

# SHOULD ALL COMPANIES THAT PROFIT ALSO PAY TAXES?

*THIS ACTIVITY SHOULD TAKE ABOUT 90 MINUTES. IF LEARNERS ARE ABLE TO REVIEW MEDIA PRIOR TO THE LESSON, ACTIVITY TIME SHOULD BE 45 TO 60 MINUTES.*

## INVESTIGATE

Read, watch, and listen to the three media resources on the Thinkalong module. Learners can use the Investigate graphic organizer to summarize each piece of media and record new information. Below are summaries of the three pieces of media curated in the Thinkalong module.

### IN LOUISIANA, ARE BILLIONS OF DOLLARS IN CORPORATE TAX EXEMPTIONS PAYING OFF?

PBS NewsHour | April 25, 2019 | Video

9:39 minutes

Large tax breaks were given to industrial corporations to build plants in Louisiana, even though the state consistently ranks among the lowest when it comes to quality-of-life indicators. Are these tax breaks helping or hurting?

- Though Louisiana is rich in natural resources, ranking top 5 in natural gas and oil, it is at the bottom of the list when it comes to quality-of-life, including factors like poverty, household income, and life expectancy.
- The largest tax breaks in U.S. history were given to industrial companies in Louisiana. 80% of all industrial businesses in the state are exempt from property taxes, which are meant to fund local services like police, parks, and education.
- Local business owners feel the tax breaks for large corporations are unfair as they are not extended to small businesses.
- Chamber of Commerce President George Swift says that tax breaks attract businesses to Louisiana and create jobs.
- One company that receives tax exemptions, Driftwood LNG, plans to create 200 permanent jobs. They state their investment into Louisiana is planned to generate more than \$700 million in sales tax. Another company, ExxonMobil, received over 200 tax exemptions but cut more than 2000 jobs in the state. ExxonMobil claims they contribute \$4 million to the community in grants and employee-matching gifts.

### ECONOMIST TAKES DEEP DIVE INTO THE EFFECTS OF SLASHING CORPORATE TAXES

NPR | November 17, 2017 | Audio

3:48 minutes

NPR talks with economist Kimberly Clausing about the effects of the corporate tax cut and about possible solutions to the current lack of investment in American businesses.

- Advocates of corporate tax cuts say that they will spur investments and boost the economy through a trickle-down form of economics, but White House economic advisor Gary Cohn asked CEOs if they would increase investment after the corporate tax cut passed, and only a few said they would.
- Clausing studied the impact of tax cuts on economic growth and explained that multinational firms are not investing because of a lack of good opportunities, even though they've received record high after-tax profits in recent years.
- Clausing says that when the American people are struggling economically, businesses are unlikely to reinvest their earnings.
- However, she says that if tax cuts instead went directly to American consumers, it would be more likely to help corporations and incentivize investment in domestic expansion.
- She states that if corporations continue to receive large tax cuts, they will just continue to enrich themselves.

*Using public media — video, audio and digital reports — about newsworthy topics, these classroom-based exercises help learners to think critically about media messages, develop informed opinions, and practice how to take a stand.*

## AFTER 2 YEARS, TRUMP TAX CUTS HAVE FAILED TO DELIVER ON GOP'S PROMISES

NPR | December 20, 2019 | Audio

4:13 minutes

Two years after President Trump and Congressional Republicans passed sweeping tax cuts, NPR investigates their effects.

- According to a Gallup poll, more than 4 out of 10 Americans aren't sure if the tax cut saved them money.
- Though the tax cuts were meant to help blue collar working Americans, more than 60% of the tax savings went to people in the top 20% of the income ladder and cut corporate tax rates by 40%, according to the Tax Policy Center.
- Treasury Secretary Steven Mnuchin stated that the tax plan would pay for itself, but corporate tax revenues fell 31% during the first year after the tax cuts were passed.
- As a result of decreased revenue, the Federal deficit increased to \$984 billion – a decrease usually only seen during a recession or in wartime.

### KEY WORDS

Look out for these important keywords in the news stories. Discuss the definitions with your learners and see how they affect the understanding of the story.

- Natural resources
- Industry
- Subsidies
- Tax rates

### CONTEMPLATE

Learners will use media literacy questions to critically engage with news by thinking about its purpose, searching for bias and discussing missing perspectives. They will answer the 5 Key Questions of Media Literacy created by the Center for Media Literacy, which are:

1. Who created this message?
2. What creative techniques are used to attract my attention?
3. How might different people understand this message differently than me?
4. What values, lifestyles and points of view are represented in, or omitted from, this message?
5. Why is this message being sent?

A graphic organizer is included in this guide and the Thinkalong website to help learners answer these five questions about each piece of media.

### DEBATE

Use the debate tool on the module webpage to help form evidence-based responses to the debate question.

Thinkalong is designed to help learners engage with real issues that are relevant to their lives. [Structured discussions](#) allow learners to practice their critical thinking skills through evidence-based debate with their peers. Discussions are designed to take about 30 minutes. Educators are encouraged to modify aspects that work best for their learners.

To encourage civil discourse, please review the [Code of Conduct](#) with your learners.

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