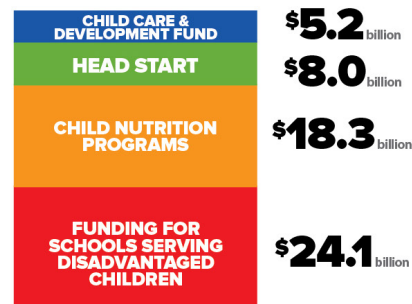
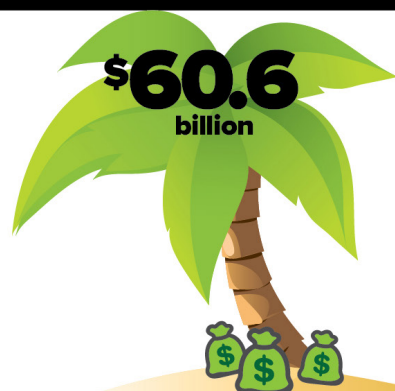


# TAX & BUDGET

## What Offshore Corporate Tax Loopholes Cost Women and Families

April 2013

**Tax breaks for corporations that shift jobs & profits offshore cost more than all of these programs that serve low-income children and families.**



**LAWMAKERS NEED TO GET THEIR PRIORITIES STRAIGHT.**  
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Many programs vital to women and their families are being cut. Yet, at the same time, our nation is spending billions of dollars each year on unfair tax breaks for large corporations and very wealthy individuals.

For example, a corporate tax break known as “deferral” allows companies to delay paying taxes on profits from their overseas subsidiaries until those profits are brought into the United States. This creates incentives for corporations to move jobs and profits offshore—because by doing so, they get more favorable tax treatment than if they invest at home.

**Ending deferral would raise about \$60.6 billion in a year.**<sup>1</sup> That’s more than the federal government spends annually on all of these programs serving lower-income children and families:

- **Head Start and Early Head Start**, which provide child development services and early learning opportunities to young children in low-income families. (\$8 billion/year)<sup>2</sup>
- The **Child Care and Development Fund**, which helps low-income working families afford child care. (\$5.2 billion/year)<sup>3</sup>
- **Child nutrition programs**, which provide nutritious meals to school-age children, as well as to young children and adults in day care facilities. Most of these meals are served free or at a reduced price to lower-income children. (\$18.3 billion/year)<sup>4</sup>
- **Funding for schools serving disadvantaged children** (Title I, Part A), which provides assistance to improve educational opportunities in low-income communities. (\$24.1 billion/year)<sup>5</sup>

1 See Americans for Tax Fairness, Next Steps Toward Tax Fairness: Options for Closing Loopholes for the Richest 2% and Big Corporations, at 4 (Feb. 2013), available at <http://www.americansfortaxfairness.org/files/ATF-Next-Steps-Toward-Tax-Fairness-Revenue-Options-2-15-13-FINAL.pdf>. NWLC calculated one-year savings based on ten-year savings estimate of \$606 billion.

2 U.S. Dep’t of Health & Human Serv., FY 2013 Budget in Brief, at 88 (Feb. 2012), available at <http://www.hhs.gov/budget/budget-brief-fy2013.pdf>. Program budgets are FY 2012 estimates.

3 Ibid. at 92.

4 Includes school breakfast and lunch programs, summer food service, and Child and Adult Care Food Program. U.S. Dep’t of Agriculture, FY 2013 Budget Summary & Annual Performance Plan, at 58, 110 (Feb. 2012), available at <http://www.obpa.usda.gov/budsum/FY13budsum.pdf>.

5 U.S. Dep’t of Education, FY 2013 Budget Summary & Background Information Appendix, Summary of Discretionary Funds (Feb. 2012), available at <http://www2.ed.gov/about/overview/budget/budget13/summary/appendix1.pdf>.