayman Islands(4), Ireland(4), Netherlands(3), Singapore(2), Switzerland(8), U.S. Virgin Islands(1)	25,700			Indiana
EMC	4	Ireland(3), Netherlands(1)	11,800			Massachusetts
Emerson electric	86	Bahrain(2), Bermuda(2), British Virgin Islands(1), Cayman Islands(4), Channel Islands(1), Costa Rica(1), Hong Kong(14), Ireland(4), Luxembourg(1), Mauritius(3), Netherlands(25), Panama(1), Singapore(14), Switzerland(13)	7,100			Missouri
Energy Transfer Equity	7	Bermuda(5), Netherlands(1), Panama(1)				Texas
EOG Resources	17	Cayman Islands(11), Hong Kong(1), Netherlands(5)				Texas
Estée Lauder	2	Luxembourg(1), Switzerland(1)	2,918			New York
Exelon	6	Luxembourg(2), Marshall Islands(4)				Illinois

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Expedia	18	Cayman Islands(5), Costa Rica(1), Hong Kong(3), Ireland(1), Luxembourg(1), Mauritius(1), Netherlands(1), Singapore(4), Switzerland(1)				Washington
Expeditors International of Washington	10	Bahrain(1), Costa Rica(1), Hong Kong(1), Ireland(1), Jordan(1), Lebanon(1), Netherlands(1), Panama(1), Singapore(1), Switzerland(1)				Washington (State)
Express Scripts	5	Ireland(1), Netherlands(3), Switzerland(1)	96			Missouri
Exxon Mobil	37	Bahamas(22), Bermuda(1), Cayman Islands(1), Hong Kong(2), Luxembourg(2), Netherlands(7), Singapore(2)	51,000			Texas
Facebook	3	Ireland(3)				California
Family Dollar Stores	4	Hong Kong(3), Luxembourg(1)	35			North Carolina
Fedex	1	Luxembourg(1)	1,900			Tennessee
Fidelity National Information Services	26	Barbados(1), Cayman Islands(1), Channel Islands(2), Hong Kong(3), Ireland(1), Luxembourg(4), Mauritius(1), Netherlands(9), Singapore(3), Switzerland(1)				Florida
Fifth Third Bancorp	4	Hong Kong(1), Mauritius(1), Turks and Caicos(2)				Ohio
First Data	35	Bermuda(2), Costa Rica(1), Hong Kong(2), Ireland(14), Luxembourg(6), Macau(1), Mauritius(1), Netherlands(4), Panama(1), Singapore(3)				Georgia
Fluor	71	Barbados(2), Bermuda(7), British Virgin Islands(3), Channel Islands(9), Cyprus(2), Ireland(3), Liechtenstein(2), Mauritius(4), Netherlands(34), Panama(1), Singapore(3), St. Lucia(1)				Texas
FMC Technologies	10	Luxembourg(2), Netherlands(5), Singapore(1), Switzerland(2)	1,619	5%	492	Texas
Foot Locker	15	Ireland(4), Netherlands(10), Switzerland(1)	999			New York
Ford Motor	4	Mauritius(1), Netherlands(2), Switzerland(1)	4,300	30%	200	Michigan

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Franklin Resources	34	Bahamas(2), Bermuda(1), British Virgin Islands(1), Cayman Islands(12), Channel Islands(2), Hong Kong(4), Ireland(2), Luxembourg(4), Mauritius(1), Singapore(3), Switzerland(2)	7,300			California
GameStop	10	Ireland(5), Luxembourg(4), Switzerland(1)	595			Texas
Gap	7	Hong Kong(3), Ireland(1), Netherlands(2), Singapore(1)	581	23%	72	California
General Cable	13	Cayman Islands(2), Channel Islands(1), Costa Rica(1), Hong Kong(2), Mauritius(3), Netherlands(1), Panama(3)	370			kentucky
General Dynamics	9	Bermuda(1), Hong Kong(2), Singapore(1), Switzerland(5)	1,900			Virginia
General Electric	18	Bahamas(1), Bermuda(3), Ireland(2), Luxembourg(3), Netherlands(5), Singapore(4)	119,000			Connecticut
General Mills	49	Bermuda(7), Gibraltar(1), Hong Kong(6), Ireland(1), Lebanon(2), Luxembourg(6), Mauritius(2), Netherlands(15), Panama(1), Singapore(4), Switzerland(4)	1,900			Minnesota
General Motors	21	Bermuda(2), Cayman Islands(2), Hong Kong(1), Ireland(1), Netherlands(9), Singapore(2), Switzerland(4)	7,100			Michigan
Genuine Parts	4	Hong Kong(2), Netherlands(2)	712			Georgia
Genworth Financial	10	Bermuda(3), Cayman Islands(1), Channel Islands(1), Hong Kong(2), Ireland(2), Mauritius(1)	1,642			Virginia
Gilead Sciences	12	Hong Kong(1), Ireland(6), Luxembourg(1), Netherlands(1), Panama(1), Singapore(1), Switzerland(1)	15,600	0%	5,500	California
Goldman Sachs Group	20	British Virgin Islands(1), Cayman Islands(9), Channel Islands(1), Hong Kong(2), Mauritius(4), Singapore(3)	24,880	16%	4,660	New York
Goodyear Tire & Rubber	12	Bermuda(1), Ireland(2), Luxembourg(4), Mauritius(1), Netherlands(2), Singapore(1), Switzerland(1)	2,600			Ohio
Google	2	Ireland(2)	47,400			California
Graybar Electric			66			Missouri

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Group 1 Automotive	3	Netherlands(2), Turks and Caicos(1)	17	7%	5	Texas
H.J. Heinz	5	Cayman Islands(1), Gibraltar(1), Netherlands(2), Singapore(1)				Pennsylvania
Halliburton	15	Barbados(1), Bermuda(1), Cayman Islands(2), Luxembourg(2), Netherlands(7), Singapore(1), Switzerland(1)	6,700			Texas
Hanesbrands	46	Bermuda(1), British Virgin Islands(1), Cayman Islands(16), Costa Rica(6), Hong Kong(4), Ireland(1), Jordan(1), Luxembourg(7), Mauritius(1), Netherlands(2), Panama(3), Switzerland(3)	2,400			North Carolina
Harley-Davidson	4	Hong Kong(1), Netherlands(1), Singapore(1), Switzerland(1)				Wisconsin
Harman International Industries	10	Hong Kong(3), Mauritius(1), Netherlands(2), Singapore(3), Switzerland(1)	895			Connecticut
Hartford Financial Services	7	Bermuda(6), Ireland(1)				Connecticut
HCA Holdings	11	Bermuda(1), Luxembourg(7), Switzerland(3)				Tennessee
HD Supply	2	Hong Kong(1), Panama(1)				Georgia
Health Net	2	Cayman Islands(2)				California
Henry Schein	1	Switzerland(1)	826			New York
Hershey	4	Hong Kong(1), Netherlands(1), Singapore(2)	196			Pennsylvania
Hess	8	Cayman Islands(7), Netherlands(1)	8,300			New York
Hewlett-Packard	25	Bermuda(1), Cayman Islands(3), Costa Rica(1), Cyprus(1), Hong Kong(1), Ireland(3), Luxembourg(1), Macau(1), Netherlands(7), Singapore(4), Switzerland(2)	42,900			California
Hilton	26	Aruba(1), Barbados(1), Cyprus(1), Gibraltar(1), Hong Kong(1), Isle of Man(1), Luxembourg(2), Maldives(2), Malta(1), Mauritius(1), Netherlands(10), Panama(1), Singapore(2), Switzerland(1)				Virginia
Home Depot			3,400			Georgia

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Honeywell International	5	Luxembourg(1), Singapore(1), Switzerland(3)	15,000			New Jersey
Hormel Foods	1	Netherlands(1)	88			Minnesota
Host Hotels & Resorts	18	Cayman Islands(2), Netherlands(12), Singapore(2), U.S. Virgin Islands(2)				Maryland
HRG Group	21	Bermuda(1), British Virgin Islands(1), Cayman Islands(1), Costa Rica(1), Hong Kong(6), Ireland(1), Luxembourg(3), Netherlands(4), Panama(1), Singapore(1), Switzerland(1)	352			New York
Humana	1	Cayman Islands(1)				Kentucky
Huntington Ingalls Industries	1	Cayman Islands(1)				Virginia
Huntsman	28	Cayman Islands(1), Hong Kong(6), Luxembourg(2), Netherlands(12), Panama(1), Singapore(4), Switzerland(2)	307			Utah
Icahn Enterprises	20	Aruba(3), Bahrain(2), Bermuda(1), British Virgin Islands(1), Cayman Islands(1), Channel Islands(1), Hong Kong(2), Luxembourg(1), Mauritius(1), Netherlands(5), Singapore(1), Switzerland(1)				New York
Illinois Tool Works	81	Bermuda(11), British Virgin Islands(4), Costa Rica(2), Hong Kong(9), Ireland(5), Luxembourg(10), Malta(1), Mauritius(2), Netherlands(23), Singapore(11), Switzerland(3)	7,100			Illinois
Ingram Micro	47	Barbados(1), Bermuda(1), British Virgin Islands(6), Cayman Islands(4), Costa Rica(2), Hong Kong(4), Lebanon(1), Luxembourg(7), Mauritius(2), Netherlands(10), Singapore(7), Switzerland(2)	2,100			California
Insight Enterprises	10	Hong Kong(1), Ireland(1), Netherlands(6), Singapore(1), Switzerland(1)	80			Arizona
Intel	14	Cayman Islands(6), Hong Kong(4), Ireland(1), Netherlands(3)	23,300			California

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
International Business Machines	15	Bahamas(1), Barbados(1), Bermuda(1), Costa Rica(1), Hong Kong(1), Ireland(2), Luxembourg(1), Malta(1), Mauritius(1), Netherlands(2), Seychelles(1), Singapore(1), Switzerland(1)	61,400			New York
International Paper	18	Bermuda(1), British Virgin Islands(1), Hong Kong(3), Luxembourg(5), Netherlands(4), Singapore(3), Switzerland(1)	5,200			Tennessee
Interpublic Group	2	Hong Kong(1), Luxembourg(1)	2,214			New York
INTL Fcstone	6	British Virgin Islands(1), Ireland(1), Netherlands(2), Singapore(2)	175			New York
J.M. Smucker	3	Hong Kong(1), Netherlands(2)	249			Ohio
J.P. Morgan Chase & Co.	4	Ireland(1), Luxembourg(2), Mauritius(1)	31,100	12%	7,000	New York
Jabil Circuit	36	Bermuda(1), British Virgin Islands(8), Cayman Islands(3), Channel Islands(1), Hong Kong(8), Ireland(2), Luxembourg(3), Mauritius(2), Netherlands(3), Singapore(5)	2,300			Florida
Jacobs Engineering Group	12	Hong Kong(1), Ireland(1), Luxembourg(1), Macau(1), Netherlands(3), Panama(1), Singapore(4)	26	7%	7	California
Jarden	27	Bahamas(2), Bermuda(1), Cayman Islands(2), Costa Rica(1), Hong Kong(10), Luxembourg(4), Macau(1), Netherlands(3), Switzerland(3)	1,200			Florida
JetBlue Airways	1	Bermuda(1)				New York
Johnson & Johnson	58	Hong Kong(1), Ireland(22), Luxembourg(4), Netherlands(11), Singapore(1), Switzerland(19)	53,400			New Jersey
Johnson Controls			8,100			Wisconsin
KBR	10	Cayman Islands(4), Netherlands(5), Singapore(1)			320	Texas
Kellogg	34	Bermuda(3), Cayman Islands(2), Costa Rica(1), Cyprus(1), Hong Kong(2), Ireland(10), Luxembourg(7), Malta(1), Netherlands(2), Panama(1), Singapore(1), Switzerland(3)	2,200			Michigan

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Kelly Services	10	Luxembourg(2), Netherlands(3), Singapore(3), Switzerland(2)	111			Michigan
Kimberly-Clark	42	Bahrain(1), Barbados(1), Bermuda(1), Cayman Islands(7), Channel Islands(2), Costa Rica(2), Cyprus(1), Hong Kong(2), Luxembourg(4), Malta(1), Netherlands(10), Panama(2), Singapore(7), Switzerland(1)	8,600			Texas
Kindred Healthcare	1	Cayman Islands(1)				Kentucky
KKR	258	Cayman Islands(217), Channel Islands(6), Cyprus(1), Hong Kong(3), Ireland(12), Luxembourg(6), Mauritius(5), Singapore(8)				New York
Kraft Foods Group	2	Netherlands(2)	578	15%	118	Illinois
L-3 Communications	6	Costa Rica(1), Hong Kong(2), Ireland(1), Netherlands(1), Singapore(1)	331			New York
Laboratory Corp. of America		Costa Rica(1), Hong Kong(2), Ireland(1), Netherlands(1), Singapore(1)	30	29%	2	North Carolina
Las Vegas Sands	44	Bermuda(1), Cayman Islands(21), Hong Kong(4), Macau(10), Mauritius(1), Netherlands(5), Singapore(2)	6,070			Nevada
Lear	14	Cayman Islands(2), Hong Kong(1), Luxembourg(5), Mauritius(2), Netherlands(3), Singapore(1)	1,200			Michigan
Lennar	2	Bermuda(1), Turks and Caicos(1)				Florida
Leucadia National	4	Hong Kong(3), Switzerland(1)	171	8%	46	New York
Level 3 Communications	28	Bermuda(3), Cayman Islands(2), Costa Rica(1), Hong Kong(3), Ireland(6), Luxembourg(3), Mauritius(1), Netherlands(5), Panama(1), Singapore(1), Switzerland(1), U.S. Virgin Islands(1)				Colorado
Liberty Interactive	8	Cayman Islands(1), Costa Rica(2), Hong Kong(2), Luxembourg(2), Netherlands(1)				Colorado
LifePoint Health	1					Tennessee
Limited Brands	1	Cayman Islands(1)	216			Ohio
Lincoln National	1	Barbados(1)				Pennsylvania

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Live Nation Entertainment	49	Cayman Islands(2), Hong Kong(4), Ireland(10), Isle of Man(3), Luxembourg(2), Netherlands(26), Singapore(2)	477			California
LKQ			266			Illinois
Lockheed Martin			291	16%	55	Maryland
Loews	5	Bermuda(3), Cayman Islands(1), Channel Islands(1)	2,400			New York
Lowe's			112			North Carolina
Macy's	2	Hong Kong(2)				Ohio
Manpower	51	Costa Rica(2), Cyprus(1), Hong Kong(5), Ireland(4), Luxembourg(4), Macau(1), Monaco(1), Netherlands(23), Panama(2), Singapore(4), Switzerland(4)	733			Wisconsin
Marathon Oil	63	Bahamas(1), Barbados(1), Bermuda(2), Cayman Islands(43), Netherlands(15), Switzerland(1)	1,019			Texas
Marathon Petroleum	2	Bermuda(2)				Ohio
Marriott International	79	Anguilla(1), Aruba(1), Bahamas(1), Bahrain(1), Barbados(1), Bermuda(6), British Virgin Islands(7), Cayman Islands(10), Channel Islands(1), Costa Rica(1), Ireland(4), Jordan(2), Lebanon(1), Luxembourg(6), Malta(1), Netherlands(17), Panama(1), Singapore(4), St. Kitts and Nevis(2), St. Lucia(1), Switzerland(6), Turks and Caicos(1), U.S. Virgin Islands(3)	894			Maryland
Marsh & McLennan	117	Aruba(1), Bahamas(1), Bahrain(1), Barbados(5), Bermuda(23), British Virgin Islands(1), Cayman Islands(2), Channel Islands(3), Cyprus(2), Hong Kong(10), Ireland(17), Isle of Man(4), Jordan(1), Liechtenstein(1), Luxembourg(7), Macau(1), Malta(2), Mauritius(1), Netherlands(14), Panama(2), Singapore(9), Switzerland(9)	6,300			New York

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Masco	13	Bahamas(1), Cyprus(1), Hong Kong(1), Luxembourg(3), Netherlands(3), Singapore(2), Switzerland(2)	12			Michigan
MasterCard	5	Netherlands(1), Singapore(4)	3,300			New York
Mattel	9	Bermuda(2), Hong Kong(1), Netherlands(5), Singapore(1)	6,400			California
McDonald's	11	Hong Kong(1), Luxembourg(3), Netherlands(1), Singapore(2), Switzerland(4)	15,400			Illinois
McGraw-Hill	16	Cayman Islands(1), Hong Kong(2), Ireland(1), Luxembourg(4), Singapore(7), Switzerland(1)	1,239			New York
McKesson	3	Bermuda(2), Ireland(1)	4,916			California
MeadWestvaco	3	Luxembourg(2), Netherlands(1)	1,360			Virginia
Merck	121	Bermuda(10), Cayman Islands(1), Costa Rica(2), Cyprus(3), Hong Kong(3), Ireland(25), Lebanon(1), Luxembourg(1), Netherlands(42), Panama(5), Singapore(9), Switzerland(19)	60,000			New Jersey
MetLife	31	Bermuda(1), Cayman Islands(8), Cyprus(3), Hong Kong(4), Ireland(9), Singapore(3), Switzerland(2), U.S. Virgin Islands(1)	4,200			New York
MGM Resorts international	13	Cayman Islands(1), Hong Kong(7), Isle of Man(3), Macau(1), Singapore(1)				Nevada
Micron Technology	2	Netherlands(1), Singapore(1)	4,910			Idaho
Microsoft	5	Ireland(3), Luxembourg(1), Singapore(1)	108,300	3%	34,500	Washington
Mohawk Industries	28	Barbados(1), Hong Kong(2), Ireland(2), Luxembourg(12), Netherlands(7), Singapore(2), Switzerland(2)	1,385			Georgia
Mondel z International	82	Bahamas(1), Bahrain(2), Costa Rica(2), Cyprus(1), Hong Kong(2), Ireland(15), Lebanon(2), Luxembourg(3), Mauritius(1), Netherlands(27), Panama(1), Singapore(10), Switzerland(15)	13,200			Illinois

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Monsanto	6	British Virgin Islands(1), Luxembourg(1), Netherlands(3), Switzerland(1)	4,400			Missouri
Morgan Stanley	210	Bermuda(4), Cayman Islands(100), Channel Islands(10), Cyprus(2), Gibraltar(3), Hong Kong(12), Ireland(6), Luxembourg(36), Malta(1), Mauritius(5), Netherlands(21), Singapore(8), Switzerland(2)	7,364	24%	841	New York
Mosaic	8	Bahamas(1), Luxembourg(3), Netherlands(4)	2,200			Minnesota
Motorola Solutions			1,500			Illinois
MRC Global	8	British Virgin Islands(2), Hong Kong(1), Netherlands(3), Singapore(2)	231			Texas
Murphy Oil	24	Bahamas(23), Singapore(1)	6,045	24%	684	Arkansas
National oilwell Varco	76	Aruba(1), Bahrain(1), Barbados(2), Bermuda(1), British Virgin Islands(2), Cayman Islands(7), Channel Islands(1), Cyprus(1), Mauritius(2), Netherlands(38), Netherlands Antilles(1), Singapore(18), Switzerland(1)	5,874			Texas
Navistar International	1	Cayman Islands(1)	469			Illinois
NCR	36	Bahrain(2), Bermuda(6), Cayman Islands(1), Cyprus(4), Hong Kong(1), Ireland(4), Luxembourg(6), Macau(1), Netherlands(5), Panama(1), Singapore(3), Switzerland(2)	2,100			Georgia
NetApp	14	Bermuda(2), Cyprus(1), Hong Kong(2), Ireland(1), Luxembourg(1), Netherlands(5), Singapore(1), Switzerland(1)	3,300	5%	1,000	California
Netflix	1	Luxembourg(1)	29	0%	10	California
Newell Rubbermaid	11	Cayman Islands(3), Hong Kong(1), Luxembourg(3), Netherlands(3), Switzerland(1)	602			Georgia
Newmont Mining	18	Bermuda(3), Channel Islands(1), Cyprus(2), Liberia(1), Netherlands(9), Switzerland(2)				Colorado

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
News Corp.	23	Cayman Islands(3), Hong Kong(6), Ireland(2), Luxembourg(4), Netherlands(3), Singapore(2), Switzerland(3)	3,500			New York
NextEra Energy	1	Cayman Islands(1)				
Nike	52	Bermuda(3), Hong Kong(8), Netherlands(36), Panama(1), Singapore(3), Switzerland(1)	8,300	2.50%	2,700	Oregon
Norfolk Southern	1	Bermuda(1)				Virginia
NRG Energy	24	Bermuda(1), British Virgin Islands(2), Cayman Islands(5), Channel Islands(1), Hong Kong(1), Luxembourg(2), Netherlands(10), Netherlands Antilles(1), Switzerland(1)				New Jersey
Nucor			194			North Carolina
Occidental Petroleum	80	Bermuda(59), Cayman Islands(9), Hong Kong(1), Liberia(1), Malta(1), Netherlands(4), Panama(1), Singapore(2), Switzerland(2)	9,900	34%	140	Texas
Office Depot	26	Bermuda(2), Cayman Islands(1), Hong Kong(2), Ireland(3), Luxembourg(3), Netherlands(13), Switzerland(2)	416			Florida
Old Republic International	6	Bermuda(5), Cayman Islands(1)				Illinois
Omnicom Group	2	Hong Kong(1), Singapore(1)	1,800			New York
Oracle	5	Ireland(5)	38,000	4%	11,800	California
Oshkosh	15	Cayman Islands(1), Hong Kong(1), Mauritius(1), Netherlands(11), Singapore(1)	181			Wisconsin
Owens & Minor	12	Channel Islands(1), Hong Kong(1), Ireland(6), Netherlands(3), Switzerland(1)	32			Virginia
Owens Corning	17	Cayman Islands(2), Hong Kong(1), Netherlands(13), Singapore(1)	1,400	-2%	511	Ohio
Owens-Illinois	17	Bermuda(1), Hong Kong(5), Luxembourg(1), Mauritius(1), Netherlands(7), Singapore(1), Switzerland(1)	2,900			Ohio
Paccar	6	Netherlands(6)	4,100	25%	400	Washington
Packaging Corp. of America	5	Hong Kong(2), Luxembourg(2), Netherlands(1)				Illinois

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Parker Hannifin	26	Bermuda(3), Gibraltar(2), Hong Kong(1), Luxembourg(10), Netherlands(6), Singapore(2), Switzerland(2)	3,000			Ohio
Peabody Energy	17	Bermuda(1), British Virgin Islands(1), Gibraltar(6), Luxembourg(1), Netherlands(6), Singapore(2)				Missouri
Penske Automotive Group			711			Michigan
PepsiCo	132	Barbados(1), Bermuda(15), Cayman Islands(6), Costa Rica(2), Cyprus(13), Gibraltar(3), Hong Kong(9), Ireland(12), Jordan(1), Liechtenstein(1), Luxembourg(26), Mauritius(2), Netherlands(32), Panama(1), Singapore(2), Switzerland(6)	37,800			New York
Pfizer	151	Cayman Islands(1), Channel Islands(8), Costa Rica(3), Hong Kong(8), Ireland(27), Luxembourg(38), Netherlands(52), Panama(4), Singapore(5), Switzerland(5)	74,000			New York
Philip Morris International	9	Netherlands(3), Switzerland(6)				New York
Phillips	17	Bermuda(4), Cayman Islands(7), Ireland(4), Singapore(1), Switzerland(1)	2,000			Texas
Phillips-Van Heusen	43	Barbados(1), British Virgin Islands(4), Cyprus(1), Hong Kong(8), Ireland(3), Luxembourg(1), Macau(1), Netherlands(19), Netherlands Antilles(1), Singapore(1), Switzerland(3)	389			New York
Pioneer Natural Resources	5	Bahamas(1), Cayman Islands(4)				Texas
Plains GP Holdings	2	Luxembourg(2)				Texas
PNC Financial Services Group			77	4%	24	Pennsylvania
Polo Ralph Lauren	5	Hong Kong(1), Netherlands(3), Switzerland(1)	2,515			New York
PPG Industries	20	Bermuda(1), Hong Kong(2), Ireland(1), Luxembourg(2), Netherlands(10), Singapore(2), Switzerland(2)	5,000	31%	200	Pennsylvania
PPL			3,700			Pennsylvania

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Praxair	20	Bahrain(1), Costa Rica(1), Ireland(3), Luxembourg(4), Mauritius(1), Netherlands(3), Panama(1), Singapore(4), Switzerland(2)	10,400			Connecticut
Precision Castparts	15	Bermuda(1), Cayman Islands(2), Hong Kong(4), Ireland(1), Luxembourg(4), Singapore(3)	1,482			Oregon
Priceline.com	5	Mauritius(1), Netherlands(3), Singapore(1)	7,300			Connecticut
Principal Financial	20	Cayman Islands(3), Hong Kong(9), Ireland(1), Malta(4), Mauritius(1), Singapore(2)	825			Iowa
Procter & Gamble	38	Costa Rica(1), Hong Kong(2), Ireland(1), Lebanon(1), Luxembourg(4), Netherlands(17), Panama(1), Singapore(4), Switzerland(7)	45,000			Ohio
Prudential Financial	39	Barbados(1), Bermuda(4), British Virgin Islands(2), Cayman Islands(13), Channel Islands(2), Hong Kong(2), Ireland(1), Luxembourg(11), Singapore(3)	2,396			New Jersey
Qualcomm	3	Singapore(3)	25,700	0%	9,100	California
Quanta Services	7	British Virgin Islands(3), Costa Rica(1), Luxembourg(1), Netherlands(1), Panama(1)	345			Texas
Quest Diagnostics	5	Ireland(1), Luxembourg(3), Singapore(1)				New Jersey
Quintiles	20	Costa Rica(2), Hong Kong(1), Ireland(2), Luxembourg(4), Mauritius(2), Netherlands(3), Panama(1), Singapore(2), Switzerland(3)				North Carolina
R.R. Donnelley & Sons	34	Barbados(1), British Virgin Islands(4), Cayman Islands(3), Channel Islands(1), Costa Rica(1), Cyprus(1), Hong Kong(3), Ireland(4), Luxembourg(1), Mauritius(1), Netherlands(10), Singapore(2), St. Lucia(1), Switzerland(1)				Illinois
Raytheon			384			Massachusetts
Realogy Holdings	7	Bermuda(1), Hong Kong(3), Netherlands(1), Singapore(1), Switzerland(1)				New Jersey

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Reinsurance Group of America	10	Barbados(4), Bermuda(2), Ireland(1), Netherlands(2), Singapore(1)	1,115			Missouri
Reliance Steel & Aluminum	2	Singapore(2)	216			California
Republic Services	1	Cayman Islands(1)				Arizona
Reynolds American	7	Cayman Islands(1), Hong Kong(1), Netherlands(4), Switzerland(1)	25			North Carolina
Rock-Tenn	2	British Virgin Islands(2)	240	31%	9	Georgia
Rockwell Automation	5	Ireland(1), Netherlands(1), Singapore(2), Switzerland(1)	2,781			Wisconsin
Ryder System	14	Bermuda(1), British Virgin Islands(1), Hong Kong(2), Mauritius(1), Netherlands(6), Singapore(3)	658			Florida
Safeway	4	Bermuda(1), Hong Kong(1), Macau(1), U.S. Virgin Islands(1)	180	-1%	65	California
Salesforce.com	10	Hong Kong(1), Ireland(3), Luxembourg(1), Netherlands(1), Singapore(3), Switzerland(1)				California
SanDisk	7	Bermuda(1), Cayman Islands(1), Ireland(3), Netherlands(2)	969			California
Sanmina	15	British Virgin Islands(2), Cayman Islands(1), Hong Kong(5), Ireland(2), Mauritius(1), Netherlands(1), Singapore(3)	544			California
Seaboard	32	Bahamas(1), Bermuda(16), Cayman Islands(2), Costa Rica(1), Isle of Man(1), Liberia(2), Mauritius(6), Netherlands(1), Panama(1), Singapore(1)	1,000			Kansas
Sealed Air	49	Barbados(2), Cayman Islands(1), Costa Rica(2), Hong Kong(4), Ireland(4), Luxembourg(5), Netherlands(22), Singapore(2), Switzerland(7)				North Carolina
Sears Holdings	1	Bermuda(1)				Illinois
Sempra Energy	2	Netherlands(2)	3,600			California
Sherwin-Williams	9	Aruba(1), Belize(1), Cayman Islands(1), Hong Kong(1), Ireland(2), Luxembourg(2), Singapore(1)	4	20%	1	Ohio
Sonic Automotive	1	Cayman Islands(1)				North Carolina

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Southwest airlines	1	Bermuda(1)				Texas
Spectra Energy	2	Luxembourg(2)	1,800			Texas
Spirit AeroSystems Holdings	5	Netherlands(4), Singapore(1)				Kansas
St. Jude Medical	15	Costa Rica(1), Hong Kong(1), Luxembourg(5), Netherlands(4), Singapore(2), Switzerland(2)	4,200			Minnesota
Stanley Black & Decker	110	British Virgin Islands(4), Cayman Islands(8), Costa Rica(1), Hong Kong(16), Ireland(23), Liechtenstein(1), Luxembourg(17), Macau(1), Mauritius(1), Netherlands(20), Panama(4), Singapore(8), Switzerland(6)	4,773			Connecticut
Staples	35	Bermuda(1), Cayman Islands(4), Cyprus(2), Hong Kong(3), Ireland(2), Luxembourg(2), Netherlands(19), Switzerland(2)	835			Massachusetts
Starbucks	20	Cayman Islands(1), Costa Rica(1), Cyprus(1), Hong Kong(6), Luxembourg(1), Netherlands(6), Singapore(2), Switzerland(2)	2,200			Washington
Starwood Hotels & Resorts	4	Luxembourg(3), Singapore(1)	3,500			Connecticut
State Street Corp.	4	Cayman Islands(1), Ireland(1), Luxembourg(1), Switzerland(1)	4,200	14%	876	Massachusetts
Stryker	47	Barbados(1), British Virgin Islands(1), Cayman Islands(1), Hong Kong(6), Ireland(7), Lebanon(1), Luxembourg(2), Mauritius(1), Netherlands(18), Panama(1), Singapore(1), Switzerland(7)	5,878			Michigan
Supervalu	3	Bermuda(3)				Minnesota
Symantec	4	Ireland(3), Singapore(1)	3,600	7%	1,000	California
Synnex	4	Bermuda(1), British Virgin Islands(1), Netherlands(2)	321			California
Sysco	30	Bahamas(3), Bermuda(1), Cayman Islands (5), Costa Rica(6), Hong Kong(4), Ireland(6), Luxembourg(3), Netherlands(2)	1,100			Texas
Target	1	Luxembourg(1)	328			Minnesota

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
Tech Data	13	Cayman Islands(2), Costa Rica(1), Ireland(1), Luxembourg(2), Netherlands(5), Switzerland(2)	500			Florida
Tenneco	7	Hong Kong(1), Luxembourg(2), Mauritius(3), Netherlands(1)	737	19%	121	Illinois
Terex	17	Bermuda(1), British Virgin Islands(1), Cayman Islands(2), Ireland(2), Mauritius(1), Netherlands(6), Singapore(2), Switzerland(2)	800			Connecticut
Texas Instruments	13	Hong Kong(5), Ireland(2), Luxembourg(2), Netherlands(2), Singapore(2)	7,670			Texas
Textron	9	Barbados(1), Bermuda(1), Netherlands(3), Singapore(3), Switzerland(1)	995			Rhode Island
Thermo Fisher Scientific	155	Barbados(4), Bermuda(4), British Virgin Islands(1), Cayman Islands(12), Channel Islands(1), Costa Rica(1), Gibraltar(2), Hong Kong(12), Ireland(7), Luxembourg(24), Malta(6), Netherlands(53), Singapore(10), Switzerland(18)	8,440			Massachusetts
Time Warner	8	Netherlands(6), Singapore(1), Switzerland(1)	1,100			New York
TJX	5	Bermuda(2), Hong Kong(1), Ireland(1), Netherlands(1)	567			Massachusetts
Toys "R" Us	14	British Virgin Islands(7), Hong Kong(3), Netherlands(2), Singapore(1), Switzerland(1)	1	35%	0	New Jersey
Travelers Cos.	2	Bermuda(1), Singapore(1)	647			New York
Trinity Industries	2	Switzerland(2)				Texas
TRW Automotive Holdings	11	Cayman Islands(1), Channel Islands(1), Luxembourg(2), Mauritius(1), Netherlands(4), Singapore(1), Switzerland(1)	3,400			Michigan
Twenty-First Century Fox	2	Netherlands(2)	975			New York
Tyson Foods	18	Bermuda(2), British Virgin Islands(1), Cayman Islands(1), Hong Kong(3), Luxembourg(4), Mauritius(1), Netherlands(6)	403			Arkansas
U.S. Bancorp	10	Cayman Islands(1), Hong Kong(1), Ireland(5), Netherlands(2), Singapore(1)				Minnesota

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
UGI	4	Luxembourg(1), Netherlands(2), Switzerland(1)	43	35%	0	Pennsylvania
United Natural Foods			14			Rhode Island
United Parcel Service	3	Netherlands(1), Singapore(1), U.S. Virgin Islands(1)	4,683			Georgia
United Rentals			595			Connecticut
United States Steel	2	Netherlands(2)	5			Pennsylvania
United Stationers	2	Hong Kong(2)				Illinois
United Technologies	28	Cayman Islands(1), Gibraltar(1), Hong Kong(4), Ireland(2), Luxembourg(8), Netherlands(8), Singapore(1), Switzerland(3)	28,000			Connecticut
UnitedHealth Group	17	Bermuda(1), Cayman Islands(3), Hong Kong(1), Ireland(1), Luxembourg(6), Netherlands(4), Singapore(1)	391			Minnesota
Universal Health Services			10	-5%	4	Pennsylvania
Unum Group	1	Ireland(1)	1,000			Tennessee
Valero Energy	15	Aruba(5), British Virgin Islands(3), Cayman Islands(2), Ireland(2), Luxembourg(1), Netherlands(2)	2,900			Texas
Verizon Communications			1,300			New York
VF	25	Cayman Islands(1), Gibraltar(2), Hong Kong(3), Luxembourg(12), Mauritius(1), Netherlands(1), Singapore(1), Switzerland(4)	3,297			North Carolina
Viacom	39	Bahamas(1), Barbados(1), Cayman Islands(7), Channel Islands(1), Hong Kong(2), Mauritius(1), Netherlands(24), Singapore(1), Switzerland(1)	2,500	18%	438	New York
Visa	1	Singapore(1)	5,000			California
Visteon	11	Bermuda(2), British Virgin Islands(1), Hong Kong(4), Netherlands(4)	245			Michigan
Voya Financial	7	Bermuda(2), Cayman Islands(1), Hong Kong(2), Ireland(1), Luxembourg(1)				New York
W.R. Berkley	1	Bermuda(1)	58	30%	3	Connecticut

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
W.W. Grainger	21	Costa Rica(1), Mauritius(1), Netherlands(15), Netherlands Antilles(1), Panama(2), Singapore(1)	464			Illinois
Walgreens	14	Bermuda(1), Cayman Islands(1), Hong Kong(1), Luxembourg(6), Mauritius(1), Switzerland(3), U.S. Virgin Islands(1)				Illinois
Wal-Mart Stores	75	Barbados(1), British Virgin Islands(12), Cayman Islands(4), Cyprus(1), Gibraltar(1), Hong Kong(13), Ireland(1), Luxembourg(22), Mauritius(5), Netherlands(5), Panama(2), Singapore(4), Switzerland(4)	23,300			Arkansas
Walt Disney	7	Hong Kong(1), Luxembourg(2), Netherlands(3), Singapore(1)	1,900	15%	377	California
Waste Management	2	Hong Kong(2)	750			Texas
WellCare Health Plans	1	Cayman Islands(1)				Florida
Wellpoint	3	Ireland(3)				Indiana
Wells Fargo	98	Aruba(1), Bahamas(2), Barbados(1), Bermuda(5), British Virgin Islands(3), Cayman Islands(36), Costa Rica(1), Hong Kong(6), Ireland(4), Luxembourg(23), Mauritius(7), Netherlands(6), Singapore(3)	1,800	6%	513	California
WESCO International	11	Hong Kong(1), Netherlands(8), Singapore(2)	597			Pennsylvania
Western Digital	17	Bermuda(1), Cayman Islands(6), Hong Kong(2), Ireland(1), Netherlands(2), Singapore(5)	9,400	2%	3,100	California
Western Union	44	Barbados(1), Bermuda(14), Costa Rica(1), Hong Kong(2), Ireland(12), Luxembourg(4), Malta(3), Panama(2), Singapore(4), Switzerland(1)	7,500			Colorado
Weyerhaeuser	5	Barbados(2), British Virgin Islands(1), Hong Kong(2)	27			Washington
WhirlPool	37	Bermuda(2), British Virgin Islands(1), Hong Kong(4), Ireland(3), Luxembourg(13), Mauritius(1), Netherlands(6), Netherlands Antilles(1), Singapore(2), Switzerland(4)	4,900			Michigan
Williams	12	Bermuda(1), Cayman Islands(8), Netherlands(3)				Oklahoma

Company	Tax Haven Subsidiaries	Location of Tax Haven Subsidiaries	Amount Held Offshore (\$ millions)	Tax Rate Paid on Offshore Cash	Estimated U.S. Tax Bill on Offshore Cash	State Located
World Fuel Services	37	Bahamas(1), British Virgin Islands(1), Cayman Islands(4), Costa Rica(8), Gibraltar(2), Hong Kong(1), Ireland(2), Luxembourg(2), Netherlands(10), Panama(2), Singapore(3), Switzerland(1)	1,300			Florida
Wyndham Worldwide	1	Netherlands(1)				New Jersey
Wynn Resorts	14	Cayman Islands(4), Hong Kong(1), Isle of Man(5), Macau(4)	412	0%	144	Nevada
Xerox	51	Barbados(4), Bermuda(8), Channel Islands(1), Cyprus(1), Hong Kong(3), Ireland(6), Luxembourg(3), Malta(1), Mauritius(1), Netherlands(15), Singapore(2), St. Lucia(1), Switzerland(4), Turks and Caicos(1)	8,500			Connecticut
Yum Brands	70	Bahrain(1), British Virgin Islands(2), Cayman Islands(2), Cyprus(1), Hong Kong(10), Luxembourg(33), Macau(1), Malta(6), Netherlands(6), Singapore(7), Switzerland(1)	2,000			Kentucky

Endnotes

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- 13 The number of subsidiaries registered in tax havens is calculated by authors looking at exhibit 21 of the company's 2013 10-K report filed annually with the Securities and Exchange Commission. The list of tax havens comes from the Government Accountability Office report cited in note 5.
- 14 Calculated by the authors based on revenue information from Pfizer's 2014 10-K filing.
- 15 Audit Analytics, "Untaxed Foreign Earnings top \$2.3 Trillion in 2014," April 2015. <http://www.auditanalytics.com/blog/untaxed-foreign-earnings-top-2-3-trillion-in-2014/>.
- 16 See note 6.
- 17 Kimberly A. Clausing, "Multinational Firm Tax Avoidance and Tax policy," 62 *Nat'l Tax J* 703, December 2009; see note 10 for more recent study.
- 18 Citizens for Tax Justice, "Apple is not Alone" 2 June 2013, http://ctj.org/ctjreports/2013/06/apple_is_not_alone.php#UeXKWm3FmH8.
- 19 See methodology for an explanation of how this was calculated.
- 20 Companies get a credit for taxes paid to foreign governments when they repatriate foreign earnings. Therefore, if companies disclose what their hypothetical tax bill would be if they repatriated "permanently reinvested" earnings, it is possible to deduce what they are currently paying to foreign governments. For example, if a company discloses that they would need to pay the full statutory 35% tax rate on its offshore cash, it implies that they are currently paying no taxes to foreign governments, which would entitle them to a tax credit that would reduce the 35% rate. This method of calculating foreign tax rates was original used by Citizens for Tax Justice (see note 21).

- 21 Citizens for Tax Justice, "Nike's Tax Haven Subsidiaries Are Named After Its Shoe Brands," 25 July 2013, http://www.ctj.org/taxjusticedigest/archive/2013/07/nikes_tax_haven_subsidiaries_a.php#.U3y0Gijze2J.
- 22 Citizens for Tax Justice, "The Problem of Corporate Inversions: the Right and Wrong Approaches for Congress," 14 May 2014, http://ctj.org/ctjreports/2014/05/the_problem_of_corporate_inversions_the_right_and_wrong_approaches_for_congress.php#.U3tavSjze2J.
- 23 Other consequences kick in for inversions involving 60-79.9% of the same shareholders. This law is based on a 2002 bill introduced by Senator Charles Grassley (R-IA) and former Sen. Max Baucus (D-MT). See 26 U.S.C. §7874 (available at <http://codes.lp.findlaw.com/uscode/26/F/80/C/7874/>).
- 24 Treasury first defined "substantial business" in 2006 with a relatively loose bright line standard. That 2006 standard was replaced in 2009 with a vague facts and circumstances test and an intent to make inverting harder. Companies got comfortable with that approach too, however, and resumed inverting. On June 7, 2012, Treasury issued new temporary rules creating a difficult-to-evade bright line test. Specifically, the new rules define substantial business as a minimum of 25 percent of an inverting company's business. That is a hard threshold to meet if the main "business" in country is a post office box. But the rules go further by making the standard hard to game; the 25 percent has to be met in three different ways. Moreover, those measurements must be taken a year before the inversion, so the inversion process itself cannot be manipulated to meet the thresholds. For a more detailed discussion of the history of the interpretations, see Latham & Watkins Client Alert No. 1349, "IRS Tightens Rules on Corporate Expatriations — New Regulations Require High Threshold of Foreign Business Activity" June 12, 2012, http://www.google.com/url?sa=t&rct=j&q=&esrc=s&source=web&cd=14&ved=0CFsQFjADOAo&url=http%3A%2F%2Fwww.lw.com%2FthoughtLeadership%2FIRSTightensRulesonCorporateExpatriations&ei=fPYmUle-Dca36gG5q4GICg&usq=AFOjCNEMzRNjYwoJtmyd4VJF-Dnap_hxA.
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- 32 See note 14.
- 33 Estimate includes both the cost of "Deferral of income from controlled foreign corporations" and to "Extend the exception under subpart F for active financing income." "Office of Management and Budget, "Fiscal Year Analytical Perspectives of the U.S. Government," 2015. <https://www.whitehouse.gov/sites/default/files/omb/budget/fy2016/assets/spec.pdf>
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