



On March 4, Start the Day for Students **STAND UP FOR SCHOOLS**

It's Time to **Repeal Corporate Tax Loopholes**

Just as funding for public education was decimated, personal taxes went up and thousands of people lost their jobs and homes, California lawmakers approved \$2 billion in three permanent tax breaks for the state's largest corporations and oil companies. The loopholes allow these companies to receive additional tax credits, shift operating losses to future tax years to reduce current taxes, and change the way businesses calculate their incomes in order to reduce their taxes.

Quick Facts:

None of these tax breaks are tied to creating new jobs in California. There is no requirement that the corporations that receive the tax breaks must create or protect jobs in California. These corporations would still be allowed to outsource jobs to other states and other countries.

Eighty percent of these permanent tax breaks will go to corporations earning more than \$1 billion annually. One loophole even allows out-of-state corporations to decide how to calculate their taxes so they can pay less in California.

The \$2 billion in tax breaks to these wealthy corporations and oil companies could be used to reduce class sizes in California schools, buy new textbooks for students, allow more students to attend college or provide health care to low-income children and seniors.

Paying Their Fair Share:

Despite posting record profits, oil companies and their lobbyists got billions in special giveaways from California taxpayers. We don't need to be giving tax breaks to big oil companies. Repealing these tax breaks will ensure that rich oil companies pay their fair share.

When big corporations get tax breaks, the middle class gets stuck paying the bill. Lawmakers raised taxes on average Californians by more than \$12 billion a year, yet a handful of large businesses got \$2 billion in tax giveaways. That's not fair.

These unfair corporate tax giveaways were negotiated in secret by the Legislature and industry lobbyists with no public hearings or scrutiny. It's time for lawmakers in Sacramento to put average Californians ahead of corporate special interests.

When we are cutting billions from public schools, colleges and services for poor children, and when the state is facing more budget deficits, now is not the time to be handing out tax breaks to a small number of large corporations. In these tough economic times, everyone must be paying their fair share.