As U.S House Prepares To Vote On Groundbreaking Inflation Reduction Act, Corporate Opponents Demonstrate Need For Its Major Provisions

Summary: In July 2022, Senate Majority Leader Chuck Schumer (D-NY) and Senator Joe Manchin (D-WV) **announced** an agreement on a reconciliation bill, the **Inflation Reduction Act (IRA),** which soon passed the Senate on a party-line vote and is expected to advance through the U.S. House this week.

As part of the legislation, congressional Democrats eyed measures that would allow Medicare to negotiate the prices of prescription drugs with pharmaceutical makers to drive down the costs of healthcare for millions of Americans, implement a one percent excise tax on corporate stock buybacks, and finally make corporations pay their fair share through the establishment of a 15% minimum corporate tax.

Unsurprisingly, industry rapidly mobilized against this groundbreaking legislation, with a specific focus on these three provisions:

Medicare Drug Negotiation

The IRA's pharmaceutical industry opponents have claimed that allowing federal drug price negotiation would hamper their research and development spending, even after the Congressional Budget Office found that **the policy would result in only one less drug** coming to market in the next decade. And Zeke Emanuel, a prominent "world leader in health policy," has noted that the money raised by IRA's **drug pricing provision would be dwarfed by the industry's expected $12 trillion in profits** over the next ten years, a sum he says is "more than enough to fund R&D to cure cancer."

Americans are also skeptical of big pharma's claims, with **66% unconvinced that federal drug price negotiation would result in fewer drugs** and **84% agreeing that "drug company profits are too high,"** according to an October 2021 Kaiser Family Foundation study.

Accordingly, an Accountable.US review has found that the five-biggest U.S.-based pharmaceutical companies' **$112 billion in R&D spending over the last three years has been outpaced by the $125 billion they've spent on stock buybacks and dividends and the $159.8 billion in profits they've taken over the same period.**

In particular, Pfizer, one of the largest pharmaceutical makers and one of the IRA's most vocal opponents, has received billions in funding for its COVID-19 mRNA vaccine and antiviral therapeutic PAXLOVID. In a recent earnings call, the company chairman and CEO Albert Bourla accused Congress of "**choosing to single out the industry**" with the IRA.

Meanwhile:

- Pfizer has most recently reported that its **Q2 2022 net income soared by 78% to $9.9 billion**, while the company spent **$6.5 billion on stock buybacks and shareholder**

dividends in the first half of its FY 2022. The company's CFO boasted he was **"'very pleased'"** to see "'**an all-time high in quarterly sales**.'"

- From 2019 Through 2021, **Pfizer spent $34 Billion on shareholder handouts**, compared to $31.6 billion on research & development.

- In August 2022, Pfizer—"flush with cash" from its COVID-19 vaccine sales—announced a **$5.4 billion acquisition** after announcing at least **$18.3 billion in other deals** earlier in 2022.

- Since 2020, **Pfizer has also earned** over **$17.8 billion in government contracts** from the Department of Health and Human Services for its **COVID-19 vaccine and antiviral therapies**, with the Biden Administration agreeing to pay an additional **$3.2 billion for 105 million** additional doses in June 2022.

- Also since 2020, Pfizer has spent at least **$23.8 million while lobbying on "drug pricing," "out-of-pocket" costs, and related issues**, most recently spending over **$2.7 million** while lobbying on drug pricing in the first quarter of 2022.

Additionally, **PhRMA**—a pro-industry lobbying group whose board includes Pfizer CEO Albert Bourla—also has a history of taking aim at legislation that would bring down the costs of prescription medicines. PhRMA executives have previously claimed that drug pricing reform "'**stifles**'" development and accused lawmakers of **"misdiagnos[ing] the problem"** associated with high drug costs. Notably, PhRMA has also spent at least **$63 million while lobbying on multiple drug pricing bills since 2020**, most recently spending over $8 million on at least eight related pieces of legislation in the first quarter of 2022 alone.

Excise Tax On Stock Buybacks

Following the inclusion of the excise tax on stock buybacks, the **U.S. Chamber of Commerce** came out against the provision, claiming it would "'distort the efficient movement of capital'" and "'diminish the value of Americans' retirement savings.'" Meanwhile, the Chamber's **corporate board members have spent $101.8 billion on stock buybacks** in 2021 and have **announced billions in new buyback authorizations,** with a few of these companies including:

- **Meta**—whose Chief Privacy Officer sits on the Chamber's board of directors—spent **$44.8 billion on stock buybacks in 2021.**

- **Microsoft**—whose Corporate Vice President of U.S. Government Affairs sits on the Chamber's board of directors—spent **$32.7 billion on stock buybacks in its most recently completed fiscal year.**

- **AllState Insurance**—whose Chairman, Chief Executive Officer, and President sits on the Chamber's board of directors—**spent $3.3 billion on stock buybacks.**

- **Bristol Myers Squibb**—whose Senior Vice President of Global Policy and Government Affairs sits on the Chamber's board of directors—announced a **new $15 billion stock buyback program** in February 2022.

Stock buybacks, which have been criticized as inefficient use of capital, particularly benefit corporate leaders in control of the timing of buybacks, allowing them to personally profit from buying and selling of shares, resulting in a "conflict of interest for the executives."

Instead of "artificially" raising share prices through buybacks, companies could use that income to "improve the actual value of the company" via increased efficiency, new products, or customer experiences.

However, companies have preferred buybacks since the passage of the 2017 Trump tax cuts, with corporations **spending $1 trillion on buybacks in the first year after its signing**. This trend has only continued in recent years. In 2021, companies within the S&P 500 **increased buybacks by nearly 70% year-over-year** while prioritizing buybacks over **capital expenditures in the first half of the year.** Most recently, companies within the S&P 500 have spent **$985 Billion in buybacks in the year ending March 2022**.

Corporate Minimum Tax

Since the introduction of the Inflation Reduction Act, the **U.S. Chamber Of Commerce has attacked the** legislation's **corporate minimum tax.** Following the initial agreement between Senate Majority Chuck Schumer (D-NY) And Senator Joe Manchin (D-WV), the U.S. Chamber of Commerce's Executive Vice President and Chief Policy Officer Neil Bradley criticized the legislation as having "taxes that would discourage investment and undermine economic growth."

Soon after, the Chamber's President and CEO Suzanne Clark urged Senators to oppose the corporate minimum tax, arguing it would "punish companies," while "making America Poorer and reducing future growth." In addition, the U.S. Chamber of Commerce signed a coalition letter to Congress blasting the corporate minimum tax as the "antithesis of sound tax policy," that "would pose a competitive disadvantage" to U.S. companies.

According to an **April 2022 report** from the Center For American Progress, **19 Fortune 100 companies** paid "**next to nothing**" or "**nothing at all**" in U.S. federal income taxes In 2021. Several representatives of these companies, including Ford Motor Company, Chevron, Microsoft, FedEx, and Dow, Inc. sit on the U.S. Chamber of Commerce's **board of directors**, while posting increased profits and shareholder handouts, and spending billions on major acquisitions.

- **The Ford Motor Company**—represented on the Chamber's board—had an **effective tax rate of just 1%** and went on to spend **$807 million on shareholder handouts** in the first half of its FY 2022, seeing its **Q2 2022 net income** leap by almost 19% to **$667 million.**

- **Chevron**—whose Vice President and General Manager of Government Affairs sits on The Chamber's board and paid an **effective federal tax rate of 1.8%** in 2021—reported **$15.6 billion in total 2021 net income** and has continued to see financial success with its **net income climbing by 301%** in the first half of its FY 2022 as it spent **$9.3 billion on shareholder handouts** and completed a **$3.15 billion acquisition.**

- **Microsoft**—whose Corporate Vice President of U.S. Government Affairs sits on the Chamber's board—paid an effective tax rate of just 9.7% in 2021 as the company saw **$33.7 billion** in U.S. pre-tax earnings. In FY 2022, the firm spent nearly **$32.7 billion on stock buybacks** and **$18.1 billion on shareholder dividends** and an additional **$96.5 billion** on major acquisitions, including **acquiring Activision Blizzard** for **$68.7 billion** in January 2022.

- **Dow, Inc.**—whose General Counsel and Corporate Secretary sits on the Chamber's board—paid a **negative effective federal tax rate of 3.1% in 2021** and received a **refund of $46 million**, as it rewarded its shareholders with **$2.1 billion in cash dividends** and spent an additional **$1 billion in stock buybacks.**

- **FedEx**—whose Executive Vice President and Secretary sits on the Chamber's board Of directors—paid an effective federal tax rate of **4.2%** on $4.7 billion in U.S. earnings in 2021 as the company **spent $793 million on shareholder dividends** and over **$2.2 billion on stock buybacks** after acquiring e-commerce platform ShopRunner **for $228 million in December 2020.**

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Big Pharma Is Fighting The Inflation Reduction Act's Drug Pricing Reforms As Pfizer Sees An "All-Time High In Quarterly Sales," Net Income Soaring By Nearly 80%, And Billions In Federal Pandemic Contracts.

As Americans Who Use Medicare Experience "Especially Burdensome" Out-Of-Pocket Costs, The Inflation Reduction Act (IRA) Would Save Americans Billions Of Dollars By Enabling Medicare To "Negotiate On A Handful Of Drugs."

As Many Americans Who Use Medicare Spend Thousands On Out-Of-Pocket Drug Costs, The Inflation Reduction Act (IRA) Would Help Save Them Billions Of Dollars Over The Next Decade By Enabling Medicare To "Negotiate On A Handful Of Drugs."

The Inflation Reduction Act Would Enable Medicare To "Negotiate On A Handful Of Drugs," Set To Be Determined Based On "A Slew Of Criteria," And Save Americans Billions Of Dollars Over The Next Decade. "As outlined in the bill, Medicare will be able to negotiate on a handful of drugs, with those new prices taking effect in 2026. In 2026, Medicare will only be able to address costs for 10 drugs; over time, that will increase to 20 drugs. The drugs in question will be determined based on a slew of criteria, including how expensive they are. These negotiations are poised to save Medicare a lot of money, since the prices are currently set by manufacturers. These savings — as well others generated by additional prescription drug provisions — are being treated as $288 billion in new revenue that will be brought in over 10 years, according to a Congressional Budget Office estimate." [Vox, 07/28/22]

For Americans Using Medicare, Out-Of-Pocket Costs Are "Especially Burdensome," With Many Beneficiaries Spending Thousands Out-Of-Pocket On Needed Drugs While Trying To Live Off "Fixed And Limited Incomes." "Furthermore, for Medicare beneficiaries, the out-of-pocket costs are especially burdensome. On fixed and limited incomes - and often having to deal with paying for multiple prescriptions on a daily basis - Medicare beneficiaries spend thousands and sometimes tens of thousands of dollars out-of-pocket on needed drugs, such as cancer therapeutics. For many of them, the proposed annual cap of $2,000 on out-of-pocket spending isn't a luxury. It's a necessity." [Forbes, 08/02/22]

Despite The Pharmaceutical Industry's Claims That Allowing Federal Drug Price Negotiations Would Hamper Spending On Research And Development, The Policy Would Result In Only One Less Drug In The Upcoming Decade While Its Costs Would Be Dwarfed By The Industry's Projected $12 Trillion In Profits Over The Next Decade—A Sum "More Than Enough To Fund R&D To Cure Cancer."

The Inflation Reduction Act (IRA) Would Allow The Federal Government To Negotiate Drug Prices, A Policy That Opponents Claim Would Decrease Pharmaceutical Industry Research And Development (R&D) Spending.

The Inflation Reduction Act (IRA) Would Allow The Federal Government To "Negotiate Prices With Drug Makers For Between 10 To 20 Of The Most Expensive Medications That Come From A Single Producer." "The U.S. consistently pays significantly more for the same medications than our peer countries. While other countries' health authorities are allowed to negotiate with drug makers to get the best prices for vital medications, the United States largest national health insurance program, Medicare, was previously prohibited from engaging in such standard bargaining practices. The Inflation Reduction Act corrects this imbalance by allowing the government to negotiate prices with drug makers for between 10 to 20 of the most expensive medications that come from a single producer." [Joint Economic Committee Democrats, 08/04/22]

- **August 7, 2022: The Senate Passed Its Version Of The IRA, Which Included A Provision To Allow Medicare To Negotiate Drug Prices.** "President Biden is on the verge of his own crowning health care achievement to call, in his words, a BFD. After two decades, Democrats are finally on track to break the firewall between the pharmaceutical industry and the Medicare program. Soon, the U.S. government will be able to use the full brunt of its leverage to negotiate discounts from drugmakers, like the governments in many other high-income countries. Biden owes the win to dogged dedication by both Senate Majority Leader Chuck Schumer and House Speaker Nancy Pelosi, who each in separate instances resurrected drug pricing reform in the package from what appeared to be certain death. Schumer's ultimate win came Sunday, when the Senate squeezed through a sweeping package that includes climate and tax reforms in addition to the historic win on letting Medicare negotiate drugs." [STAT, 08/07/22]

Opponents Of Allowing The Federal Government To Negotiate Drug Prices Claim The Policy Could "Dampen Incentives For Pharmaceutical Companies To Invest In Research And Development." "Proponents of this approach believe that giving the HHS Secretary the authority to negotiate drug prices would provide the leverage needed to lower drug costs, particularly for high-priced drugs for which there are no competitors, where private plans may be less able to negotiate lower prices. Opponents counter that the current system of private plan negotiation is working well, and that government involvement in price negotiations could dampen incentives for pharmaceutical companies to invest in research and development." [Kaiser Family Foundation, 07/23/22]

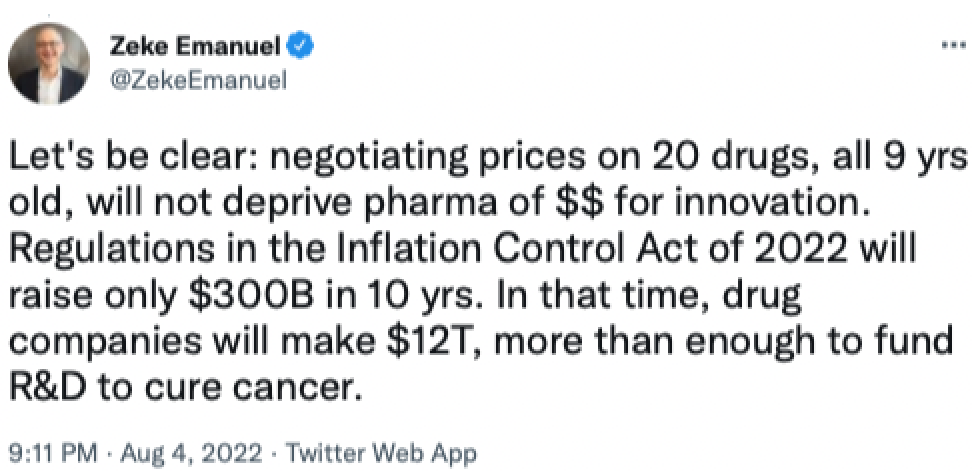
The Congressional Budget Office (CBO) Has Found That Federal Drug Price Negotiation Would Only Affect Just 1% Of The 1,300 Drugs Expected To Come To Market In The Next Three Decades, And Would Result In Only One Less Drug In The Upcoming Decade.

The Congressional Budget Office (CBO) Found That Allowing Federal Drug Price Negotiation Would "Affect Just 1% Of The 1,300 Drugs Expected To Come On The Market Over The Next 30 Years." "While critics argue that this policy will reduce innovation by pharmaceutical companies, CBO concluded that the bill would affect just 1% of the 1,300 drugs expected to come on the market over the next 30 years." [Joint Economic Committee Democrats, 08/04/22]

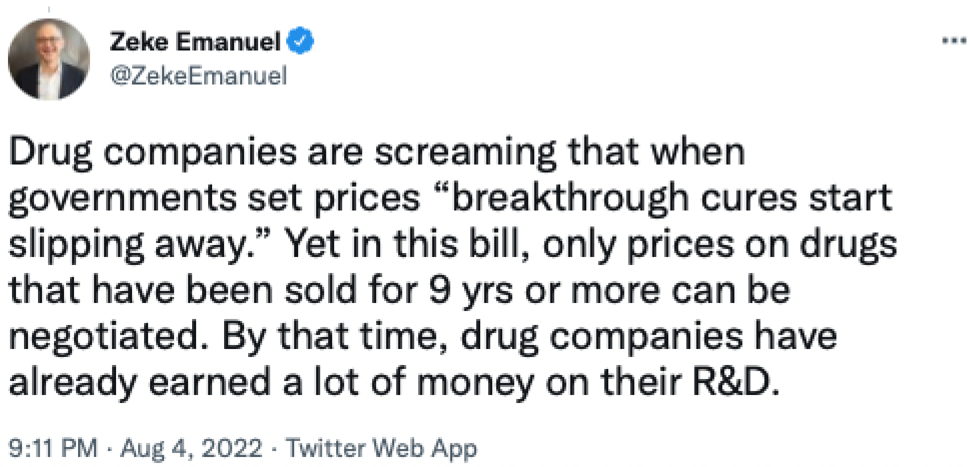
The CBO Estimate Found That Federal Drug Price Negotiation Would Only "Result In One Fewer Drug Coming To Market In The Next Decade." "Provisions to lower prescription drug prices in President Biden's Build Back Better package would save the government about $160 billion over a decade, according to a Congressional Budget Office (CBO) estimate released Thursday. That includes about $80 billion in savings from allowing Medicare to negotiate lower drug prices in limited instances, and another roughly $80 billion in limiting drug price increases to the rate of inflation. [...] The CBO estimated that the measure would result in one fewer drug coming to market in the next decade, followed by four in the following decade and five in the decade after that. That's out of about 1,300 drugs expected to be approved in those 30 years." [The Hill, 11/18/21]

Zeke Emanuel, A Prominent "World Leader In Health Policy," Has Argued That The Money Raised By The IRA's Drug Pricing Provisions Would Be Dwarfed By The Pharmaceutical Industry's Projected $12 Trillion In Profits Over The Next Decade—A Sum "More Than Enough To Fund R&D To Cure Cancer."

Zeke Emanuel—A "World Leader In Health Policy"—Has Noted That The IRA's Drug Pricing Provisions Will Only Raise About $300 Billion In 10 Years While Drug Companies Will Make Over $12 Trillion In That Same Time, "More Than Enough To Fund R&D To Cure Cancer":



[Tweet by Zeke Emanuel, 08/04/22, accessed 08/05/22]



[Tweet by Zeke Emanuel, 08/04/22, accessed 08/05/22]

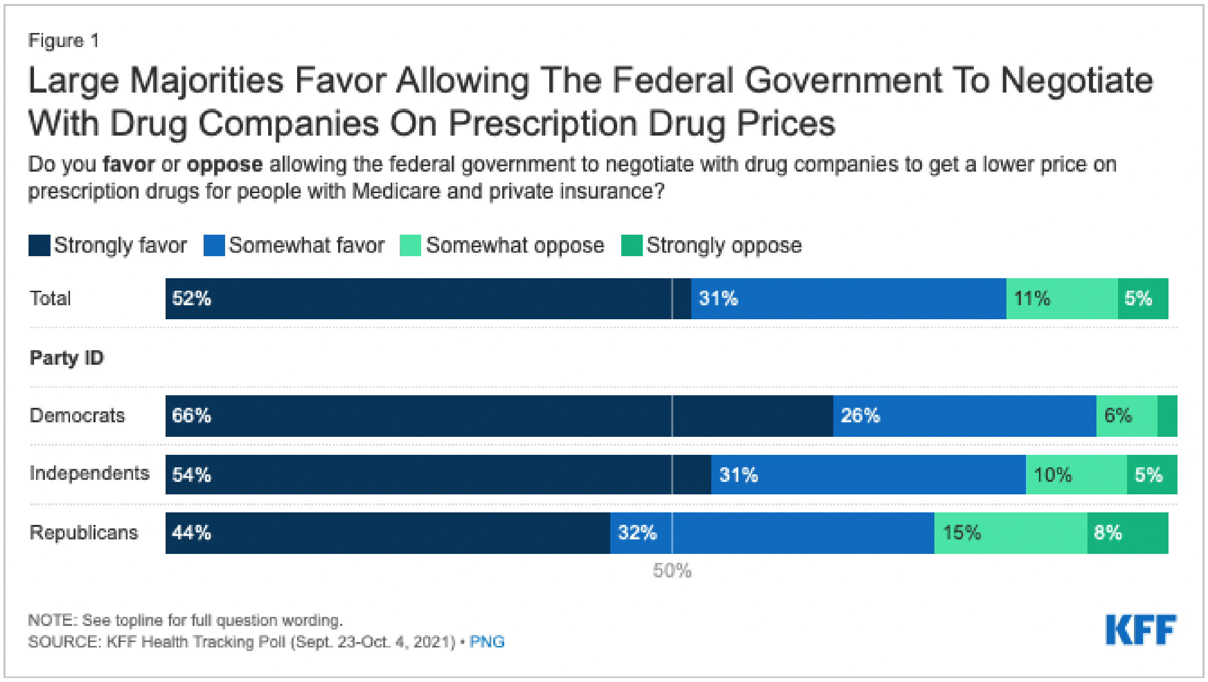
- **Zeke Emanuel Is A "World Leader In Health Policy And Bioethics," Serving As Special Advisor To The World Health Organization's Director, "Founding Chair Of The Department Of Bioethics At The National Institutes Of Health," And A Former Senior White House Advisor.** "Emanuel is an oncologist and world leader in health policy and bioethics. He is a Special Advisor to the Director General of the World Health Organization, Senior Fellow at the Center for American Progress, and member of the Council on Foreign Relations. He was the founding chair of the Department of Bioethics at the National Institutes of Health and held that position until August of 2011. From 2009 to 2011, he served as a Special Advisor on Health Policy to the Director of the Office of Management and Budget and National Economic Council. In this role, he was instrumental in drafting the Affordable Care Act (ACA). Emanuel also served on the Biden-Harris Transition Covid Advisory Board. Dr. Emanuel is the most widely cited bioethicist in history." [Ezekielemanuel.com, accessed 08/05/22]

As Of October 2021, 66% Of Americans Were Unconvinced That Federal Drug Price Negotiation Would Result In Fewer Drugs And 84% Agreed That "Drug Company Profits Are Too High."

October 2021: A Kaiser Family Foundation Survey Found That 83% Of Respondents Favored Federal Drug Price Negotiation, With 66% Not Convinced The Policy Would Result In Fewer Drugs, And 84% Agreeing That "Drug Company Profits Are Too High."

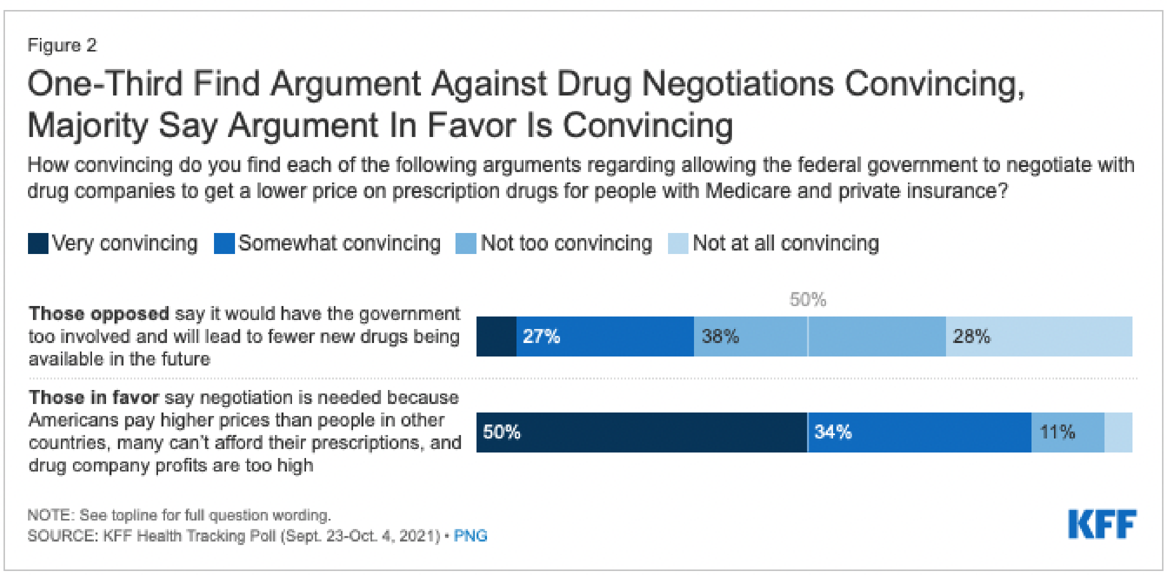
October 2021: A Kaiser Family Foundation Survey Found That Most Adults "Don't Believe High Drug Prices Are Needed For Drug Companies To Invest In New Research" And That Pharmaceutical Companies Would Still Make Enough Money To Invest In Researching New Drugs. "Most adults – across partisans – don't believe high drug prices are needed for drug companies to invest in new research instead agreeing that 'even if U.S. prices were lower, drug companies would still make enough money to invest in the research needed to develop new drugs.'" [Kaiser Family Foundation, 10/12/21]

The Study Found That 83% Of All Respondents Favored Federal Drug Price Negotiation, With 52% "Strongly" Favoring The Policy:



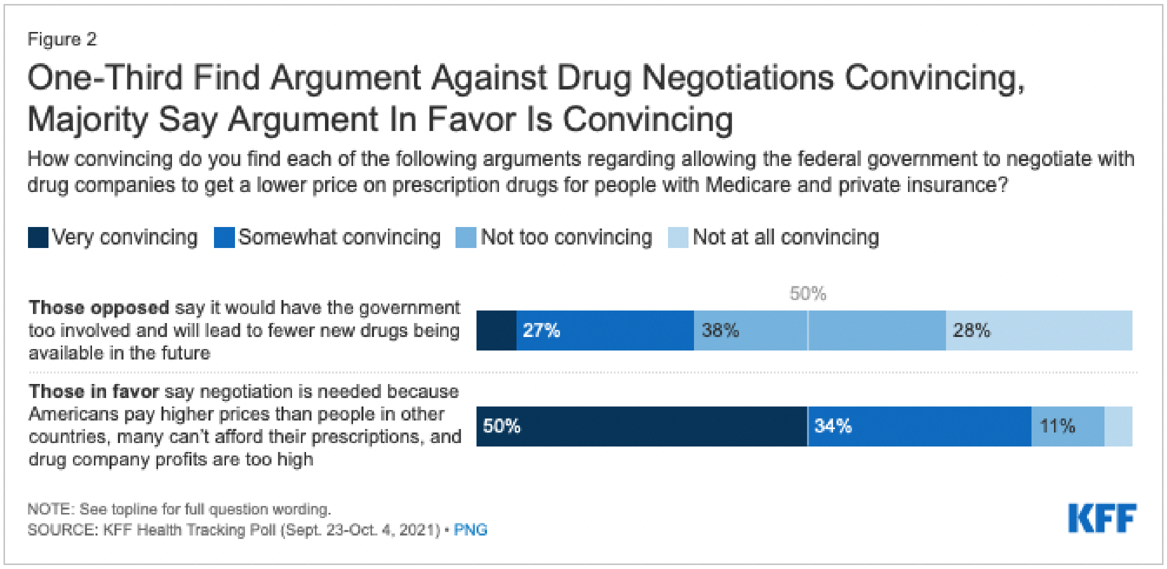
[Kaiser Family Foundation, 10/12/21]

66% Of Respondents Were Not Convinced That Federal Drug Price Negotiation Would "Lead To Fewer New Drugs Being Available In The Future":



[Kaiser Family Foundation, 10/12/21]

84% Of Respondents Agreed That Federal Drug Price Negotiation Was Needed And That "Drug Company Profits Are Too High," With 50% Finding This Argument "Very Convincing":



[Kaiser Family Foundation, 10/12/21]

From 2019 Through 2021, The Top 5 U.S.-Based Pharmaceutical Companies Made Over $159.8 Billion In Net Income And Spent Over $125 Billion On Stock Buybacks And Dividends While Spending Only $112 Billion On Research And Development.

The Top 5 U.S.-Based Pharmaceutical Companies As Of August 2022 Made A Total Of Over $159.8 Billion In Net Income From 2019 Through 2021.

The Top 5 U.S.-Based Pharmaceutical Companies Made A Total Of $159.805 Billion In Net Income From 2019 Through 2021:

Largest U.S.-Based Biotech Companies by Market Cap	Net Income 2021	Net Income 2020	Net Income 2019
Johnson & Johnson	$20,878	$14,714	$15,119
Eli Lilly	$5,582	$6,194	$8,318
Pfizer	$21,979	$9,159	$16,026
AbbVie	$11,542	$4,616	$7,882
Thermo Fisher	$7,725	$6,375	$3,696

Totals:	**$67,706**	**$41,058**	**$51,041**
			2019-21 Total: $159,805

*All Figures In Millions

- **Johnson & Johnson, Eli LIlly, Pfizer, AbbVie, And Thermo Fisher Therapeutics Were The Five-Biggest U.S.-Based Biotech Companies By Market Capitalization, As Of August 8, 2022:**

Rank	Name	Market Cap	Price	Today	Price (30 days)	Country
1	Johnson & Johnson JNJ	$448.62 B	$170.63	▾ 0.28%		USA
2	Eli Lilly LLY	$288.41 B	$303.54	▴ 0.74%		USA
3	Pfizer PFE	$277.82 B	$49.52	▴ 0.50%		USA
4	Roche ROG.SW	$273.20 B	$330.80	▾ 0.27%		Switzerland
5	AbbVie ABBV	$246.26 B	$139.28	▴ 0.90%		USA
6	Novo Nordisk NVO	$239.01 B	$102.55	▾ 0.63%		Denmark
7	Thermo Fisher Scientific TMO	$229.91 B	$587.33	▾ 0.50%		USA

[CompaniesMarketCap.com, accessed 08/08/22]

The Top 5 U.S.-Based Pharmaceutical Companies Spent Over $125 Billion On Stock Buybacks And Dividends From 2019 Through 2021.

The Top 5 U.S.-Based Pharmaceutical Companies Spent A Total Of $35.979 Billion On Stock Buybacks From 2019 Through 2021:

Largest U.S.-Based Biotech Companies by Market Cap	Stock Buybacks 2021	Stock Buybacks 2020	Stock Buybacks 2019
Johnson & Johnson	$3,456	$3,221	$6,746
Eli Lilly	$1,250	$500	$4,400
Pfizer	$0	$0	$8,865
AbbVie	$934	$978	$629
Thermo Fisher	$2,000	$1,500	$1,500
Totals:	**$7,640**	**$6,199**	**$22,140**
			2019-21 Total: $35,979

*All Figures In Millions

The Top 5 U.S.-Based Pharmaceutical Companies Spent A Total Of $89.198 Billion On Shareholder Dividends From 2019 Through 2021:

Largest U.S.-Based Biotech Companies by Market Cap	Dividends 2021	Dividends 2020	Dividends 2019
Johnson & Johnson	$11,032	$10,481	$9,917
Eli Lilly	$3,087	$2,687	$2,410
Pfizer	$8,729	$8,440	$8,043
AbbVie	$9,261	$7,716	$6,366
Thermo Fisher	$395	$337	$297
Totals:	**$32,504**	**$29,661**	**$27,033**
			2019-21 Total: $89,198

*All Figures In Millions

<u>The Top 5 U.S.-Based Pharmaceutical Companies Spent Over $112 Billion On Research And Development From 2019 Through 2021.</u>

The Top 5 U.S.-Based Pharmaceutical Companies Spent A Total Of $112.180 Billion On Research And Development From 2019 Through 2021:

Largest U.S.-Based Biotech Companies by Market Cap	R&D 2021	R&D 2020	R&D 2019
Johnson & Johnson	$14,714	$12,159	$11,355
Eli Lilly	$7,026	$6,086	$5,595
Pfizer	$13,829	$9,393	$8,385
AbbVie	$7,084	$6,557	$6,407
Thermo Fisher	$1,406	$1,181	$1,003
Totals:	**$44,059**	**$35,376**	**$32,745**
			2019-21 Total: $112,180

*All Figures In Millions

Pfizer CEO And Chairman Albert Bourla—Who Previously Said In An Interview With Yahoo! Finance That Congress Wanted To "'Take All The Money From The Pharmaceutical Industry'"—Blasted The Inflation Reduction Act In A Recent Company Earnings Call, Accusing Lawmakers Of "Choosing To Single Out One Industry."

In A Recent Earnings Call, Pfizer's CEO And Chairman Said He Was "Disappointed" About The Inflation Reduction Act, Claiming The Provision Won't "Alleviate Patients' Cost While "They Are Choosing To Single Out One Industry.

July 2022: During Pfizer's Q2 2022 Earnings Call, In Response To A Question About The Inflation Reduction Act's Provision On Medicare Negotiations, CEO And Chairman Albert Bourla Admitted He Was "Disappointed," Adding That The Provision Won't "Alleviate Patients' Cost." "Albert Bourla -- Chairman and Chief Executive Officer [...] I'm disappointed with what I'm reading in the newspapers. Of course, we can't know exactly what will happen because we have seen that this situation is very volatile. But everything that they are reporting, they are going to implement a price setting. That's a significant one, but it's too little and too late. They could do way more because that will cost 10% of the $270 billion that they're going to collect. They are basically not doing that to alleviate patients' cost because they could give all the money and then make significant, significant difference to the patient. They're just giving a part of that." [The Motley Fool, 07/28/22]

Bourla Continued That "It Is Very Disappointing That They Are Choosing To Single Out One Industry," Insisting That The Pharmaceutical Industry Has "Proven The Value That [It] Brings To Public Health And To The Global Economy." "And also I want to say it is very disappointing that they are choosing to single out one industry. Everything in this bill, from what I understand, [indiscernible] that is affecting everyone. But then there are specific measures to affect only the pharma industry, particularly when we are out of a pandemic, where this industry has proven the value that brings to public health and to the global economy. We would be in a very different point in this global economy if we didn't have the investments in the thriving life sciences sector. And they are choosing to single out this industry. I think it's wrong. And I hope that reason will prevail when these discussions goes to Congress." [The Motley Fool, 07/28/22]

In The Fall of 2021, Pfizer's CEO Sent A Video To Pfizer Staff "Urging Them To Fight Proposed Drug Price Negotiations," And Told Yahoo! Finance That Congress Wanted To "'Take All The Money From The Pharmaceutical Industry.'"

October 2021: Pfizer CEO Albert Bourla Said In An Interview With Yahoo! Finance That Efforts By The Government To Lower The Price Of Prescription Drugs Would "'Take All The Money From The Pharmaceutical Industry'" Adding That It Was A' n Issue Of "'Out-Of-Pocket Costs Of Patients.'" "'Where we disagree is policies that will take all the money from the pharmaceutical industry and move them to the black hold of the federal budget to do other things,' he said. 'This is the issue right now. The issue is the out-of-pocket costs of patients, which are very, very high. That's what we need to address." [Yahoo! Finance, 10/28/21]

September 2021: Pfizer CEO Albert Bourla Sent A Video Message To Employees "Urging Them To Fight Proposed Government Drug Price Negotiations." "Pfizer's CEO sent a video message to company employees urging them to fight proposed government drug price negotiations and expressing frustration with Congress, which is considering using the projected savings to help pay for a $3.5 trillion social spending package. [...] 'When we asked the Pfizer colleagues to develop a Covid-19 vaccine in less than a year, you did. When we asked you to rapidly expand manufacturing so we can produce 3, 4 billion doses per year you did it,' Bourla said. 'Now, we are asking you to do something equally important to educate yourself regarding policies that will help our breakthroughs get into the hands of those who need them, while protecting our sector's ability to develop those breakthroughs in the first place.'" [Politico, 09/22/21]

- **Bourla Also Said That Proposals From Democrats "'Will Have A Little Positive Impact On Patients Where It Really Matters At The Pharmacy.'"** "Albert Bourla said he was 'particularly disappointed' that a House Democratic leadership-backed drug pricing plan and similar proposals 'will have a little positive impact on patients where it really matters at the pharmacy,' according to the three-minute video, a copy of which was obtained by POLITICO." [Politico, 09/22/21]

Pfizer's CEO Sits On The Board Of PhRMA, Which Has Previously Criticized Drug Pricing Proposals As "'Mak[ing] A Broken Insurance System Worse'" And "'Stifl[ing] The Development Of New Uses For And Improvements To Medicines.'"

Pfizer's CEO Sits On The Board Of PhRMA—The Pharmaceutical Industry's "Top Trade Group"—Which Has Criticized Build Back Better's Drug Pricing Proposals As "Mak[ing] A Broken Insurance System Worse" And "Stifl[ing] The Development Of New Uses For And Improvements To Medicines," While Accusing Lawmakers Of "Misdiagnos[ing] The Problem" With Drug Pricing.

The Pharmaceutical Industry's "Top Trade Group" PhRMA Helped Fund Ads Against Build Back Better's Drug Pricing Reforms, Claiming They Would Have Worsened The Pandemic. "And the pharmaceutical industry has embarked on its own wide-ranging campaign to combat Democrats' drug pricing proposals, another potential revenue source in the bill. Conservative outfits previously backed by the sector's top trade group, known as PhRMA, have run recent ads claiming lawmakers' plans would have worsened the coronavirus pandemic." [The Washington Post, 08/31/21]

- **A PhRMA Spokesperson Said The Group Opposed Democrats' Drug Pricing Reforms, Suggesting They Were "'Empty Promises That Will Do More Harm Than Good.'"** "Brian Newell, a spokesman for PhRMA, stressed that the group supports general pricing reforms — just not the ideas Democrats are pursuing. 'The industry is willing to come to the table and do its fair share to help deliver real relief to patients at the pharmacy, not empty promises that will do more harm than good,' he said in a statement." [The Washington Post, 08/31/21]

December 2021: PhRMA President And CEO Stephen J. Ubl Called The Build Back Better Act A "'Damaging Bill'" While Criticizing It For Not Providing Relief To Patients Struggling To Afford Their Medicines, "Stifl[ing] The Development Of New Uses For And Improvements To Medicines," And "Ignor[ing] Persistent Problems Throughout The Health Care System." "Pharmaceutical Research and Manufacturers of America (PhRMA) President and CEO Stephen J. Ubl released the following statement after President Joe Biden delivered remarks on drug pricing reform provisions in the Build Back Better Act: 'A damaging bill jammed through a partisan process will not provide patients struggling to afford their medicines meaningful relief. The bill inserts the heavy hand of government into America's medicine cabinet, and we know when government bureaucrats set the price of medicine, patients ultimately have less access to treatments and cures. The bill also stifles the development of new uses for and improvements to medicines after they are first approved, threatens the introduction of generic and biosimilar medicines, and unwinds successful incentives that spur the development of treatments for rare diseases. This bill also ignores persistent problems throughout the health care system, such as tactics by insurers and middlemen that shift higher costs onto vulnerable patients." [PhRMA, 12/06/21]

November 2021: PhRMA President And CEO Stephen J. Ubl Encouraged The Senate To "'Reject This Flawed Drug Pricing Plan'" That Will "'Make A Broken Insurance System Worse And Throw Sand In The Gears Of Medical Progress.'" "PhRMA President and CEO Stephen J. Ubl released the following statement after the House of Representatives passed the Build Back Better Act, which includes the Democrats' drug pricing plan: 'The consequences of this heavy-handed drug pricing plan will make a broken insurance system worse and throw sand in the gears of medical progress. It will stifle continued innovation after a medicine is first approved, discourage the introduction of generics and biosimilar treatments and undermine the robust competition that has made the Medicare Part D program a success for millions of seniors. Meanwhile, the bill doesn't address perverse incentives in the system that are leading to higher costs for patients. This is a disappointing day for patients, and I hope the Senate will reject this flawed drug pricing plan and deliver the more balanced approach patients deserve.'" [PhRMA, 11/29/21]

September 2021: Pfizer Signed Onto A Letter Sent By PhRMA Calling On Congress To "'Abandon'" A Proposal Which Would Allow Medicare To Negotiate With Pharmaceutical Companies To Lower The Costs Of Prescription Drugs. "Today, PhRMA member companies made public an open letter to Capitol Hill to encourage Congress to abandon old partisan ideas on drug pricing and instead pursue policies that actually address what patients pay out of pocket. […] Government 'negotiation' – a smokescreen that gives the government the power to set the price of medicines and decide what medicines patients can and can't get – is the wrong approach to fix the health care system. It does nothing to hold insurers and middlemen accountable for pocketing savings from our companies that should go to patients to lower their costs." [PhRMA, 09/15/21]

- **According To PhRMA's Website, Pfizer's Chairman And CEO Albert Bourla Is On The Trade Association's Board Of Directors.** [PhRMA, accessed 07/07/22]

March 2022: In Response To The Senate Finance Committee's Hearing On Drug Pricing, PhRMA's Executive Vice President Of Public Affairs Accused Lawmakers Of

"'Misdiagnos[ing] The Problem'" With Drug Pricing, Arguing "'Government Price Setting'" Won't Fix High Drug Prices, But Will Instead "'Jeopardize Access To Medicines And Future Innovation.'" "The Pharmaceutical Research and Manufacturers of America (PhRMA) Executive Vice President of Public Affairs Debra DeShong released the following statement after the Senate Finance Committee's hearing on drug pricing: 'Today's hearing demonstrated that many lawmakers aren't serious about taking on the bipartisan work necessary to address the real challenges patients experience at the pharmacy. Government price setting won't address the abusive insurance practices that put barriers between patients and the medicines they need, but it will jeopardize access to medicines and future innovation. The government's own data show prescription medicines are not fueling inflation. If lawmakers continue to misdiagnose the problem, they won't prescribe the kind of meaningful solutions patients need.'" [PhRMA, 03/16/22]

From 2019 Through 2021, Pfizer Spent Over $2.4 Billion More On Shareholder Handouts Than Research & Development.

From 2019 Through 2021, Pfizer Spent $34 Billion On Shareholder Handouts, Compared To $31.6 Billion On Research & Development:

	2021	2020	2019	Totals
Stock buybacks	$0	$0	$8,865	$8,865
Shareholder Dividends	$8,729	$8,440	$8,043	$25,212
			Handout Total	**$34,077**
Research & Development	$13,829	$9,393	$8,385	$31,607
			R&D Total	**$31,607**

*All Figures In Millions

Since The Start Of The Pandemic, Pfizer And PhRMA Have Together Spent At Over $87 Million While Lobbying On Drug Pricing And Related Legislation.

Since Q1 Of 2020, Pfizer Has Spent Over $23.8 Million While Lobbying On "Drug Pricing," "Out-Of-Pocket Costs," And Related Issues.

Since January 2020, Pfizer Has Spent At Least $23,860,000 While Lobbying The Federal Government On "Drug-Pricing," "Out-Of-Pocket Costs," And Related Issues:

Quarter / Year	Client	Registrant	Activity	Amount
Q1 2022	Pfizer Inc.	Pfizer Inc.	"Drug Pricing"	$2,740,000
Q4 2021	Pfizer Inc.	Pfizer Inc.	"Drug Pricing"	$2,980,000
Q3 2021	Pfizer Inc.	Pfizer Inc.	"Drug Pricing"	$1,780,000
Q2 2021	Pfizer Inc.	Pfizer Inc	"Drug Pricing"	$2,330,000
Q1 2021	Pfizer Inc.	Pfizer Inc.	"Drug Pricing Biosimilars Drug Shortages Out-of-Pocket Costs Rebate Reform Vaccine Infrastructure Drug Importation"	$3,160,000
Q4 2020	Pfizer Inc.	Pfizer Inc.	"Drug Pricing Biosimilars Drug Shortages Out-of-Pocket Costs Rebate Reform Vaccine Infrastructure Drug Importation"	$2,380,000
Q3 2020	Pfizer Inc.	Pfizer Inc.	"Drug Pricing Biosimilars Drug Shortages Out-of-Pocket Costs Rebate Reform Vaccine Infrastructure Drug Importation"	$1,930,000
Q2 2020	Pfizer Inc.	Pfizer Inc	"Drug Pricing Biosimilars Drug Shortages Out-of-Pocket Costs Rebate Reform Vaccine Infrastructure Drug Importation"	$2,470,000
Q1 2020	Pfizer Inc.	Pfizer Inc	"Drug Pricing"	$4,090,000
			TOTAL:	**$23,860,000**

Since Q1 Of 2020, PhRMA Has Spent Over $63.1 Million While Lobbying On Multiple Bills Aimed At Lowering The Costs Of Prescription Drugs.

Since January 2020, PhRMA Has Spent At Least $63,160,000 While Lobbying The Federal Government On "H.R. 3 (Lower Drug Costs Now Act)" And Several Other Pieces Of Drug Pricing Legislation, Among Other Issues:

Quarter / Year	Client	Registrant	Activity	Amount

Q1 2022	PhRMA	PhRMA	"H.R. 3: Elijah E. Cummings Lower Drug Costs Now Act - Provisions related to prescription drug pricing, non-interference, and intellectual property H.R. 19: Lower Costs, More Cures Act of 2021 - Provisions related to prescription drugs H.R. 1976: Medicare for All Act of 2021 - Provisions related to Part D and non-interference H.R. 2071: Medicare Prescription Drug Price Negotiation Act of 2021 - Provisions related to Part D and non-interference H.R. 2139: Medicare Drug Price Negotiation Act - Provisions related to Part D and non-interference H.R. 2179: Affordable Insulin for the COVID-19 Emergency Act - Provisions related to Part D and insulin H.R. 4417: Capping Drug Costs for Seniors Act of 2021 - Provisions related to Part D and prescription drug pricing H.R. 5260: Reduced Costs and Continued Cures Act - Provisions related to prescription drug pricing and access"	$8,070,000
Q4 2021	PhRMA	PhRMA	" H.R. 3: Elijah E. Cummings Lower Drug Costs Now Act - Provisions related to prescription drug pricing, non-interference, and intellectual property H.R. 19: Lower Costs, More Cures Act of 2021 - Provisions related to prescription drugs H.R. 1227: Medicare-X Choice Act of 2021 - Provisions related to Part D and non-interference H.R. 1976: Medicare for All Act of 2021 - Provisions related to Part D and non-interference H.R. 2071: Medicare Prescription Drug Price Negotiation Act of 2021 - Provisions related to Part D and non-interference H.R. 2139: Medicare Drug Price Negotiation Act - Provisions related to Part D and non-interference"	$7,160,000
Q3 2021	PhRMA	PhRMA	" H.R. 3: Elijah E. Cummings Lower Drug Costs Now Act - Provisions related to prescription drug pricing, non-interference, and intellectual property H.R. 19: Lower Costs, More Cures Act of 2021 - Provisions related to prescription drugs H.R. 1227: Medicare-X Choice Act of 2021 - Provisions related to Part D and non-interference H.R. 1976: Medicare for All Act of 2021 - Provisions related to Part D and non-interference H.R. 2010: Public Option Deficit Reduction Act - Provisions related to Part D and non-interference H.R. 2071: Medicare Prescription Drug Price Negotiation Act of 2021 - Provisions related to Part D and non-interference H.R. 2139: Medicare Drug Price Negotiation Act - Provisions related to Part D and non-interference H.R. 5260: Reduced Costs and Continued Cures Act - Provisions related to prescription drug pricing and access"	$7,440,000

Q2 2021	PhRMA	PhRMA	" H.R. 3: Elijah E. Cummings Lower Drug Costs Now Act - Provisions related to prescription drug pricing, non-interference, and intellectual property H.R. 19: Lower Costs, More Cures Act of 2021 - Provisions related to prescription drugs H.R. 1167: Advancing Enrollment and Reducing Drug Costs Act of 2021 - Provisions related to Part D H.R. 1227: Medicare-X Choice Act of 2021 - Provisions related to Part D and non-interference H.R. 1976: Medicare for All Act of 2021 - Provisions related to Part D and non-interference H.R. 2010: Public Option Deficit Reduction Act - Provisions related to Part D and non-interference H.R. 2071: Medicare Prescription Drug Price Negotiation Act of 2021 - Provisions related to Part D and non-interference H.R. 2139: Medicare Drug Price Negotiation Act - Provisions related to Part D and non-interference H.R. 2868: Protecting Access to Affordable Medicines Act of 2021 - Provisions related to Medicaid and prescription drug pricing and rebates"	$6,430,000
Q1 2021	PhRMA	PhRMA	" H.R. 3: Lower Drug Costs Now Act of 2019 [116th Congress] H.R. 19: Lower Costs, More Cures Act of 2019 [116th Congress] H.R. 1167: Advancing Enrollment and Reducing Drug Costs Act of 2021 - Provisions related to Part D H.R. 1227: Medicare-X Choice Act of 2021 - Provisions related to Part D and non-interference H.R. 1976: To establish an improved Medicare for All national health insurance program - Provisions related to Part D and non-interference H.R. 2010: To amend the Patient Protection and Affordable Care Act to establish a public health insurance option - Provisions related to Part D and non-interference H.R. 2071: To amend part D of title XVIII of the Social Security Act to require the Secretary of Health and Human Services to negotiate covered part D drug prices on behalf of Medicare beneficiaries - Provisions related to Part D and non-interference"	$8,540,000
Q4 2020	PhRMA	PhRMA	"H.R. 3: Lower Drug Costs Now Act of 2019 - Provisions related to prescription drug pricing, foreign reference pricing, Part D, manufacturer rebates, and other provisions H.R. 19: Lower Costs, More Cures Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions H.R. 8624: Protecting Access to Innovation During COVID-19 Act - Provisions related to Medicare and prescription drug pricing."	$5,130,000

Q3 2020	PhRMA	PhRMA	"H.R. 3: Lower Drug Costs Now Act of 2019 - Provisions related to prescription drug pricing, foreign reference pricing, Part D, manufacturer rebates, and other provisions H.R. 19: Lower Costs, More Cures Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions H.R. 1425: Patient Protection and Affordable Care Enhancement Act - Provisions related to affordability fund S. 1895: Lower Health Care Costs Act - Provisions related to prescription drug pricing, transparency and patent issues S. 2543: Prescription Drug Pricing Reduction Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions S. 3129: Lower Costs, More Cures Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions S. 4199: Prescription Drug Pricing Reduction Act of 2020 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions."	$5,960,000
Q2 2020	PhRMA	PhRMA	"H.R. 3: Lower Drug Costs Now Act of 2019 - Provisions related to prescription drug pricing, foreign reference pricing, Part D, manufacturer rebates, and other provisions H.R. 19: Lower Costs, More Cures Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions H.R. 1425: Patient Protection and Affordable Care Enhancement Act - Provisions related to affordability fund S. 1895: Lower Health Care Costs Act - Provisions related to prescription drug pricing, transparency and patent issues S. 2543: Prescription Drug Pricing Reduction Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions."	$5,410,000
Q1 2020	PhRMA	PhRMA	"H.R. 3: Lower Drug Costs Now Act of 2019 - Provisions related to prescription drug pricing, foreign reference pricing, Part D, manufacturer rebates, and other provisions H.R. 19: Lower Costs, More Cures Act of 2019 - Provisions related to prescription drug pricing, transparency, manufacturer rebates and other provisions."	$9,020,000
			TOTAL:	**$63,160,000**

According To Data From The U.S. Department Of Health And Human Services, Pfizer Has Received At Least $17.8 Billion In Funding For The Development And Manufacturing Of Its COVID-19 mRNA Vaccine Along With Procurement Of Its Antiviral Therapeutic PAXLOVID, With The Biden Administration Announcing An Additional $3.2 Billion In Contracts In June 2022.

Data From The U.S. Department Of Health And Human Services Shows That Pfizer Had Previously Received Over $17.8 Billion In Government Contracts For Its COVID-19 mRNA Vaccine And Its Antiviral Therapeutic PAXLOVID, The Latter Of Which Is Estimated To Generate $22 Billion In Sales In 2022.

According To The U.S. Department Of Health And Human Services, Since July 2020, Pfizer Has Received Nearly $12.1 Billion In Contracts For The Development And Manufacturing Of Its COVID-19 mRNA Vaccine. [U.S. Department of Health and Human Services, accessed 08/04/22]

Pfizer Inc. USA

Product Name: COMIRNATY (COVID-19 Vaccine, mRNA)

Description:
Pfizer will conduct large-scale manufacturing and fill-finish of its COVID-19 mRNA vaccine, developed in collaboration with BioNTech, for distribution in the US after Emergency Use Authorization and/or licensure is granted by the FDA.

Unique Impact:
Pfizer's COVID-19 vaccine is an mRNA vaccine that is delivered in lipid nanoparticles. RNA delivered by these protein-free lipid nanoparticles is believed to eliminate the risk of anti-vector immunity while boosting the level and duration of immune responses. Additionally, the use of mRNA technology potentially allows for rapid manufacturing scale-up that is critical for prevention of COVID-19.

Status: Licensed

Base Award Amount:	$1,950,000,000 (July 21, 2020)
Mod/Option 1 Amount:	$2,011,282,500.00 (December 22, 2020)
Mod/Option 2 Amount:	$2,011,282,500.00 (February 11, 2021)
Mod/Option 3 Amount:	$4,869,750,000.00 (July 21, 2021)
Mod/Option 4 Amount:	$1,230,000,000.00 (October 22, 2021)

[U.S. Department of Health and Human Services, accessed 08/04/22]

Pfizer Has Received An Additional $5.73 Billion For Government Procurement Of Its Antiviral Therapeutic, PAXLOVID. [U.S. Department of Health and Human Services, accessed 08/04/22]

Pfizer Inc. USA

Product Name: Paxlovid (nirmatrelvir co-administered with ritonavir)

Description:
PAXLOVID is a SARS-CoV-2 main protease (Mpro, or 3CL) inhibitor nirmatrelvir antiviral therapy combined with ritonavir; it was developed to be administered orally so that it can be prescribed at the first sign of infection. Nirmatrelvir is designed to block the activity of the Mpro, an enzyme that the coronavirus needs to replicate, and is co-administratered with a low dose of ritonavir.

Unique Impact:
PAXLOVID is the first protease inhibitor to treat COVID-19 procured by the USG. In addition to ease of administration that simplifies outpatient treatment, oral antiviral medications increase access to treatments within the community. PAXLOVID is highly effective against SARS-CoV-2 and nirmatrelvir has shown consistent in vitro antiviral activity against current variants of concern. It also has activity against other coronaviruses in the laboratory. The mechanism of action has potential to treat future coronavirus outbreaks/pandemics.

Status: EUA Issued

Procurement:	$5,295,000,000.00 (November 17, 2021)
Mod/Option 1 Amount:	$442,132,500.00 (January 9, 2022)

[U.S. Department of Health and Human Services, accessed 08/04/22]

- **According To Pfizer, PAXLOVID Is Authorized For Emergency Use Under The Food And Drug Administration As An "Investigational Medicine To Treat Mild-To-Moderate COVID-19 In Adults And Children."** "PAXLOVID has not been approved, but has been authorized for emergency use by FDA under an EUA, for the treatment of mild-to-moderate COVID-19 in adults and pediatric patients [...] PAXLOVID is an investigational medicine used to treat mild-to-moderate COVID-19 in adults and children [12 years of age and older weighing at least 88 pounds (40 kg)] with positive results of direct SARS-CoV-2 viral testing, and who are at high risk for progression to severe COVID-19, including hospitalization or death." [Pfizer, accessed 08/04/22]

In May 2022, Pfizer Estimated That Antiviral PAXLOVID Would Generate $22 Billion In Sales In 2022 Alone. "The company said it expects $22 billion in sales from its COVID treatment Paxlovid this year, compared with analysts' average expectation of $26.1 billion, according to Refinitiv." [Reuters, 05/03/22]

<u>In June 2022, The Biden Administration Announced An Additional $3.2 Billion In Government Contracts For Pfizer's COVID-19 Vaccine As Part Of A "Fall Booster Campaign," With Analysts Predicting The Vaccine "Will Generate Roughly $34 Billion In Sales" During 2022.</u>

June 2022: The Biden Administration Agreed To Give Pfizer An Additional $3.2 Billion In Funding For 105 Million Doses Of Its Vaccine As Part Of The Government's "Fall Booster Campaign." "The Biden administration has agreed to pay $3.2 billion for 105 million doses of Pfizer Inc.'s Covid-19 vaccine. The deal would provide supplies for the federal government's planned fall booster campaign, which administration officials are devising to blunt a potential wave in cases, possibly driven by variants of the Omicron strain now spreading across the U.S." [The Wall Street Journal, 06/29/22]

- **According To The Department Of Health And Human Services, The Federal Government "Would Have The Option To Buy 195 Million Additional Doses."** "Under the deal, the federal government would have the option to buy 195 million additional doses, the Health and Human Services Department said Wednesday. Pfizer, which developed and makes the vaccine with partner BioNTech SE, would make whatever type of vaccine federal health regulators decide should be featured in the fall campaign." [The Wall Street Journal, 06/29/22]

- **Analysts From JPMorgan & Chase Estimated That Pfizer Would Ultimately Generate $34 Billion In Sales From Its COVID-19 Vaccine In 2022 Alone.** "The new supply agreement will add to the substantial sales generated by the vaccine. Analysts from JP Morgan & Chase Co. forecast the vaccine will generate roughly $34 billion in sales this year for Pfizer." [The Wall Street Journal, 06/29/22]

In A Q2 2022 Earnings Statement, Pfizer CFO David Denton Stated He Was "'Very Pleased'" With Pfizer's "'All-Time High In Quarterly Sales'" As The Pharmaceutical Maker Earned Over $9.9 Billion In Net Income, Saw Revenues Of Over $27.7 Billion, And Spent $4.5 Billion And $2 Billion On Stock Buybacks In The First Half Of Its FY 2022.

During Q2 2022, Pfizer's Net Income Climbed By 78% YoY To Over $9.9 Billion As The Pharmaceutical Giant Raked In Over $27.7 Billion In Revenue And Spent $4.5 Billion On Shareholder Dividends And $2 Billion On Stock Buybacks In The First Half Of Its FY 2022.

In Q2 2022, Pfizer Saw Net Income Climb To Over $9.9 Billion, An Increase Of 78% YoY:

	Second-Quarter		% Incr. /
	2022	2021	(Decr.)
[...]			
Net income attributable to Pfizer Inc. common shareholders	$ 9,906	$ 5,563	78

[Pfizer, 07/28/22]

Pfizer's Revenues Also Climbed By 47% YoY To Over $27.7 Billion:

($ in millions, except per share amounts)	Second-Quarter		
	2022	2021	Change
Revenues	$ 27,742	$ 18,899	47%

[Pfizer, 07/28/22]

In Its Q2 Earnings Press Release, Pfizer CFO David Denton Said He Was "'Very Pleased'" With "'Strong Operational Revenue And Earnings Growth'" Which Saw The Company See An "'All-Time High In Quarterly Sales.'" "David Denton, Chief Financial Officer and Executive Vice President, stated: 'I am very pleased with the performance of our business this quarter, with strong operational revenue and earnings growth driven by multiple therapeutic areas across the company, and our COVID-19 franchises continuing to serve patients in need while also propelling us to an all-time high in quarterly sales.'" [Pfizer, 07/28/22]

During The First Six Months Of Its FY 2022, Pfizer Spent At Least $4.5 Billion On Shareholder Dividends Along With An Additional $2 Billion On Stock Buybacks:

During the first six months of 2022, Pfizer deployed its capital in a variety of ways, which primarily include the following two broad categories:

[...]

- Returning capital directly to shareholders through a combination of:
  - $4.5 billion of cash dividends, or $0.80 per share of common stock, and
  - $2.0 billion, which was used to repurchase 39.1 million shares on the open market in March 2022, at an average cost of $51.10 per share.

[Pfizer, 07/28/22]

In August 2022, Pfizer Announced A $5.4 Billion Acquisition After Announcing At Least $18.3 Billion In Other Deals Earlier In 2022.

August 2022: Pfizer, "Flush With Cash" From Its COVID-19 Vaccine Sales, Announced A $5.4 Billion Acquisition After Announcing $18.3 Billion In Other Acquisitions Earlier In The Year.

August 2022: Pfizer, "Flush With Cash," Announced A $5.4 Billion Acquisition Of Global Blood Therapeutics, A "Blood Disorder Drugmaker." "Pfizer Inc is boosting its pipeline with a $5.4 billion deal for blood disorder drugmaker Global Blood Therapeutics (GBT.O), the latest in a series of acquisitions to combat a potential slowdown in COVID-19 products demand as cases fall." [Reuters, 08/08/22]

- **Headline: Flush with cash, Pfizer buys Global Blood Therapeutics in $5.4 billion deal** [Reuters, 08/08/22]

Pfizer Had "An Unprecedented Rise In Sales" Due To Its Covid-19 Vaccine And Has "Been On The Lookout For Acquisitions That Could Bring In Billions In Annual Sales By The End Of The Decade." "Pfizer has enjoyed an unprecedented rise in sales since the global rollout of its COVID-19 vaccine, developed with BioNTech. Sales have, however, started to slow since last year. But flush with cash from sales of its COVID-19 vaccine, Pfizer has been on the lookout for acquisitions that could bring in billions in annual sales by the end of the decade." [Reuters, 08/08/22]

In 2022, Pfizer Also Announced An $11.6 Billion Acquisition Of Biohaven Pharmaceutical And Completed A $6.7 Billion Acquisition Of Arena Pharmaceuticals. "In May, Pfizer shelled out $11.6 billion for migraine drug maker Biohaven Pharmaceutical Holding (BHVN.N) and recently also completed a $6.7 billion deal to buy Arena Pharmaceuticals." [Pfizer, 08/08/22]

- **March 2022: Pfizer Completed Its Acquisition Of Arena Pharmaceuticals** [Pfizer, 03/11/22]

As The Chamber Of Commerce Attacks the Inflation Reduction Act's 1% Excise Tax On Stock Buybacks, Its Corporate Board Members Have Spent $101.8 Billion on Stock Buybacks In 2021.

The Inflation Reduction Act Will "'Make The Country's Tax Code Fairer'" By Enacting A 1% Excise Tax On Stock Buybacks Estimated To Raise $74 Billion In Tax Revenue Over The Next Decade.

The Inflation Reduction Act Enacts A New 1% Excise Tax On Stock Buybacks, Which Will Help "'Make The Country's Tax Code Fairer,'" While Raising $74 Billion In Tax Revenue Over The Next Decade.

August 2022: Senate Democrats Agreed To Modify The Inflation Reduction Act's Proposed 15% Minimum Corporate Tax And Cut A Provision Eliminating The Carried Interest Loophole In Exchange For A New 1% Excise Tax On Stock Buybacks. "In a deal to appease Sinema, Senate Democrats on Thursday evening agreed to modify the 15 percent minimum corporate tax so that manufacturers can take advantage of accelerated depreciation rules to buy equipment. They also agreed to gut changes to carried interest taxes — a win for private equity executives — and enact a 1 percent excise tax on stock buybacks." [The Hill, 08/05/22]

- **The New Stock Buyback Tax Was Seen As Necessary To "Make Up For The Revenue Lost By Removing The Carried Interest Provision And Modifying The Minimum Tax."** "Democrats introduced the stock buyback tax to make up for the revenue lost by removing the carried interest provision and modifying the minimum tax.

They couldn't afford to lose enough funding that the bill wouldn't significantly reduce the deficit, a key priority for Sen. Joe Manchin (D-W.Va.)." [The Hill, 08/05/22]

According To Amy Hanauer, Executive Director Of The Institute On Taxation And Economic Policy, The Inflation Reduction Act Would Help "'Make The Country's Tax Code Fairer By Ensuring That Income Transferred From Corporations To Wealthy Shareholders Does Not Continue To Escape Taxation,'" While Raising $74 Billion In Tax Revenue Over The Next Decade. "The bill also includes a 1 percent tax on corporations repurchasing their own stock. This proposal was included in the House-passed Build Back Better Act last year and is projected to raise $74 billion over 10 years [...] 'The stock buyback provision added to the IRA this week would also make the country's tax code fairer by ensuring that income transferred from corporations to wealthy shareholders does not continue to escape taxation,' Hanauer concluded." [ITEP, 08/07/22]

The U.S. Chamber Of Commerce—Whose Corporate Board Members Spent $101.8 Billion On Stock Buybacks In 2021 And Have Announced Billions In New Buyback Authorizations In The Last Year—Criticized The Inflation Reduction Act's Tax On Stock Buybacks As "'Distort[ing] The Efficient Movement Of Capital.'"

The U.S. Chamber Of Commerce Has Come Out Against The Inflation Reduction Act's Tax On Stock Buybacks, Stating It Would "'Distort The Efficient Movement Of Capital'" And "'Diminish The Value Of Americans' Retirement Savings.'"

Following News Of These Revisions, U.S. Chamber Of Commerce Executive Vice President And Chief Policy Officer Neil Bradley Released A Statement Stating, "'The New Excise Tax On Stock Buybacks Will Only Distort The Efficient Movement Of Capital To Where It Can Be Put To Best Use And Will Diminish The Value Of Americans' Retirement Savings.'" "The following statement on the revised reconciliation bill can be attributed to U.S. Chamber of Commerce Executive Vice President and Chief Policy Officer Neil Bradley. [...] 'Unfortunately, the new excise tax on stock buybacks will only distort the efficient movement of capital to where it can be put to best use and will diminish the value of Americans' retirement savings.'" [U.S. Chamber Of Commerce, 08/05/22]

Corporate Members Of The U.S. Chamber Board Of Directors Spent $101.8 Billion On Stock Buybacks Over Their Most Recently Completed Fiscal Years.

Company	U.S. Chamber Board Member	FY 2021 Stock Buybacks
FedEx	Mark Allen, Executive Vice President, General Counsel, and Secretary	$2.2 Billion[1]

Sempra Energy	Lis Larroque Alexander, Senior Vice President, Corporate Affairs	$339 Million
The Chemours Company	Dennis Digman, President, Advanced Performance Materials	$173 Million
Virtu Financial	Douglas Cifu, Chief Executive Officer	$405.2 Million
Meta	Erin Egan, Chief Privacy Officer	$44.8 Billion
Canadian National Railway	Sean Finn, Executive Vice President, Corporate Services and Chief Legal Officer	$1.6 Billion
3M	Eric Hammers, Executive Vice President, Chief Country Governance and Services Officer	$2.2 Billion
AGCO	Eric Hansotia, Chairman, President and Chief Executive Officer	$135 Million
Microsoft	Fred Humphries, Jr., Corporate Vice President of U.S. Government Affairs	$32.7 Billion[2]
U.S. Bancorp	Elliot J. Jaffee, Executive Vice President and Head of Strategy, Corporate and Commercial Banking	$1.5 Billion
Caterpillar	Denise Johnson, Group President – Resource Industries	$2.7 Billion
Nasdaq	Edward Knight, Vice Chairman	$943 Million
Chevron	Karen Knutson, Vice President and General Manager, Government Affairs	$1.4 Billion
Zebra Technologies	Christen L. Kogl, Chief Legal Officer and Corporate Secretary	$57 Million
Emergent BioSolutions	Robert Kramer, President and Chief Executive Officer	$112.5 Million
Intuit	Chris Leahy, Chief Public Policy Officer	$1 Billion
ConocoPhillips	Andrew D. Lundquist, Senior Vice President of Government Affairs	$3.6 Billion
Dow Inc.	Amy Wilson, General Counsel and Corporate Secretary	$1 Billion
AllState Insurance	Thomas J. Wilson, Chairman, Chief Executive Officer, and President	$3.3 Billion
Altria	Todd Walker, Senior Vice President, Corporate Citizenship and Government Affairs	$1.7 Billion

		TOTAL:	**$101.8 Billion**

1.) FY 2022 ending May 31, 2022
2.) FY 2022 ending June 30, 2022

Several Additional Members Of The U.S. Chamber Board Of Directors Have Announced Billions In New Buyback Authorizations Over The Last Year.

February 2022: Bristol Myers Squibb's Board Of Directors Authorized A New $15 Billion Stock Buyback Program. "In December, the company announced that its Board of Directors approved an increase in the quarterly dividend and authorized an additional $15 billion, multi-year share repurchase program." [Bristol Myers Squibb, 02/04/22]

- **Bristol Myers Squibb's Senior Vice President Of Global Policy & Government Affairs Amadou Diarra Serves On The U.S. Chamber Board Of Directors** [Chamber of Commerce, accessed 08/09/22]

December 2021: BMO Financial Group's Board Of Directors Announced Its Intention To Repurchase Up To 22.5 Million Shares. "'Looking ahead to 2022, we will continue to position BMO for growth with the ensuing economic recovery. We are making targeted investments in technology and talent to drive enhanced customer experiences and deliver market-leading advice to help them make real financial progress. Today we announced a 25% dividend increase and our intention to repurchase up to 22.5 million shares, reflecting the strength of our capital position and confidence in delivering sustained, long-term performance for our shareholders,' concluded Mr. White." [BMO Financial Group, 12/03/21]

- **BMO Financial Group's Vice Chairman David Jacobson Serves On The U.S. Chamber Board Of Directors** [Chamber of Commerce, accessed 08/09/22]

February 2022: Shell PLC Announced It Had Began Working To Buy Back $8.5 Billion In Stock For The First Half Of 2022. "Shell plc (the 'company') today announces the commencement of a share buyback programme of $8.5 billion for the first half of 2022. This comprises the remaining $5.5 billion of Permian divestment proceeds and $3.0 billion as part of the company's capital allocation framework, which includes shareholder distributions in the range of 20-30% of cash flow from operations." [Shell PLC via GlobalNewswire, 02/03/22]

- **Shell USA President And U.S. Country Chair Gretchen Watkins Serves On The U.S. Chamber Board Of Directors** [Chamber of Commerce, accessed 08/09/22]

Despite The Chamber's Argument, Stock Buybacks Have Been Considered An Inefficient Use Of Capital Largely Benefiting Corporate Leaders Able To Time Buybacks And Profit As Corporations Fail To Invest In Ways To "Improve The Actual Value Of Company."

Stock Buybacks, Often Considered An Inefficient Use Of Capital, Benefit Corporate Leaders Able To "Control The Timing Of Share Purchases" And "Personally Profit From Buying And Selling Shares As The Stock Price Rises," As Capital Becomes Unavailable For Productive Investments.

Stock Buybacks Are Particularly Beneficial To Corporate Leaders, "Who Control The Timing Of Share Purchases And Can Personally Profit From Buying And Selling Shares As The Stock Price Rises," Creating A Conflict Of Interest For The Executive. "Buybacks particularly benefit top corporate leaders, who control the timing of share purchases and can personally profit from buying and selling shares as the stock price rises. This creates glaring conflicts of interest. In addition, regulation of buybacks has been profoundly weak for decades, driving today's sky-high trends in repurchasing, especially now that companies have extra cash from the 2017 tax cut." [Financial Times [Opinion], 12/09/18]

Stock Buybacks Are A Top Strategy Of "Extract[Ing] Profits Up And Out Of Companies," With Buybacks Benefiting Corporate Executives While Leaving Companies "With Fewer Resources Available To Invest In Workers, Business Expansion, And Long-Term Economic Growth." "One of the primary strategies used to extract profits up and out of companies is the stock buyback—a practice in which corporations repurchase their own stocks from the open market to artificially drive up share prices. Stock buybacks greatly benefit corporate executives, but they leave companies with fewer resources available to invest in workers, business expansion, and long-term economic growth." [Roosevelt Institute, 07/31/18]

Stock Buybacks Have Been Considered An Inefficient Use Of Capital That Are "Rendering Firms Unable To Engage In Productive Investments Because There Is No Capital Leftover For Other Investment Opportunities Or For Other Corporate Stakeholders." "Stock buybacks, then, are not an efficient use of otherwise unused capital; rather, they are rendering firms unable to engage in productive investments because there is no capital leftover for other investment opportunities or for other corporate stakeholders." [Roosevelt Institute, March 2018]

Stock Buybacks Artificially Raise Share Prices, Taking Away Capital That Could Otherwise Be Used To "Improve The Actual Value Of The Company," Through Things Such As Increased Efficiency, New Products, Or A "Better Customer Experience."

Stock Buybacks Artificially Raise Share Prices By "Reduc[Ing] The Amount Of Outstanding Shares In The Market, Resulting In An Increase In The Price Per Share." "When a share of stock is bought back, the company reabsorbs that portion of its ownership that was previously distributed among other investors. This reduces the amount of outstanding shares in the market, resulting in an increase in the price per share. The logic is that of supply and demand: when there are fewer supplies available to purchase, then an upward demand will increase share prices." [Roosevelt Institute, March 2018]

This Is In Contrast To Investments That "Improve The Actual Value Of The Company," Through Things Such As Increased Efficiency, New Products, Or A "Better Customer Experience." "In essence, then, stock buybacks raise share prices artificially. The value of the stock goes up as a result of a stock buyback, but without making the kinds of changes that would improve the actual value of the company—through more efficient production, new products, or better customer experience." [Roosevelt Institute, March 2018]

In 2021, S&P 500 Companies Increased Buybacks By Nearly 70% From 2020, While Prioritizing Buybacks Over Capital Expenditures In The First Half Of The Year.

For The Full Year, S&P 500 Companies Spent A Record $881.7 Billion On Buybacks. A 69.6% Increase From $519.8 Billion In 2020. "For 2021, buybacks were a record $881.7 billion, a 69.6% increase from the $519.8 billion in 2020, and up 9.3% from the record $806.4 billion 2018 level." [S&P Dow Jones Indices, 03/15/22]

In The First Half Of 2021, S&P 500 Companies Prioritized Stock Buybacks Over Capital Expenditures As They Spent $370.4 Billion On Buybacks, A 29% Increase Year-Over-Year, And $337.17 Billion On Capital Expenditures, An Increase Of Just 4.8% From 2020. "Spending on share buybacks increased much faster than capital expenditures in the first half of the year, after pullbacks in both categories last year amid the pandemic, S&P said in response to a Wall Street Journal data request. Share repurchases at companies in the S&P 500 increased to $370.4 billion, up 29% from the first six months of 2020. Capital spending—which usually goes toward assets such as land, buildings and technology—rose to $337.17 billion, up 4.8% from the year-earlier period." [Wall Street Journal, 09/14/21]

After Corporate Buybacks Skyrocketed Upon Passage Of The 2017 Trump Tax Cuts, Companies In The S&P 500 Spent A Record $281 Billion On Buybacks In The First Quarter Of 2022 And Nearly $985 Billion In The Year Ending March 2022.

Corporations Spent A Record $1 Trillion In Buybacks In The First Year After The 2017 Trump Tax Cuts Were Enacted, With A 2018 Analysis Finding Just 6% Of The Tax Windfall Went To Employees, While 60% Went To Shareholders.

The Number Of Stock Buybacks Increased Drastically Upon Passage Of The 2017 Tax Cuts And Jobs Act, With A 2018 Analysis By Just Capital Finding Just 6% Of The Tax Windfall Went To Employees, While 60% Went To Shareholders. "Now, the Tax Cuts and Jobs Act has resulted in a drastic increase in the usage of stock buybacks, far beyond even these 20-year upward trends. Since passage of the tax law, stock buybacks have already doubled in the beginning of 2018, as compared to the same period in 2017 (Domm 2018). Various estimates have shown that more than $200 billion of new stock buyback programs have been authorized after the tax bill was passed, as outlined in a special report from the Democratic Caucus of the U.S. Senate (2018). An analysis by Just Capital (2018) found that just 6 percent of the tax windfall is going to employees, while 60 percent is going to shareholders." [Roosevelt Institute, March 2018]

Corporations Spent A Record $1 Trillion On Stock Buybacks In The First Year After The 2017 Trump Tax Cuts. "Corporations have increasingly used stock buyback initiatives to benefit their shareholders while avoiding the income taxes that would apply to dividend distributions that are functionally equivalent. In the first year after the Republican's 2017 tax reform bill, corporations repurchased a record $1 trillion in their own stocks. This provision from Senate Democrats would at very least impede companies' ability to engage in stock buybacks totally tax free." [ITEP, 08/05/22]

In Q1 2022, Companies Within The S&P 500 Spent A Record $281 Billion On Stock Buybacks, With These Same Companies Increasing Buybacks For The Year Ending March 2022 By 97.2% To Nearly $985 Billion.

In Q1 2022, Companies Within The S&P 500 Spent A Record $281 Billion On Stock Buybacks, A 4% Increase From Q4 2021's Record $27.1 Billion In Buybacks And Up 57.8% From $178.1 Billion In March 2021. "S&P Dow Jones Indices ('S&P DJI') announced today preliminary S&P 500® stock buybacks, or share repurchases, data for Q1 2022. [...] Q1 2022 share repurchases were a record $281.0 billion, up 4.0% from Q4 2021's record $270.1 billion expenditure and up 57.8% from March 2021's $178.1 billion." [S&P Dow Jones Indices, 06/16/22]

374 Companies Within The S&P 500 Spent At Least $5 Million On Buybacks In Q1 2022, While 432 Companies Had Some Amount Of Buybacks In The Year Ending March 2022. "S&P Dow Jones Indices ('S&P DJI') announced today preliminary S&P 500® stock buybacks, or share repurchases, data for Q1 2022. [...] 374 companies reported buybacks of at least $5 million for the quarter, up from 325 in Q4 2021 and up from 335 in Q1 2021; 395 companies did some buybacks for the quarter, up from 383 in Q4 2021 and up from 370 in Q1 2021; 432 companies did some buybacks for the 12-months ending March 2022, up from 416 in the prior period." [S&P Dow Jones Indices, 06/16/22]

In The Year Ending March 2022, S&P 500 Companies Spent A Record $984.6 Billion On Buybacks, A "97.2% Increase From The $499.2 Billion Spent In The March 2021 Time Period." "For the 12-months ending March 2022, buybacks were a record $984.6 billion, a 97.2% increase from the $499.2 billion spent in the March 2021 time period." [S&P Dow Jones Indices, 06/16/22]

Despite The U.S. Chamber Attacking The Corporate Minimum Tax, Several Of Its Corporate Members Confirm Its Necessity Through Billions in Profits, Shareholder Handouts, And Acquisitions While Enjoying Miniscule Tax Rates

A Corporate Alternative Minimum Tax, As Proposed In The Inflation Reduction Act, Could Raise $313 Billion In Revenue Over The Next Decade After Corporations Used Offsetting Expenditures Such As Exclusions, Exemptions, and Deductions To Help Reduce Federal Corporate Income Tax Revenue By Over $100 Billion In 2020.

Amid Widespread Corporate Tax Avoidance, The Inflation Reduction Act Establishes A Corporate Minimum Tax Of 15% On Corporations Making Profits In Excess Of $1 Billion, Which Could Raise $313 Billion In Revenue Over The Next Ten Years.

The Inflation Reduction Act (IRA) Proposes A Corporate Alternative Minimum Tax, Which Would Impose A 15% "Minimum Tax On Adjusted Financial Statement Income With Profits In Excess Of $1 Billion" In **Order To Address The Use Of Corporate Tax Loopholes Allowing Large Firms To Pay Less Than The Current Statutory Rate Of 21%.** "The current statutory corporate tax rate is 21%. However, some 200 or more large corporations use tax loopholes to avoid paying that rate and actually pay below 15%. The corporate alternative minimum tax (AMT) proposal would impose a 15 percent minimum tax on adjusted financial statement income for corporations with profits in excess of $1 billion. Corporations would generally be eligible to claim net operating losses and tax credits against the AMT, and would be eligible to claim a tax credit against the regular corporate tax for AMT paid in prior years, to the extent the regular tax liability in any year exceeds 15 percent of the corporation's adjusted financial statement income." [Senate Democrats, accessed 08/02/22]

- **In 2017, The U.S. Corporate Tax Rate Was Reduced To A Rate Of 21% Through The Passage Of The 2017 Tax Cuts And Jobs Act, Which Raised $230.2 Billion In FY 2019.** "The United States imposes a tax on the profits of US resident corporations at a rate of 21 percent (reduced from 35 percent by the 2017 Tax Cuts and Jobs Act). The corporate income tax raised $230.2 billion in fiscal 2019, accounting for 6.6 percent of total federal revenue, down from 9 percent in 2017." [Tax Policy Center, accessed 08/02/22]

August 7, 2022: The U.S. Senate Passed The IRA With The 15% Corporate Minimum Tax. "And it would be paid for by substantial tax increases, mostly on large corporations, including establishing a 15 percent corporate minimum tax and imposing a new tax on company stock buybacks."

[The New York Times, 08/07/22]

According To The Joint Committee On Taxation, Increasing Taxes On Large Corporations Could Raise $313 Billion In Revenue Over The Next Ten Years:

TOPLINE ESTIMATES:

TOTAL REVENUE RAISED	**$739 billion**
15% Corporate Minimum Tax	*313 billion**

[Senate Democrats, 07/27/22]

The U.S. Corporate Income Tax—The Third-Largest Source Of Revenue For The Federal Government—Represents The Lowest Share As A Percentage Of The Economy Among G7 Countries, Due To Offsetting Expenditures That Reduced Total Federal Corporate Income Tax Revenues By Over $100 Billion In 2020.

The Corporate Income Tax Is The Third-Largest Source Of Revenue For The Federal Government, With 2020's $212 Billion In Corporate Taxes Representing 6% Of The Federal Tax Revenue That Year. "Corporate income taxes are the third-largest source of revenues for the federal government. However, as a share of total federal tax collections, the corporate income tax accounts for a relatively small amount. In 2020, the federal government collected $212 billion from the corporate income tax, just 6 percent of the total $3.4 trillion in federal tax revenues that year." [Peter G. Peterson Foundation, 05/26/21]

Among G7 Countries, The U.S Has The "Lowest Share Of Corporate Income Tax Revenues As A Percentage Of The Economy" Partly Due To Offsetting Expenditures—"Exclusions, Exemptions, Deductions, And Credits That Reduce Total Tax Liability"—Which Reduced Total Federal Corporate Income Tax Revenues By Over $100 Billion In 2020. "The share of corporate income tax revenues as a percentage of the economy in the United States is the lowest among G7 countries who, on average, collect 2.5 percent of GDP from that source. One reason that corporate income tax revenues represent such a small percentage relative to the size of the U.S. economy is the offsetting effect of tax expenditures. Tax expenditures include exclusions, exemptions, deductions, and credits that reduce total tax liability. In 2020, the reduced tax rate on the income of controlled foreign corporations, the credit for depreciation of business equipment, and the credit for increasing research and development activities collectively reduced total federal corporate income tax revenues by over $100 billion. In 2021, the total cost of corporate income tax expenditures is projected to exceed the amount of corporate income tax revenues raised by the federal government, in part due to modifications to a number of tax expenditures from legislation enacted to combat the economic fallout associated with the COVID-19 pandemic." [Peter G. Peterson Foundation, 05/26/21]

Since The Introduction Of The Inflation Reduction Act, The U.S. Chamber Of Commerce Has Repeatedly Attacked The Legislation's Corporate Minimum Tax As Discouraging Investment, Punishing Companies, And Hurting Future Economic Growth.

Following The Initial Budget Reconciliation Agreement Between Senate Majority Leader Schumer (D-NY) And Senator Manchin (D-WW), The U.S. Chamber Criticized The Legislation As Having "'Taxes That Would Discourage Investment And Undermine Economic Growth.'"

July 2022: In A Statement Following The Announcement Of A Budget Reconciliation Agreement Between Senate Majority Leader Chuck Schumer (D-NY) And Senator Joe Manchin (D-WV), U.S. Chamber Of Commerce Executive Vice President And Chief Policy Officer Neil Bradley Criticized The Legislation As Having "'Taxes That Would Discourage Investment And Undermine Economic Growth.'" "U.S. Chamber of Commerce Executive Vice President and Chief Policy Officer Neil Bradley issued the following statement as Senate Majority Leader Chuck Schumer (D-N.Y.) and Senator Joe Manchin (D-W.V.) announced a deal on budget reconciliation. 'This legislation includes taxes that would discourage investment and undermine economic growth, and price controls that would limit American innovation. Both will make our economic problems worse. Congress and the Administration should reject these policies and focus on unleashing American made energy.'" [U.S. Chamber of Commerce, 07/28/22]

In An August 2022 Coalition Letter To Congress, The U.S. Chamber Blasted The Corporate Minimum Tax As The "Antithesis Of Sound Tax Policy," That "Would Pose A Competitive Disadvantage" To U.S. Companies.

August 2022: In A Coalition Letter To Members Of Congress, The U.S. Chamber Of Commerce Called The Corporate Minimum Tax The "Antithesis Of Sound Tax Policy," Arguing That It "Would Pose A Competitive Disadvantage" To U.S. Companies And Be "Detrimental" To The Quality Of Financial Reporting. "Enacting the proposed Corporate Book Minimum Tax would be the antithesis of sound tax policy and administration. Its introduction would be neither simple nor administrable and would pose a competitive disadvantage to U.S.-headquartered businesses while increasing the incidence of unrelieved double taxation. It would also have a detrimental effect on the quality of financial reporting." [U.S. Chamber of Commerce, 08/05/22]

In An August 2022 Letter To The Senate, U.S. Chamber Head Suzanne Clark Urged Senators To Oppose The Corporate Minimum Tax, Arguing It Would "Punish Companies," While "Making America Poorer And Reducing Future Economic Growth."

In A Letter Urging The Members Of The Senate To Oppose The Inflation Reduction Act, The Chamber Of Commerce President And CEO Suzanne P. Clark Argued The Corporate Minimum Tax Would "Punish Companies," While "Making America Poorer And Reducing Future Economic Growth."

"While improvements have been made, the proposed Corporate Book Minimum Tax would still punish companies for undertaking certain investments that are treated differently for book and income tax purposes and items like intangible drilling costs. In addition, the latest version appears to target independent companies that are part of a portfolio of companies. As a result, many small and mid-size companies would be suddenly swept up in this provision that has been advertised as only applying to the largest firms. The net effect of the Book Minimum Tax would be less capital investment, making America poorer and reducing future economic growth." [U.S. Chamber of Commerce, 08/05/22]

Ford Motor Company—Which is Represented On The U.S. Chamber's Board—Had An Effective 2021 Tax Rate Of Just 1% And Went On To Spend $807 Million On Shareholder Handouts In The First Half Of Its FY 2022, Seeing Its Q2 2022 Net Income Leap By Almost 19% To $667 Million.

Ford Motor Company, Represented On The U.S. Chamber's Board, Had An Effective Federal Tax Rate Of Just 1% In 2021, Despite $10 Billion In U.S. Earnings.

Ford Motor Company Is Represented On The U.S. Chamber Board Of Directors:

Gerald L. Shaheen
FORD Motor Company
Scottsdale, AZ

[U.S. Chamber of Commerce, accessed 08/08/22]

According To The Center For American Progress, Ford Motor Company Had An Effective Federal Income Tax Rate Of 1% In 2021, Despite $10 Billion In U.S. Earnings. "Ford's effective federal income tax rate was 1 percent in 2021, with $10 billion in U.S. earnings and only $100 million in federal income taxes." [Center For American Progress, 04/26/22]

In FY 2021, Ford Reported $17.9 Billion In Total Net Income As Its President and CEO Saw His Total Compensation Nearly Double To $22.8 Million And Has since followed up This Success With $807 Million In Shareholder dividends In the First Half of 2022—26,800% More Than The Same Period Of 2021.

In FY 2021, Ford Reported $17.9 Billion In Total Net Income Following A $1.3 Billion Loss in 2020.

	For the years ended December 31,		
	2019	2020	**2021**
Cash flows from operating activities			
Net income/(loss)	$ 84	$ (1,276)	**$ 17,910**

[Ford Motor Company, 02/03/22]

In The First Six Months Of Its FY 2022, Ford Spent $807 Million On Shareholder Dividends, $804 Million Or 26,800% More Than The $3 Million It Spent In The Same Period In FY 2021:

	For the periods ended June 30,	
	2021	**2022**
	First Half (unaudited)	
[…]		
Cash flows from financing activities		
Cash payments for dividends and dividend equivalents	(3)	**(807)**

[Ford Motor Company, 07/27/22]

In 2021, Ford President And CEO James Farley Saw His Total Compensation Nearly Double To $22.8 Million:

SUMMARY COMPENSATION TABLE

(a) Name and Principal Position	(b) Year	(c) Salary ($)	(d) Bonus [1] ($)	(e) Stock Awards [2] ($)	(f) Option Awards [2] ($)	(g) Non-Equity Incentive Plan Compensation [3] ($)	(h) Change in Pension Value and Nonqualified Deferred Compensation Earnings [4] ($)	(i) All Other Compensation [5] ($)	(j) Total ($)
James D. Farley, Jr. President and Chief Executive Officer	2021	1,700,000	0	16,078,486	0	3,672,000	0	1,362,688	22,813,174
	2020	1,425,000	0	5,055,073	4,175,565	449,100	0	697,316	11,802,054
	2019	1,100,000	185,600	6,086,486	0	742,500	0	246,893	8,361,479

[Ford Motor Company, 04/01/22]

In June 2021 The Ford Motor Company Announced It Acquired Electriphi, A Company That Provides "Charging Management And Fleet Monitoring Software For Electric Vehicles"—Which Ford Claimed Had No "Material Impact On [Its] Financial Statements."

In June 2021, The Ford Motor Company Announced It Acquired Electriphi, "A California-based Provider Of Charging Management And Fleet Monitoring Software For Electric Vehicles," For An Undisclosed Amount. "Ford today announced it is acquiring Electriphi, a California-based provider of charging management and fleet monitoring software for electric vehicles. Electriphi's team and services will be integrated into Ford Pro – a new global business within Ford committed to commercial customer productivity and to developing the most advanced charging and energy management experiences." [Ford Motor Company, 06/17/21]

- **According To Ford, "The Acquisition Did Not Have A Material Impact On Our Financial Statements."** "Electriphi, Inc. ('Electriphi'). On June 18, 2021, we acquired

Electriphi, a California-based provider of charging management and fleet monitoring software for electric vehicles. Assets acquired primarily include goodwill, reported in Other assets [...], and software, reported in Net property. The acquisition did not have a material impact on our financial statements.” [Ford Motor Company via Securities Exchange Commission, 02/04/22]

Chevron—Which Is Represented On The U.S. Chamber’s Board And Had A 2021 Effective Tax Rate Of 1.8%—Reported $15.6 Billion In FY 2021 Net Income And Has Continued To See Financial Success With Its Net Income Climbing By 301% In The First Half Of Its FY 2022 As It Spent $9.3 Billion On Shareholder Handouts And Completed A $3.15 Billion Acquisition.

Chevron—Whose Vice President And General Manager Of Government Affairs Sits On The U.S. Chamber’s Board—Paid An Effective Tax Rate Of 1.8% In 2021 Despite $9.5 Billion In U.S. Earnings.

Chevron Vice President And General Manager Of Government Affairs Karen Knutson Is On The U.S. Chamber’s Board Of Directors:

Karen Knutson
Vice President and General Manager, Government Affairs
Chevron
Washington, DC

[U.S. Chamber of Commerce, accessed 08/08/22]

In 2021, Chevron Paid An Effective Federal Income Tax Rate Of 1.8% Despite $9.5 Billion In U.S. Earnings. “Chevron paid only $174 million in federal income taxes, earning $9.5 billion last year. That’s an effective federal income tax rate of only 1.8 percent.” [Center For American Progress, 04/26/22]

After Reaping Over $15.6 Billion In Total Net Income In Its FY 2021, Chevron’s Net Income Climbed By 301% To Over $17.8 Billion In Just The First Half Of Its FY 2022 As It Spent $9.3 Billion On Shareholder Handouts In The Same Period.

In Its FY 2021, Chevron Reported A Total Net Income Of $15.6 Billion Following a $5.5 Billion Loss In 2020:

Financial highlights[1]	**2021**	2020	2019
Net income (loss) attributable to Chevron Corporation	**$ 15,625**	$ (5,543)	$ 2,924

[Chevron 2021 Annual Report, accessed 08/10/22]

In The First Half Of 2022, Chevron Reported $17.9 Billion In Net Income, A 301% Increase Over The Same Period Of 2021.

	Three Months Ended June 30		Six Months Ended June 30	
Millions of dollars	**2022**	**2021**	**2022**	**2021**
Earnings by business segment				
Upstream	$ 8,558	$ 3,178	$ 15,492	$ 5,528
Downstream	3,523	839	3,854	844
All Other	(459)	(935)	(1,465)	(1,913)
Total (1)(2)	**$11,622**	**$ 3,082**	**$ 17,881**	**$ 4,459**

[Chevron, 07/29/22]

In The First Half Of 2022, Chevron Has Spent $3.8 Billion On Stock Buybacks—After Having None In The Same Period Of 2021—And $5.5 Billion In Shareholder Dividends, A $500 Million Increase Over 2021.

	Three Months Ended June 30	Six Months Ended June 30	
OPERATING ACTIVITIES	**2022**	**2022**	**2021**
[…]			
FINANCING ACTIVITIES			
Net change in debt	**(3.7)**	**(5.7)**	(1.3)
Cash dividends — common stock	**(2.8)**	**(5.5)**	(5.0)
Shares issued for share-based compensation	**0.8**	**5.5**	0.4
Shares repurchased	**(2.5)**	**(3.8)**	—

[Chevron, 07/29/22]

In June 2022, Chevron Completed A $3.15 Billion Acquisition Of Renewable Energy Group, Inc.

February 2022: Chevron Announced An Agreement To Acquire Renewable Energy Group, Incx. For Approximately $3.15 Billion. "Chevron Corporation (NYSE: CVX) and Renewable Energy Group, Inc. (NASDAQ: REGI) ('REG') announced today a definitive agreement under which Chevron will acquire the outstanding shares of REG in an all-cash transaction valued at $3.15 billion, or $61.50 per share." [Chevron. 02/28/22]

June 2022: Chevron Completed Its Acquisition Of Renewable Energy Group. "Chevron Corporation (NYSE: CVX) today completed its previously announced acquisition of Renewable

Energy Group, Inc. (NASDAQ: REGI) (REG) following approval by REG stockholders.” [Chevron, 06/13/22]

Microsoft—Which Is Represented On The U.S. Chamber’s Board And Had A 9.7% Effective Tax Rate In 2021—Saw Its FY 2022 Total Net Income Leap By 19% To $72.7 Billion, Spent Over $50 Billion On Shareholder Handouts, And Has Spent At Least $96.5 Billion On Major Acquisitions Since March 2021.

Microsoft—Whose Corporate Vice President Of U.S. Government Affairs Sits On The U.S. Chamber’s Board—Had A 2021 Effective Federal Tax Rate of 9.7% Despite $33.7 Billion In U.S. Earnings.

Microsoft Corporation Corporate Vice President Of U.S. Government Affairs Fred Humphries Jr. Is On The U.S. Chamber Board Of Directors:

Fred Humphries, Jr.
Corporate Vice President of U.S. Government Affairs
Microsoft Corporation
Redmond, WA

[U.S. Chamber of Commerce, accessed 08/08/22]

According To The Center For American Progress, In 2021, Microsoft Had An Effective Federal Tax Rate Of 9.7% Despite $33.7 Billion In U.S. Pre-Tax Earnings. “Microsoft’s effective federal income tax rate was 9.7 percent in 2021, with $33.7 billion in U.S. earnings and $3.3 billion in federal income taxes.” [Center For American Progress, 04/26/22]

In Its FY 2022, Microsoft’s Total Net Income Grew By 19% To $72.7 Billion, While The Company Rewarded Shareholders With Nearly $32.7 Billion In Stock Buybacks And Over $18.1 Billion In Dividends.

In Its FY 2022 Ending June 30, 2022, Microsoft Reported A Net Income Of $72.7 Billion, 19% More Than In FY 2021. “Fiscal Year 2022 Results [...] Microsoft Corp. today announced the following results for the fiscal year ended June 30, 2022, as compared to the corresponding period of last fiscal year: [...] Net income was $72.7 billion GAAP and increased 19%, and $69.4 billion non-GAAP and increased 15% (up 16% in constant currency).” [Microsoft, 07/26/22]

In FY 2022, Microsoft Spent $32.69 Billion On Stock Buybacks And $18.1 Billion In Shareholder Dividends:

	Three Months Ended June 30,		Twelve Months Ended June 30,	
	2022	2021	2022	2021

[...]

Common stock repurchased	**(8,757)**	(7,177)	**(32,696)**	(27,385)
Common stock cash dividends paid	**(4,632)**	(4,214)	**(18,135)**	(16,521)

[Microsoft, 07/26/22]

Microsoft Has Spent At Least $96.5 Billion Spent On Major Acquisitions Since March 2021.

March 2021: Microsoft Completed Its $8.1 Billion Acquisition Of ZeniMax Media, "The Parent Company Of Bethesda Softworks LLC." "On March 9, 2021, we completed our acquisition of ZeniMax Media Inc. ('ZeniMax'), the parent company of Bethesda Softworks LLC, for a total purchase price of $8.1 billion, consisting primarily of cash. The purchase price included $768 million of cash and cash equivalents acquired." [Microsoft 2021 Annual Report, 10/12/21]

January 2022: Microsoft Announced It Had Entered Into An Agreement To Acquire Activision Blizzard For Approximately $68.7 Billion, In A Move Which Will Make It The "World's Third-Largest Gaming Company By Revenue" Upon The Deal's Completion. "Microsoft will acquire Activision Blizzard for $95.00 per share, in an all-cash transaction valued at $68.7 billion, inclusive of Activision Blizzard's net cash. When the transaction closes, Microsoft will become the world's third-largest gaming company by revenue, behind Tencent and Sony." [Microsoft, 01/18/22]

March 2022: Microsoft Completed Its $19.7 Billion Acquisition Of Nuance Communications Originally Agreed Upon In April 2021. "Microsoft completed its $19.7 billion acquisition of voice technology company Nuance Communications on Friday morning, two days after clearing their final regulatory hurdle. Nuance and Microsoft announced the acquisition agreement 11 months ago, in April 2021. It was originally expected to close by the end of 2021. The longer-than-expected timeline reflects growing regulatory scrutiny of tech deals." [GeekWire, 03/04/22]

Dow Inc.—Represented On The U.S. Chamber's Board Of Directors—Paid A Negative Effective Federal Tax Rate Of 3.1% In 2021, Receiving A Tax Refund Of $46 Million As It Spent $3.1 Billion On Shareholder Handouts And Reported $6.4 Billion In Total Earnings.

Dow Inc.—Whose General Counsel And Corporate Secretary Sits On The U.S Chamber's Board—Paid A Negative Effective Federal Tax Rate Of 3.1%, Receiving A Tax Refund Of $46 Million On Top Of $1.5 Billion In U.S. Earnings, Despite Having A "Record Sales And Earnings Performance."

Dow Inc. General Counsel And Corporate Secretary Amy Wilson Is On The U.S. Chamber Board Of Directors:

Amy Wilson
General Counsel and Corporate Secretary
Dow, Inc.
Midland, MI

[U.S. Chamber of Commerce, accessed 08/08/22]

According To The Center For American Progress, In 2021, Dow Had A Negative Effective Federal Tax Rate Of 3.1% Despite $1.5 Billion In U.S. Pre-Tax Earnings, With The Company Receiving A Tax Refund Of $46 Million. "Dow Inc. reported that it will pay no federal income taxes in 2021, despite $1.5 billion in earnings. The company reported a tax refund of $46 million." [Center For American Progress, 04/26/22]

In Its 2021 Annual Report, Dow Chairman And Ceo Jim Fitterling Noted The Company's "Strong Execution Resulted In Record Sales And Earnings Performance," With Net Income Of $6.4 Billion For The Year. "In 2021, our strong execution resulted in record sales and earnings performance. We delivered net income of $6.4 billion and GAAP earnings per share was $8.38." [Dow, 02/04/22]

In 2021, Dow Spent $3.1 Billion On Shareholder Handouts, Including $1 Billion In Stock Buybacks And $3.1 Billion In Shareholder Dividends.

In 2021, Dow Spent $3.1 Billion On Shareholder Handouts, Including $1 Billion In Stock Buybacks And $2.1 Billion In Shareholder Dividends. "We returned $3.1 billion to shareholders, supported by $2.1 billion in dividends as well as $1 billion in share repurchases." [Dow, 02/04/22]

FedEx—Which Is Represented On The U.S. Chamber's Board Of Directors—Paid An Effective Tax Rate Of 4.2% In FY 2021 Despite Seeing $4.7 Billion In U.S. Earnings. FedEx Has Since Used These Earnings To Spend Over $2.2 Billion On Stock Buybacks and $793 Million In Shareholder Dividends In FY 2022, All After Spending $228 Million $228 Million In December 2020 To Acquire "E-Commerce Platform" ShopRunner.

FedEx—Whose Executive Vice President And Secretary Sits On The U.S. Chamber's Board Of Directors—Paid An Effective Federal Tax Rate Of 4.2%, As It Earned $4.7 Billion In U.S. Earnings In 2021.

FedEx Executive Vice President, General Counsel And Secretary Mark Allen Is On The U.S. Chamber Board Of Directors:

Mark Allen
Executive Vice President, General Counsel, and Secretary
FedEx
Memphis, TN

According To The Center For American Progress, FedEx Had A Federal Effective Tax Rate Of 4.2%, Despite Earning $4.7 Billion In 2021. "FedEx's effective federal income tax rate was 4.2 percent in 2021, with $4.7 billion in U.S. earnings and only $199 million in federal income taxes." [Center For American Progress, 04/26/22]

In FY 2022, FedEx Spent $2.2 Billion On Stock Buybacks And $793 Million On Shareholder Dividends.

In Its Fiscal Year 2022 Ending May 31, 2022, FedEx Reported Spending $2.2 Billion On Stock Buybacks, With An Additional $4.1 Billion Remaining In Its Share Repurchase Program. "During fiscal 2022 the company repurchased $2.2 billion of FedEx common stock. As of May 31, 2022, $4.1 billion remained under the existing share repurchase authorization. The company expects to repurchase $1.5 billion of FedEx common stock during the first half of fiscal 2023." [FedEx, 06/23/22]

During FY 2022, FedEx Also Spent $793 Million On Shareholder Dividends:

	Year Ended May 31, 2022	Year Ended May 31, 2021
Dividends paid	(793)	(686)

[FedEx, 06/23/22]

In December 2020, FedEx Spent $228 Million To Acquire ShopRunner, An "E-Commerce Platform That Directly Connects Brands And Merchants With Online Shoppers."

In December 2020, FedEx Acquired ShopRunner, An "E-Commerce Platform That Directly Connects Brands And Merchants With Online Shoppers" For $228 Million. "On December 23, 2020, we acquired ShopRunner, Inc. ('ShopRunner'), an e-commerce platform that directly connects brands and merchants with online shoppers, for $228 million in cash from operations. The majority of the purchase price was allocated to goodwill and intangibles." [FedEx via Securities and Exchange Commission, 07/19/21]