



Amazon CEO Bezos Backs Biden's Corporate Tax Hike as He and Biden Exploit Tax Loopholes

Jeff Bezos, the multi-billionaire founder and CEO of Amazon, took to a company blog to [endorse](#) President Joe Biden's \$2.3 trillion [American Jobs Plan](#), which proposes a multi-trillion-dollar infrastructure and jobs investment package over eight years (in truth, [most of the plan represents payoffs to Democratic entities and groups](#), not infrastructure): "We support the Biden Administration's focus on making bold investments in American infrastructure. Both Democrats and Republicans have supported infrastructure in the past and it's the right time to work together to make this happen.... We recognize this investment will require concessions from all sides — both on the specifics of what's included as well as how it gets paid for (we're supportive of a rise in the corporate tax rate)."

AP Images

It is claimed Biden's proposal would be paid for over 15 years by raising the corporate tax rate from 21 percent to 28 percent, ending the Trump-era tax cuts, but chances are excellent that any new tax monies will actually be spent on other political wish-lists and that corporations will pass on these taxes to consumers through price hikes, not bothering the rich at all.

Bezos' statement came after the president [called out](#) Amazon for how little it pays in federal taxes. Biden said Amazon was one of 91 Fortune 500 companies that "use various loopholes where they pay not a single solitary penny in federal income tax," in sharp contrast to middle-class families paying more than 20 percent of their income in federal income taxes. "I don't want to punish them, but that's just wrong. A fireman and a teacher paying 22%? Amazon and 90 other major corporations are paying zero in federal taxes?" Biden complained.

To make sure they meet their tax commitments, the government will "significantly ramp up" Internal Revenue Service (IRS) enforcement against corporations who either fail to report their incomes or under-report, Biden also said. He believes that these measures could raise "hundreds of billions of dollars" — supposedly adding up to more than what Biden proposed to spend in 15 years.

Senator Elizabeth Warren (D-Mass.) was fast [to echo](#) the president's statement blasting Amazon: "Some of the biggest, most profitable corporations in America (I'm looking at you, Amazon) have paid \$0 in federal corporate income taxes. I've pushed for a tax on the book profits of these giant corporations, and the Biden-Harris #AmericanJobsPlan includes a version of this."

Amazon's Senior Vice President for Policy and Press Jay Carney — former press secretary during the Obama administration — entered the fray, [suggesting](#) that "changing the law is certainly more



Written by [Veronika Kyrylenko](#) on April 8, 2021

productive than faulting companies for following it — and far better than threatening to break up American companies so they can't criticize elected leaders." During the Amazon-Warren [spat on Twitter](#), the company also noted that it's in Warren's hands to change the laws that she wrote and doesn't like, to which Warren snapped that it was not she who wrote the loopholes that Amazon exploits, but Amazon's "armies of lawyers and lobbyists." "But you bet I'll fight to make you pay your fair share," she warned with all her ferocity, "And fight your union-busting. And fight to break up Big Tech so you're not powerful enough to heckle senators with snotty tweets." On a separate note, it's good to know that Senator Warren's concern over Big Tech's power seems to be limited to criticizing how little tech companies pay in taxes, and not their [censorship](#) agenda, or their troubling [influence](#) on the electoral process in America and around the globe.

But Amazon and other Fortune 500 companies that upset President Joe Biden so much for their unethical behavior of avoiding paying their "fair share" are not the only ones who take advantage of the proverbial tax-code loopholes. It's been a *secret de polichinelle* that Joe Biden, who has decried the proliferation of tax loopholes since Ronald Reagan's presidency, used a tax loophole that the Obama administration tried and failed to close on the wealthiest Americans, substantially lowering his federal tax bill. As [reported](#) by the *Wall Street Journal*, in 2016-2018, Joe and Jill Biden routed their book and speech income through S-corporations, according to their [tax returns](#). They paid income taxes on those profits, but the strategy let the couple avoid the 3.8-percent self-employment tax they would have paid had they been compensated directly instead of through the S-corporations. The tax savings were as much as \$500,000, compared to what the Bidens would have owed if they were paid directly, or if the Obama proposal had become law.

It has been [alleged](#) that in 2017, 2018, and 2019, the Bidens routed \$13 million in income through two S-corporations — the CelticCapri Corp. and the Giacoppa Corp. — to avoid paying taxes on the funds. On April 5, House Republicans [vowed](#) to expose Bidens' use of IRS loopholes if Biden raises taxes. Two days later, President Biden [said](#) he's willing to scale back a proposed corporate tax increase.



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