

Ending Corporate Greed Act

Rep. Jamaal Bowman (NY-16) and Sen. Bernie Sanders (I-VT)

The American people are sick and tired of the unacceptable corporate greed that is taking place in virtually every sector of our society. In America today, corporations continue to make massive profits by driving up prices on gasoline, groceries, cell phones, computers, and other products that consumers need.

Last year, corporations made a record-breaking \$2.8 trillion in after-tax profits and corporate profit margins reached their highest levels since the 1950s.

According to a recent study, corporate profits accounted for 53 percent of inflation during the second and third quarters of 2023—compared to just 11 percent in the 40 years prior to the COVID-19 pandemic. That is unacceptable and has got to change. The time has come to establish a windfall profits tax on large, profitable corporations to prevent them from ripping off the American people.

That is why Representative Bowman and Senators Sanders and Markey will be re-introducing the **Ending Corporate Greed Act**.

The Ending Corporate Greed Act will:

Take on the greed of profiteers.

This bill would impose a 95 percent tax on the windfall profits of corporations with more than \$500 million in annual revenue. Windfall profits would be determined by each company's average profits during the five years preceding the pandemic. Because the tax is on profit and not revenue, companies that raise prices to account for rising expenses would not be penalized.

However, companies that have chosen to raise prices in the pursuit of obscene profits would face a steep penalty. Had the tax been in effect in 2023, it would have raised an estimated \$300 billion in one year from 10 of the largest corporate profiteers alone. For example, in 2023:

- Exxon Mobil would have paid an additional \$26.4 billion in taxes.
- Amazon would have paid an additional \$27.6 billion in taxes.
- JP Morgan Chase would have paid an additional \$14 billion in taxes.
- Berkshire Hathaway would have paid an additional \$67.1 billion in taxes.

Lower prices for everyday Americans and fighting inflation.

Many of the largest corporations in America continue to use inflation as an excuse to make obscene profits by substantially raising prices on working families. While companies say that their cost of doing business is driving inflation, last year's input costs for producers [only rose 1 percent](#), much lower than inflation overall.

Follow the precedent established by previous windfall profits taxes during times of crisis. This is not a radical idea. During the first and second World Wars and the Korean War, the United States [implemented a broad-based windfall profits tax](#), after which this legislation is modeled. During World War II, the tax rate reached as high as 95 percent, which ensured that companies could not profiteer off the war. In addition, the United States enacted a windfall profits tax on oil and gas companies [as recently as the mid-1980s](#).