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More Than Half the Members of Washington's Lobbying Corps Have Plunged Into the Tax Debate

Acknowledgments

This report was written by Taylor Lincoln, research director for Public Citizen's Congress Watch division. The Center for Responsive Politics (www.opensecrets.org) provided the dataset that was analyzed in this report.

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More than half the members of Washington’s lobbying corps have plunged into the debate on taxes in 2017.

In all, 6,243 lobbyists have been listed on lobbying disclosure forms as working on issues involving the word “tax” through the first three quarters of 2017, according to Public Citizen’s analysis of a massive data download provided by the Center for Responsive Politics (www.opensecrets.org). That is equal to 57 percent of the nearly 11,000 people who have reported engaging in any domestic lobbying activities at all in 2017.

Put another way, this equals more than 11 lobbyists for every member of Congress. Perhaps surprisingly, the number of lobbyists working on tax issues this year has been only slightly higher than in the previous two years, during which tax overhaul was also debated but not expected to pass.

To be clear, most of the lobbyists who have sought to influence tax issues have worked on other issues, as well. And not all of the tax issues upon which they reported lobbying have been relevant to the comprehensive tax overhaul measure that is being debated in Congress. But each of the 20 organizations that hired the most lobbyists on tax issues reported lobbying specifically on “tax reform,” meaning that they have sought to influence the sorts of topics that are currently under debate. Likewise, of the more than 6,200 lobbyists who reported working on any issue involving “tax” in 2017, more than 4,200 specifically reported working on “tax reform.”

Of 41 lobbyists with connections to President Donald Trump or Vice President Pence whom Public Citizen identified earlier this year, 31 have lobbied on tax issues in 2017.¹

Many of the discrete tax issues that these lobbyists and organizations have sought to influence are at the heart of the debate over the current legislation. Corporate tax rates, repatriation of corporate profits, intra-organizational transfers of assets, depreciation rules and deductibility of interest were among frequently listed topics by the organizations that have hired the most tax lobbyists.

Twenty-Six Industries Hired at Least 150 Lobbyists Each to Work on Tax Issues in the First Three Quarters of 2017

Lobbying disclosure laws do not require organizations to disclose the amount they spend on individual issues, but the laws do require organizations to disclose the names of lobbyists who worked on individual clusters of issues. Thus, calculating the number of lobbyists is likely the most accurate – albeit imperfect – obtainable measure of an organization’s degree of lobbying on a given issue.

Tabulating the number of lobbyists working on tax issues reveals an influence effort of staggering proportions.

¹ TAYLOR LINCOLN AND ALAN ZIBEL, PUBLIC CITIZEN, FEEDING FRENZY IN TRUMP’S SWAMP (Oct. 5, 2017), <http://bit.ly/2AJUBrK>.

The pharmaceutical industry deployed 653 lobbyists to work on issues including the word “tax” in the first three quarters of 2017. Three pharmaceutical companies hired at least 50 lobbyists to work on tax issues. Insurance companies – including life insurance, property & casualty, and health insurance providers – hired 600 lobbyists. Other perennial forces, such as electronics firms, manufacturers, securities firms, energy firms, telecom, Internet, automotive and retail businesses all hired hundreds of lobbyists each. [See Table 1. Note, some individual lobbyists were hired by multiple firms in multiple industries.]

Table 1: Industries Collectively Hiring 150 or More Lobbyists to Work at Least in Part on Tax Issues in the First Three Quarters of 2017

Industry	No. of Lobbyists	Organization in Industry Hiring the Most Lobbyists
1. Pharmaceuticals/Health Products	653	Novartis AG (65)
2. Insurance	600	Blue Cross / Blue Shield (65)
3. Electronics Mfg & Equip	493	Microsoft (81)
4. Securities & Investment	435	Managed Funds Association (54)
5. Electric Utilities	431	NextEra Energy (57)
6. Misc Manufacturing & Distributing	417	General Electric (65)
7. Oil & Gas	393	Royal Dutch Shell (39)
8. Automotive	306	Ford Motor Co. (33)
9. Business Associations	299	U.S. Chamber of Commerce (100)
10. Retail Sales	289	Wal-Mart Stores (57)
11. Air Transport	259	Airlines for America (48)
12. Real Estate	251	National Assn of Real Estate Investment Trusts (45)
13. Misc Issues	239	AARP (32)
14. Telecom Services	237	Verizon Communications (97)
15. Beer, Wine & Liquor	214	Anheuser-Busch InBev (90)
16. Internet	209	Amazon.com (64)
17. Misc Energy	208	American Wind Energy Assn (17)
18. Civil Servants/Public Officials	195	National Assn of State Treasurers (14)
19. Chemical & Related Manufacturing	194	American Chemistry Council (32)
20. Commercial Banks	182	American Bankers Assn (39)
21. Human Rights	166	American Cancer Society (19)
22. Food & Beverage	160	National Restaurant Assn (25)
23. TV/Movies/Music	156	National Amusements Inc (29)
24. Misc Finance	152	S&P Global (28)
25. Education	150	American Council on Education, University of California, Miami-Dade County (8 each)
26. Agricultural Services/Products	150	Zoetis Inc. (18)

List of Organizations Most Active in Tax Debate Reads Like a Who's Who of American Corporations

Twenty organizations reported hiring at least 50 lobbyists who worked on tax issues during the first three quarters of 2017. This list consists of many of the best-known corporations in the United States, as well as their representative associations in Washington, D.C.

Hiring the most tax lobbyists was the business trade association U.S. Chamber of Commerce (100 lobbyists on tax issues). Also in the business association category was the Business Roundtable, which consists of chief executives of major corporations (51 lobbyists).

The specific issues that the Chamber of Commerce has lobbied upon focus on core issues, such as corporate tax rates, corporate tax inversions, repatriation of multinational business earnings, S-corporation tax provisions, depreciation rules, the border adjustment tax, the estate tax and interest deductibility.

But many corporations hired their own lobbyists, as well, either as in-house employees or through outside firms. Among those hiring the most lobbyists were household names including Amazon.com, Anheuser-Bush, AT&T, Boeing, Comcast, General Electric, Verizon, Wal-Mart and more.

The securities and investment industry is perhaps less represented than one might expect on the list of organizations hiring the most lobbyists, given the interest in tax issues shared by the industry's wealthy clients and its lavishly compensated employees. But that is largely because the industry diversified its hiring among representative groups. Four of its representative organizations hired at least 20 lobbyists each: Managed Funds Association (54 lobbyists), Securities Industry & Financial Markets Association (SIFMA) (46), Investment Co. Institute (33) and National Venture Capital Association (22). The Managed Funds Association lobbied on taxation of investment fund managers, carried interest, taxation of pass-through entities and limitations on deductions, among many other topics.

Perhaps most indicative of the staggering degree of many corporations' lobbying offensives is the number of outside companies they hired in addition to their typically extensive in-house lobbying operations. Five corporations have hired at least 15 separate lobbying *firms* apiece to work for them on tax issues so far in 2017: Comcast Corp. (23 firms), Anheuser-Busch (19), Verizon Communications, (17), Microsoft (16) and Altria Group (15).

In March, the Institute on Taxation and Economic Policy listed 12 multinational corporations that it said received the greatest tax subsidies over the past eight years. Four of these companies – AT&T, Verizon, General Electric and Boeing – are among those that have hired at least 50 lobbyists to work on tax issues so far in 2017.² [See Table 2]

² MATTHEW GARDNER, ROBERT S. MCINTYRE AND RICHARD PHILLIPS, INSTITUTE ON TAXATION AND ECONOMIC POLICY, THE 35 PERCENT CORPORATE TAX MYTH (March 2917), <http://bit.ly/2AujDL2>.

Table 2: Organizations Hiring 50 or More Lobbyists to Work at Least in Part on Tax Issues in the First Three Quarters of 2017

Organization (Industry)	No. of Lobbyists/ No. of Outside Firms Hired on Tax Issues
1. U.S. Chamber of Commerce (Business Associations)	100 / 2
Selected issues lobbied upon: estate tax; generation-skipping transfer taxes; corporate tax inversions; repatriation of multinational business earnings; international competitiveness of corporate tax; S-Corp tax provisions, and flow-throughs; bonus depreciation; border adjustment tax; interest deductibility.	
2. Verizon Communications (Internet, Telephone Utilities)	97 / 17
Selected issues lobbied upon: corporate/comprehensive tax reform; corporate tax rates/tax deductions; dividend taxation/integration; carried interest; telecommunications equipment depreciation; international tax proposals; border adjustment taxation.	
3. Comcast Corp (Telecom Services)	90 / 23
Selected issues lobbied upon: reform of the tax code, including corporate tax rate; bonus depreciation; alternative minimum tax; interest deductibility.	
4. Anheuser-Busch InBev (Beer; Wine & Liquor)	90 / 19
Selected issues lobbied upon: general interest in tax reform and its effects on MillerCoors; Craft Beverage Modernization and Tax Reform Act; interest deductibility; bonus depreciation.	
5. Blue Cross/Blue Shield (Insurance)	86 / 14
Selected issues lobbied upon: health insurance tax; tax exclusion for employer-sponsored health insurance; tax provisions of the affordable care act; proposed excise tax on high-value health insurance plans (otherwise known the "Cadillac tax").	
6. Microsoft Corp (Communications/Electron; Electronics Mfg & Equip)	81 / 16
Selected issues lobbied upon: comprehensive tax reform; transfer pricing; foreign tax credit; international tax, and foreign tax issues; R&D tax credit; cost-sharing regulations; and other international tax provisions.	
7. General Electric (Misc. Manufacturing & Distributing)	65 / 7
Selected issues lobbied upon: corporate tax rate; issues relating to corporate tax reform; taxation of international operations; House Republican Blueprint For Tax Reform; legislation on tax on medical devices; renewable energy standards, including production tax credit for energy developed from renewable sources.	
8. Novartis AG (Pharmaceuticals/Health Products)	65 / 9
Selected issues lobbied upon: issues related to comprehensive tax reform; issues related to the orphan drug tax; general corporate tax reform; international corporate taxation; base erosion surtax; interest deduction; anti-inversion tax; ACA pharmaceutical industry fee exclusion; border adjustment tax.	
9. Amazon.com (Internet)	64 / 6
Selected issues lobbied upon: corporate tax reform, renewable energy tax issues, international tax issues.	
10. NCTA The Internet & Television Assn (Telecom Services)	64 / 12
Selected issues lobbied upon: Reducing tax rates across the board; tax incentives to permanently extend the special expensing rules for certain film, television, and live theatrical production; tax reform issues, including interest deductibility and border adjustability; tax issues affecting multichannel television, including depreciation and deductions; estate tax repeal.	
11. Prudential Financial (Insurance)	62 / 10
Selected issues lobbied upon: issues related to comprehensive tax reform as it affects the tax treatment of life insurance companies; possible changes to retirement savings tax incentives; issues relating to corporate tax; issues relating to expanding transfer authority.	

Organization (Industry)	No. of Lobbyists/ No. of Outside Firms Hired on Tax Issues
12. Boeing Co. (Defense Aerospace)	62 / 7
Selected issues lobbied upon: issues related to comprehensive tax reform; Cadillac tax; statutory corporate tax rate; bonus depreciation; border adjustment tax.	
13. AT&T Inc. (Telephone Utilities)	59 / 10
Selected issues lobbied upon: House Blueprint for Tax Reform; issues related to tax reform; issues impacting corporate taxation; excise tax on medical devices; proposal to provide tax benefits for investments in gigabit opportunity zone; provisions related to corporate tax rate; bonus depreciation.	
14. NextEra Energy (Electric Utilities)	57 / 11
Selected issues lobbied upon: issues relating to energy tax policy; issues relating to energy tax policy; tax reform in general; wind production tax credit; transfer authority; interest deductibility.	
15. Wal-Mart Stores (Retail Sales)	57 / 8
Selected issues lobbied upon: comprehensive pro-growth tax reform/ corporate tax reform; House tax reform blueprint.	
16. Managed Funds Assn (Securities & Investment)	54 / 7
Selected issues lobbied upon: matters relating to tax reform; taxation of investment funds and investment fund managers; carried interest; regulation of passive investment in U.S. securities and other assets by non-U.S. investors; taxation of pass-through entities; taxation of financial products; limitations on deductions; net operating loss carryback; modifications to the internal revenue code regarding carried interest, publicly traded partnerships, unrelated business income tax and effectively connected income issues.	
17. Altria Group (Tobacco)	52 / 15
Selected issues lobbied upon: potential legislation addressing comprehensive tax reform and corporate tax rate; taxation of multinational corporations; issues related to taxation of insurance companies, insurance products and retirement accounts; provisions related to the excise tax for wine; taxation of pension and retirement plans.	
18. Amgen Inc. (Pharmaceuticals/Health Products)	51 / 12
Selected issues lobbied upon: legislative issues related to comprehensive tax reform and international tax; international corporate tax reform; Puerto Rico tax incentives; international tax provisions as it relates to the taxation of income derived from intangible property; House Ways and Means and Senate Finance Committee discussion drafts on international tax reform.	
19. Business Roundtable (Business Associations)	51 / 6
Selected issues lobbied upon: pro-business comprehensive tax reform; Republicans' "unified framework for fixing the broken tax code"; House Republicans tax reform blueprint; provisions relating to domestic and international tax policies, including border adjustment taxes and the denial of the deduction for business net interest expenses; taxes on high cost health insurance plans; taxes on medical devices, insurance and pharmaceuticals; issues relating to comprehensive tax reform, including international tax rules, the U.S. corporate tax rate and effective tax rates; provisions relating to domestic and international tax policies issues relating to the potential expansion of the earned income tax credit (EITC); issues relating to the Organisation for Economic Co-Operation and Developments (OECD) base erosion and profit shifting (BEPS) project.	
20. Merck & Co (Pharmaceuticals/Health Products)	50 / 6
Selected issues lobbied upon: tax reform and the taxation of U.S. multi-nationals; issues related to corporate tax, including international tax proposals; comprehensive tax reform ; House Republican tax blueprint.	

Trump Alums Are Cashing in on Tax Debate

In October, Public Citizen documented that 44 individuals who worked on Trump’s campaign or his transition team (or had other past connections to Trump or Vice President Mike Pence) have acted as registered lobbyists so far in 2017.³ This was a notable finding because Trump placed his pledge to “drain the swamp” at the forefront of his message in the closing weeks of the campaign, and rolling back the influence of lobbyists was at the heart of Trump’s plan to carry out his promise.

Of the 44 Trump/Pence-connected lobbyists we identified, 41 had registered under the domestic Lobbying Disclosure Act in 2017. (The other three solely reported lobbying activities under the Foreign Agent Registration Act.) Of these 41 lobbyists, 31 have reported lobbying on tax issues so far in 2017. [See Table 3]

Table 3: Trump/Pence Connected Lobbyists Who Have Worked on Tax Issues in 2017

Trump/Pence-Connected Lobbyist	Firm	Connection to Trump/Pence	Clients That Lobbyist Has Represented on Tax Issues
Albright, CH Bud	Ogilvy Government Relations	Worked on Transition.	Calpine Corp, Deltic Timber Corp, National Assn of Water Companies
Ballard, Brian	Ballard Partners	Lobbyist for Trump on Fla.	Miami-Dade County, FL, Morysa LLC, NextEra Energy
Bennett, Barry	Avenue Strategies	Worked on campaign.	Commonwealth of Puerto Rico
Bradshaw, Tara	Ernst & Young	Worked on Transition.	Alliance to Fight the 40/American Benefits Council, Assn of Bermuda Insurers & Reinsurers, Mars Inc, MetLife Inc, New York Life Insurance, R&D Credit Coalition, Thermo Fisher Scientific, Zurich Financial Services
Brookover, Ed	Avenue Strategies	Worked on campaign.	Commonwealth of Puerto Rico
Carter, James	Emerson Electric	Worked on Transition.	Emerson Electric
Cummins, Bud	Avenue Strategies	Worked on Transition.	Commonwealth of Puerto Rico
Daly, Nova	Wiley Rein LLP	Worked on Transition.	Nucor Corp
Daniels, Jacob	Sonoran Policy Group		Horizon Pharma
Grand, Robert T	Barnes & Thornburg	Inauguration Fundraiser and Pence Fundraiser.	Ascension Health, CVS Health, Ernst & Young
Hart, Jack Steven	Williams & Jensen	Worked on Transition.	AEGON NV, American Council of Life Insurers, Brink's Co, Coca-Cola Co., Dell Technologies, Indivior, Infectious Diseases Society of America, National Assn of State Treasurers,

³ TAYLOR LINCOLN AND ALAN ZIBEL, PUBLIC CITIZEN, FEEDING FRENZY IN TRUMP’S SWAMP (Oct. 5, 2017), <http://bit.ly/2AJUBrK>.

Trump/Pence-Connected Lobbyist	Firm	Connection to Trump/Pence	Clients That Lobbyist Has Represented on Tax Issues
			NCTA The Internet & Television Assn, Owens-Illinois, Reinsurance Assn of America, Shineway Group, Stanley Black & Decker, Stanley Black & Decker, United Continental Holdings
Hayden, Cindy	Altria Client Services	Worked on Transition.	Altria Group
Keiser, Andy	Navigators Global LLC	Worked on Transition.	Intuit Inc, MetLife Inc, Oracle Corp. United Parcel Service
Lampkin, Marc	Brownstein, Hyatt et al	Trump fundraiser.	AbbVie Inc, Amazon.com, American Tower Corp, Apollo Global Management, Athene Holding, Comcast Corp, Credit Union National Assn, Early Learning Ventures, HEB Grocery, Insuperity, Johnson & Johnson, Knowledge Universe, McDonald's Corp, National Assn of Real Estate Investment Trusts, National Cable & Telecommunications Assn, NCTA The Internet & Television Assn, Novartis AG, S&P Global
Lanza, Bryan	Mercury	Worked on Transition and campaign.	Cosentino Group, International Franchise Assn
Machida, Ado	Navigators Global LLC	Worked on Transition.	MetLife Inc, Oracle Corp., Puerto Rico Statehood Council,
Maddox, Lauren	Podesta Group		Crawford Group, L'arche Green NV, National Assn/Educ Of Young Children
Mason, Scott D	Holland & Knight	Worked on Transition and campaign.	EtaGen, Genesee & Wyoming, Los Angeles Community Devel Commission, Partnership for Conservation
McFaul, Dan	Ballard Partners	Worked on Transition.	Miami-Dade County, FL, Morysa LLC, NextEra Energy
Murphy, James	Motorola Solutions	Worked on campaign.	Motorola Solutions
Osborne, Jason B	Avenue Strategies	Worked on campaign.	Commonwealth of Puerto Rico
Pitta, Vincent	Pitta, Bishop et al	Trump friend.	Teamsters Union
Smith, Victor	Bose Public Affairs Group	Worked on Pence staff.	Ford Motor Co
Smith, William	Cornerstone Government Affairs	Worked on Pence staff.	EcoVest Capital, Microsoft Corp., Sac & Fox Tribe of the Mississippi in IA
Stryk, Robert Daniel	Sonoran Policy Group	Worked on campaign.	Horizon Pharma
Sweeney, John E	SMW Partners	Worked on Transition.	Royal Dutch Shell
Tamasi, Dave	Rasky Partners	Trump fundraiser.	iHeartMedia Inc., Iron Mountain

Trump/Pence-Connected Lobbyist	Firm	Connection to Trump/Pence	Clients That Lobbyist Has Represented on Tax Issues
Torrey, Michael	Michael Torrey Assoc	Worked on Transition.	Southeastern Lumber Manufacturers Assn
Urban, David J	American Continental Group	Worked on campaign.	Bond Dealers of America, Comcast Corp., National Assn of Home Builders, National Retail Federation, Rassini International, Time Warner, Virtu Financial, Walgreen Co., Walgreens Boots Alliance
Wasinger, Robert	McGuireWoods LLP	Worked on campaign, Transition and briefly in Trump administration.	Buckeye Partners, Atlas Air Worldwide, PPG Industries
Whitmer, Martin T.	Whitmer & Worrall	Worked on Transition.	Atlas Air Worldwide, PPG Industries

Conclusion

With their enormous complexity and high-stakes, tax issues are the buffet that keeps Washington’s swamp creatures fed. This undoubtedly costs a fortune. But the success of the nation’s largest corporations and wealthiest interests in shaping the current tax legislation to suit their interests shows that bankrolling the lobbyists’ unending feast is a small bill to pay in the big scheme of things – because it is a very big scheme, indeed.

Methodology Note

This research was made possible with the help of a massive data pull by the Center for Responsive Politics (www.opensecrets.org). CRP culled data from the open-ended “specific lobbying issue” field in its database of filings made pursuant to the Lobbying Disclosure Act of 1995. Each entry containing the word “tax” in the “specific lobbying issue” field was included, as was corresponding information on those reports, such as the lobbying firm, client name, and lobbyist name.

In places in this paper, we say that a corporation or lobbyist “reported” lobbying on certain issues. In fact, firms generally file reports on behalf of lobbyists, although usually with their lobbyists’ guidance. Also, some reporting entities were outside firms hired by the company or organization paying for the lobbying effort.

We have chosen to describe the reporting entities more informally to avoid overly technical descriptions.