

Corporate Members Of Arizona Chamber Have Spent Billions On Acquisitions And Shareholder Handouts While Failing To Pay Their Fair Share In Taxes

Summary: As the Inflation Reduction Act aims to help save American families money by making corporations finally pay their fair share, the Arizona Chamber of Commerce and its corporate members are seeking to pressure Senator Kyrsten Sinema (D-AZ) to oppose the bill and its corporate minimum tax (CMT).

In August 2022, the Arizona Chamber of Commerce launched a “[six-figure](#)” multi-media ad blitz in Arizona and partnered with the U.S. Chamber of Commerce to release a [full-page ad](#) in the Arizona Republic and Arizona Daily Star arguing against a corporate minimum tax.

Meanwhile, [major corporate members](#) of the Arizona Chamber that paid some of the lowest federal effective tax rates on tens of billions in 2021 earnings have spent billions of dollars on acquisitions, stock buybacks, and dividends.

- **Amazon**—whose new CEO made over [\\$212 million](#) in total compensation in 2021 as the company paid an effective federal tax rate of **6.1% on \$35.1 billion in U.S. earnings**—closed an [\\$8.45 billion acquisition of Metro-Goldwyn-Mayer](#) in March 2022 and recently agreed to a [\\$3.9 billion acquisition of One Medical](#) in July 2022.
- **AT&T**—which received a [\\$2.1 billion tax benefit](#) in 2021 despite nearly **\$30 billion in earnings**—has spent over [\\$5.8 billion on dividends](#) in the first six months of 2022 while spending over [\\$872 million on buybacks](#) over the same period, a **371.4% increase from 2021**.
- **Bank of America**—which paid an effective federal tax rate of **3.5% on \$31 billion in 2021 earnings**—spent nearly [\\$32 billion on shareholder handouts](#) that same year.
- **Microsoft**—which paid an effective tax rate of **9.7% on \$33.7 billion in earnings in 2021** and saw its most recent **quarterly earnings increase by \$282 million**—completed a [\\$8.1 billion acquisition of ZeniMax Media](#) in March 2021 and has since entered or closed agreements to acquire [two additional](#) companies for a total of **\$88.4 billion**.
- **United Parcel Service (UPS)**—which had an effective federal tax rate of **9.9% on \$1.4 billion in earnings in 2021**—announced a new [\\$5 billion stock buyback program](#) and a [\\$586 million acquisition](#) in the fall of 2021.
- **Verizon**—which had an effective federal tax rate of **6.9% on \$27.2 billion in 2021 earnings**—completed over [\\$4 billion in acquisitions](#) that same year as it spent [\\$10.4 billion on shareholder dividends](#).

It's clear industry opponents of a corporate minimum tax can easily afford to pay their fair share, with a CMT [estimated](#) to provide **over \$300 billion in revenue** over the next decade.

The Arizona Chamber Of Commerce And Its Corporate Members Have Launched A Multi-Media Ad Blitz Seeking To Pressure Senator Kyrsten Sinema (D-AZ) To Oppose The Inflation Reduction Act And Its Corporate Minimum Tax.

In August 2022, The Arizona Chamber Of Commerce Took Part In The Launch Of A “Six-Figure Digital And TV Ad Buy” In Arizona Focused On Pressuring Senators Kyrsten Sinema and Mark Kelly To Oppose The Inflation Reduction Act And Its Associated Corporate Minimum Tax.

August 2022: Axios Reported That The National Association Of Manufacturers And The Arizona Chamber Of Commerce Had Launched A “Six-Figure Digital And TV Ad Buy” Focused On The “Phoenix And Tucson Media Markets” Urging Viewers To Reject “Taxes That Would Devastate Arizona Manufacturers.” “The National Association of Manufacturers and the Arizona Chamber have launched a six-figure digital and TV ad buy — compressed into one week — to saturate the Phoenix and Tucson media markets. [...] ‘Taxes won’t strengthen supply chains, promote energy security, or fill vacant jobs,’ the narrator says. ‘Say ‘No’ to taxes that would devastate Arizona manufacturers.’” [Axios, [08/01/22](#)]

- **In A Statement To Axios, Danny Seiden, President And CEO Of The Arizona Chamber Of Commerce, Said Senator Sinema Was “Feeling The Pressure To Vote Yes On Something” And He “Hope[s] That She Gets This Deal Opened Back Up” As It “Really Hits Arizona Businesses Hard.”** “The clock is ticking to persuade Sinema to play her hand — and potentially force Senate Majority Leader Chuck Schumer (D-N.Y.) and Sen. Joe Manchin (D-W.Va.) back to the drawing board on how to pay for the \$370 billion in new climate spending. [...] ‘She’s feeling the pressure to vote yes on something,’ Danny Seiden, president and CEO of the Arizona Chamber of Commerce, told Axios. ‘I hope that she gets this deal opened back up.’ [...] ‘It really hits Arizona businesses hard,’ he said. ‘Arizona has done a fantastic job growing our manufacturing sectors.’” [Axios, [08/01/22](#)]

The Arizona Chamber Of Commerce And U.S. Chamber Of Commerce Recently Released A Full-Page Ad In The Arizona Republic And Arizona Daily Star Arguing Against The Inflation Reduction Act And Its Contained Corporate Minimum Tax.

The U.S. Chamber Of Commerce, In Partnership With The Arizona Chamber, Also Released A Full-Page Ad In The Arizona Republic And Arizona Daily Star Arguing Against A Corporate Minimum Tax. “The U.S. Chamber of Commerce is also taking out a full-page ad in both the Arizona Republic and Arizona Daily Star making a policy argument against the corporate minimum tax.” [Axios via DocumentCloud.org, accessed [08/01/22](#)]

Bill To Be Voted on In Congress Is a Bad Deal for Arizona

The tax and spending bill released in the Senate last week and scheduled for a vote as early as this week is especially bad for Arizona.



Imposes New Taxes on Investment in Arizona

Last year, Arizona attracted investment from over 90 companies, spending over \$27 billion in the state and creating more than 23,500 new jobs. The proposed new “Book” tax would raise new taxes on many companies when they spend money to build new factories and plants, improve electric transmission lines or expand 5G coverage. Half the cost of the \$313 billion tax will be paid by manufacturing companies.



Raises Taxes on Investment in Arizona Employers and on Renewable Energy

Arizona is a leading state when it comes to attracting venture capital and private equity investments, with nearly \$12 billion in private equity flowing into Arizona businesses—including many small businesses—in 2020. These investments support over 200,000 jobs and are driving the clean energy transformation by helping fund solar farms and other renewable projects right here in Arizona. Yet an obscure new “carried interest” tax would raise taxes on the people who are helping bring that investment to Arizona.



Stifles Arizona’s Growing Life Science Industry

Arizona has become a hub for high-tech sciences, employing over 68,000 Arizonans. The proposed new government regulations on pharmaceutical prices would force companies to cut back on their research for new drugs and treatments. Recent estimates indicate it would lead to over 6,000 lost jobs in Arizona – nearly 10% of the industry.

Call Senator Kelly (602-671-7901) and Senator Sinema (602-598-7327) and tell them to keep sticking up for Arizona employers and workers.



U.S. Chamber of Commerce



ARIZONA CHAMBER OF COMMERCE AND INDUSTRY

Paid for by the U.S. Chamber of Commerce and Supported by the Arizona Chamber of Commerce and Industry

Axios via DocumentCloud.org, accessed [08/01/22](#)

The Arizona Chamber Of Commerce Works With Its Corporate Members In a “Mutually Beneficial Alliance Between Leading Arizona Companies And The Chamber” To “Advance Arizona’s Competitive Position In The Global Economy.”

Corporate Members Of The Arizona Chamber Of Commerce Are Part Of A “Mutually Beneficial Alliance Between Leading Arizona Companies And The Chamber” In Order To “Advance Arizona’s Competitive Position In The Global Economy.” “The Arizona Chamber of Commerce and Industry established its Corporate Membership Program in an effort to create a mutually beneficial alliance between leading Arizona companies and the Chamber. Our corporate members are innovative leaders of the statewide business community who share in the Chamber’s mission to advance Arizona’s competitive position in the global economy.” [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

Arizona Chamber Member Amazon—Whose New CEO Made Over \$212 Million In Total Compensation In 2021 As The Company Paid An Effective Federal Tax Rate Of 6.1% On \$35.1 Billion In U.S. Earnings—Closed An \$8.45 Billion Acquisition Of Metro-Goldwyn-Mayer In March 2022 And Recently Agreed To A \$3.9 Billion Acquisition Of One Medical In July 2022.

Amazon, A Trustee Level Corporate Member Of The Arizona Chamber, Had A 2021 Effective Federal Tax Rate of 6.1% Despite \$35.1 Billion In U.S. Pre-Tax Earnings.

Amazon Is A Trustee Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

According To The Center For American Progress, In 2021, Amazon Had An Effective Federal Tax Rate Of 6.1% Despite \$35.1 Billion In U.S. Pre-Tax Earnings. "Amazon's effective federal income tax rate was 6.1 percent in 2021, with \$35.1 billion in U.S. earnings and \$2.1 billion in federal income taxes." [Center For American Progress, [04/26/22](#)]

In 2021, Amazon's New CEO Andrew Jassy Made Over \$212 Million In Total Compensation After Receiving A Special Grant Stock Award Related To His Promotion To Amazon President And CEO.

In 2021, Amazon's New CEO Saw His Annual Total Compensation Increase From \$35 Million To \$212 Million—A \$176 Million Increase.

Name	Position	2021 Total Compensation	2020 Total Compensation	YoY Increase
Andrew R. Jassy	President and Chief Executive Officer	\$212,701,169	\$35,848,449	\$176,852,720

- **In February 2021, Amazon Announced That Andrew Jassy Will Replace Jeff Bezos As Amazon's CEO.** "Amazon CEO Jeff Bezos will leave his post later this year, turning the helm over to the company's top cloud executive, Andy Jassy, according to an announcement Tuesday. Bezos will transition to executive chairman of Amazon's board." [CNBC, [02/02/21](#)]
- **Andrew Jassy Received A Special Grant Stock Award In Connection With His Promotion To Amazon President And CEO.** "Represents a special grant in connection with Mr. Jassy's promotion to President and CEO. This award vests over 10 years, with more than 80% of the shares scheduled to vest between 5 and 10 years after grant, and is expected to represent most of Mr. Jassy's compensation for the coming years." [Amazon SEC DEF 14A, accessed [04/05/22](#)]

In March 2022, Amazon Closed Its \$8.45 Billion Acquisition Of Metro-Goldwyn-Mayer, The Studio Behind The Rocky And 007 Film Franchises, In What Was Its Second Largest Acquisition In Company History.

May 2021: Amazon Reached An Agreement With Metro-Goldwyn-Mayer (MGM) To Acquire The Studio Behind The Rocky And 007 Film Franchises For \$8.45 Billion. "James Bond has a new home: Amazon and [Metro-Goldwyn-Mayer] announced a definitive merger agreement under which Amazon will acquire MGM for \$8.45 billion. MGM, founded in 1924, complements Amazon Studios, which has primarily focused on producing TV programming, the companies said. Amazon will help 'preserve MGM's heritage and catalog of films' and provide customers with greater access to these existing works, the companies added." [Variety, [05/26/21](#)]

- **MGM Properties Include Popular Film Franchises Such As Rocky And 007.** “In addition, Amazon is anticipating being able to mine Metro-Goldwyn-Mayer properties like the Pink Panther, Rocky and, yes, the 007 franchises for new originals.” [Variety, [05/26/21](#)]

March 2022: Amazon Closed Its Acquisition of MGM. “Amazon has closed its \$8.5 billion acquisition of MGM, the companies said Thursday.” [Variety, [03/17/22](#)]

The MGM Acquisition Was “Amazon’s Second-Largest Acquisition Behind Its \$13.7 Billion Purchase Of Whole Foods In 2017.” “The \$8.45 billion deal is Amazon’s second-largest acquisition behind its \$13.7 billion purchase of Whole Foods in 2017. MGM will provide Amazon with more than 4,000 films and 17,000 TV shows that have collectively won more than 180 Academy Awards and 100 Emmys.” [GeekWire, [03/17/22](#)]

In July 2022, Amazon Reached An Agreement To Acquire One Medical For Approximately \$3.9 Billion.

July 2022: Amazon Announced It Had Reached An Agreement To Acquire One Medical, “A U.S. National Human-Centered And Technology-Powered Primary Care Organization,” For Approximately \$3.9 Billion. “Amazon will acquire One Medical for \$18 per share in an all-cash transaction valued at approximately \$3.9 billion, including One Medical’s net debt. Completion of the transaction is subject to customary closing conditions, including approval by One Medical’s shareholders and regulatory approval. On completion, Amir Dan Rubin will remain as CEO of One Medical. [...] One Medical is a U.S. national human-centered and technology-powered primary care organization with seamless digital health and inviting in-office care, convenient to where people work, shop, live, and click.” [Amazon, [07/21/22](#)]

Arizona Chamber Member AT&T—Which Received A \$1.2 Billion Tax Benefit In 2021 Despite Nearly \$30 Billion In Earnings—Has Spent Over \$5.8 Billion On Dividends In The First Six Months Of 2022 While Spending Over \$872 Million On Stock Buybacks Over The Same Period, A 371.4% Increase From 2021.

AT&T, A Board Level Corporate Member Of The Arizona Chamber, Reported A \$1.2 Billion Income Tax Benefit In 2021 Despite \$29.6 Billion In U.S. Pre-Tax Earnings.

AT&T Is A Board Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

According To The Center For American Progress, In 2021, AT&T Actually Reported An Income Tax Benefit Of \$1.2 Billion Despite Having \$29.6 Billion In Earnings. “AT&T reported that it will pay no federal income taxes in 2021, despite \$29.6 billion in earnings. The company reported a tax refund—or an income tax benefit—of \$1.2 billion.” [Center For American Progress, [04/26/22](#)]

AT&T Has Rewarded Shareholders With Over \$5.8 Billion In Dividends During The First Six Months Of Its FY 2022, While Also Buying Back \$872 Million Worth Of Stock Over That Same Period—A 371.4% Increase From The Prior Year.

In The First Six Months Of Its FY 2022, AT&T Spent Over \$5.8 Billion On Shareholder Dividends:

<i>Dollars in millions</i> <i>Unaudited</i>		Six-Month Period	
		2022	2021
	[...]		
Dividends paid		(5,835)	(7,571)
	[AT&T, 07/21/22]		

In The First Six Months Of Its FY 2022, AT&T Bought Back \$872 Worth Of Common Stock, A 371.4% Increase From The Prior Year:

<i>Dollars in millions</i> <i>Unaudited</i>		Six-Month Period	
		2022	2021
	[...]		
Purchase of treasury stock		(872)	(185)
	[AT&T, 07/21/22]		

Arizona Chamber Member Bank of America—Which Paid An Effective Federal Tax Rate Of 3.5% On \$31 Billion In Earnings In 2021—Spent Nearly \$32 Billion On Shareholder Handouts That Same Year.

Bank Of America, An Officer Level Corporate Member Of The Arizona Chamber, Had A 2021 Effective Federal Tax Rate Of 3.5% Despite \$31 Billion In U.S. Pre-Tax Earnings.

Bank Of America Is An Officer Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

According To The Center For American Progress, In 2021, Bank Of America Had An Effective Federal Tax Rate Of 3.5% Despite \$31 Billion In U.S. Pre-Tax Earnings. “Bank of America’s effective federal income tax rate was 3.5 percent in 2021, with \$31 billion in U.S. earnings and only \$1.1 billion in federal income taxes.” [Center For American Progress, [04/26/22](#)]

In 2021, Bank Of America Spent Nearly \$32 Billion On Shareholder Handouts.

In 2021, Bank Of America Spent Nearly \$32 Billion On Shareholder Handouts. “Including share repurchases, we returned nearly \$32 billion in capital back to shareholders in 2021.” [Bank of America 2021 Annual Report, [03/01/22](#)]

Arizona Chamber Member Microsoft—Which Paid An Effective Federal Tax Rate Of 9.7% On \$33.7 Billion In Earnings In 2021 And Saw Its Most Recent Quarterly Earnings Increase By \$282 Million—Completed A \$8.1 Billion Acquisition Of ZeniMax Media In March 2021 And Has Since Entered Or Closed Agreements To Acquire Two Additional Companies For A Total Of \$88.4 Billion.

Microsoft, A Board Level Corporate Member Of The Arizona Chamber, Had A 2021 Effective Federal Tax Rate of 9.7% Despite \$33.7 Billion In U.S. Pre-Tax Earnings.

Microsoft Is A Board Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

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 March 2021, Microsoft Completed A \$8.1 Billion Acquisition Of ZeniMax Media And Has Since Entered Or Closed Agreements To Acquire Two Additional Companies For A Total Of \$88.4 Billion.

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](#)]

In Its Most Recent Quarterly Earnings, Microsoft Saw Its Net Income Soar To \$16.7 Billion—A \$282 Million Increase From The Year Prior—And Rewarded Shareholders With \$8.7 Billion In Stock Buybacks And \$4.6 Billion In Dividends.

Q4 FY 2022: Microsoft Saw Its Net Income Increase \$282 Million From The Year Prior To \$16.7 Billion:

	Three Months Ended	
	June 30,	
	2022	2021
	[...]	
Net income	\$16,740	\$16,458

[Microsoft, [07/26/22](#)]

Q4 FY 2022: Microsoft Repurchased \$8.7 Billion Worth Of Common Stock—A \$1.58 Billion Increase From The Year Before:

		Three Months Ended	
		2022	June 30, 2021
	[...]		
Common stock repurchased		(8,757)	(7,177)
	[Microsoft, 07/26/22]		

Q4 FY 2022: Microsoft Spent \$418 Million More On Dividends Than The Year Prior, Totalling \$4.6 Billion:

		Three Months Ended	
		2022	June 30, 2021
	[...]		
Common stock cash dividends paid		(4,632)	(4,214)
	[Microsoft, 07/26/22]		

Arizona Chamber Member United Parcel Service (UPS)—Which Had An Effective Federal Tax Rate Of 9.9% On \$1.4 Billion In Earnings In 2021—Announced A New \$5 Billion Stock Buyback Program And A \$586 Million Acquisition In The Fall Of 2021.

UPS, A Board Level Corporate Member Of The Arizona Chamber, Had A 2021 Effective Federal Tax Rate of 9.9% Despite \$1.4 Billion In U.S. Pre-Tax Earnings.

UPS Is A Board Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

According To The Center For American Progress, In 2021, UPS Had An Effective Federal Tax Rate Of 9.9% Despite \$1.4 Billion In U.S. Pre-Tax Earnings. “UPS’ effective federal income tax rate was 9.9 percent in 2021, with \$14 billion in U.S. earnings and \$1.4 billion in federal income taxes.” [Center For American Progress, [04/26/22](#)]

In The Fall Of 2021, UPS Announced A new \$5 Billion Stock Buyback Program And Completed A \$586 Million Acquisition Of “A Technology Platform Focused On Same-Day Delivery Services.”

August 2021: The UPS Board Of Directors Authorized A New \$5 Billion Stock Buyback Program. “And finally, as long as it’s value-creating, we are allocating cash to share repurchases. In August of 2021, we announced a multi-year \$5 billion share repurchase program, of which \$4.5 billion remains available for share repurchases.” [UPS, [02/01/22](#)]

October 2021: UPS Completed Its \$586 Million Acquisition Of Roadie, “A Technology Platform Focused On Same-Day Delivery Services.” “In October 2021, we completed the acquisition of Roadie, a technology platform focused on same-day delivery services, for \$586 million.” [UPS 2021 Annual Report, [02/21/22](#)]

Arizona Chamber Member Verizon—Which Had An Effective Federal Tax Rate of 6.9% On \$27.2 Billion In 2021 Earnings—Completed Over \$4 Billion In Acquisitions That Same Year As It Spent \$10.4 Billion On Shareholder Dividends.

Verizon, An Officer Level Corporate Member Of The Arizona Chamber, Had A 2021 Effective Federal Tax Rate of 6.9% Despite \$27.2 Billion In U.S. Pre-Tax Earnings.

Verizon Is An Officer Level Corporate Member Of The Arizona Chamber Of Commerce And Industry. [Arizona Chamber Of Commerce, accessed [08/02/22](#)]

According To The Center For American Progress, In 2021, Verizon Had An Effective Federal Tax Rate Of 6.9% Despite \$27.2 Billion In U.S. Pre-Tax Earnings. “Verizon’s effective federal income tax rate was 6.9 percent in 2021, with \$27.2 billion in U.S. earnings and \$1.9 billion in federal income taxes.” [Center For American Progress, [04/26/22](#)]

In 2021, Verizon Completed Over \$4 Billion In Acquisitions, While Spending \$10.4 Billion On Shareholder Dividends.

March 2021: Verizon Completed A \$412 Million Acquisition Of Bluegrass Cellular, “A Rural Wireless Operator Serving Central Kentucky.” “In October 2020, we entered into a definitive agreement to acquire certain assets of Bluegrass Cellular (Bluegrass), a rural wireless operator serving central Kentucky. The transaction closed in March 2021. The aggregate cash consideration paid by Verizon at the closing of the transaction was approximately \$412 million, net of cash acquired, which is subject to customary closing adjustments.” [Verizon via SEC, [02/11/22](#)]

November 2021: Verizon Completed A \$3.6 Billion Acquisition Of Tracfone, “A Provider Of Prepaid And Value Mobile Services In The U.S.” “In September 2020, we entered into a purchase agreement to acquire Tracfone, a provider of prepaid and value mobile services in the U.S. The transaction closed in November 2021. The aggregate cash consideration paid by Verizon at the closing of the transaction was approximately \$3.6 billion, net of cash acquired, subject to customary closing adjustments, approximately 57.6 million shares of Verizon common stock valued at approximately \$3.0 billion, and up to an additional \$650 million in future cash contingent consideration.” [Verizon via SEC, [02/11/22](#)]

In 2021, Verizon Paid \$10.4 Billion In Shareholder Dividends In What It Considered A “Significant Use Of Capital Resources.” “As in prior periods, dividend payments were a significant use of capital resources. During 2021, we paid \$10.4 billion in dividends.” [Verizon via SEC, [02/11/22](#)]