

Seven Ripoffs That Capitalists Would Like to Keep out of the Media

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Tax-avoiding, consumer-exploiting big business leaders are largely responsible for these abuses. Congress just lets it happen. Corporate heads and members of Congress seem incapable of relating to the people that are being victimized, and the mainstream media seems to have lost the ability to express the views of lower-income Americans.

1. Corporations Profit from Food Stamps

It's odd to think about billion-dollar financial institutions objecting to cuts in the SNAP program, but some of them are administrators of the program, collecting fees from a benefit meant for [children](#) and other needy Americans, and enjoying subsidies of state tax money for services that could be performed by the states themselves. They want **more** people on food stamps, not less. Three corporations have [cornered the market](#): JP Morgan, Xerox, and eFunds Corp.

According to a JP Morgan [spokesman](#), the food stamp program "is a very important business to JP Morgan. It's an important business in terms of its size and scale...The good news from JP Morgan's perspective is the infrastructure that we built has been able to cope with that increase in volume.."

2. Crash the Economy, Get Your Money Back. Die with a Student Loan, Stay in Debt.

The financial industry has [manipulated](#) the bankruptcy laws to ensure that high-risk derivatives, which devastated the market in 2008, have [FIRST CLAIM](#) over savings deposit insurance, pension funds, and everything else.

But the same banker-friendly "bankruptcy reform" has ensured that college graduates [keep their student loans](#) till they die. And sometimes even [after that](#), as the debt is transferred to their parents.

3. Almost 70% of Corporations Are Not Required to Pay ANY Federal Taxes

And that's even before tax avoidance kicks in. The '[nontaxable](#)' designation exempts 69% of U.S. corporations from taxes, thus sparing them the expense of hiring tax lawyers to contrive tax avoidance strategies.

The [Wall Street Journal](#) states, "The percentage of U.S. corporations organized as nontaxable businesses has grown from about 24% in 1986 to about 69% as of 2008, according to the latest-available Internal Revenue Service data. The percentage of all firms

is far higher when partnerships and sole proprietors are included.”

In recent years the businesses taking advantage of the exemption [include](#) law firms, hedge funds, real estate partnerships, venture capital firms, and investment banks.

4. Lotteries Pay for Corporate Tax Avoidance

This means revenue comes from the poorest residents of a community rather than from billion-dollar corporations. Many of the lottery players don't realize how bad the odds are. Fill out \$2 tickets for 12 hours a day for 50 years and you'll have **half** a chance of [winning](#).

Some astonishing facts reveal the extent of the problem. Low-income households spend anywhere from [five](#) to [nine](#) percent of their earnings on lotteries. A Pennsylvania [survey](#) found that nearly half of low-income residents planned to gamble at a newly-opened casino. America's gambling losses in 2007 were [nine times greater](#) than just 25 years before.

5. The National Football League Pays No Federal Taxes

One of the most profitable organizations in America, with billions in tickets, TV rights, and merchandise sales, and with an NFL Commissioner who [earned more money](#) than the CEOs of Wal-Mart, Coca-Cola, and AT&T, is considered a non-profit. It has a [tax-exempt](#) status.

It gets even worse. While the individual teams themselves are [not exempt from federal taxes](#), they enjoy multi-million-dollar subsidies from their states for new and refurbished stadiums. Fans - and non-fans - of the Washington Redskins, the Cincinnati Bengals, the Minnesota Vikings, the Seattle Seahawks, the San Francisco 49ers, and the Pittsburgh Steelers are among those who pay taxes for their hometown football fields. New Orleans taxpayers paid for leather stadium seats. For the Dallas Cowboys, a \$6 million property tax bill was waived.

A Harvard University urban planning study [determined](#) that 70 percent of the capital cost of NFL stadiums has been provided by taxpayers, rather than by NFL owners.

6. Live on Park Avenue, Get a Farm Subsidy

A disturbing but fascinating [report](#) called "Farm Subsidies and the Big Dogs" lists Washington, DC, Chicago, and New York City, in that order, as the worst offenders.

- In **New York**, "Many entities receive the federal subsidies at their downtown office buildings, such as 30 Rockefeller Plaza, or at their million dollar residential condos."
- In **Chicago**, "Nearly every neighborhood in the city receives federal farm subsidy payments - including the Gold Coast, Downtown-Loop, Lincoln Park, and even the President's neighbors in Hyde Park."
- In **Washington**, "Even U.S. Senators are receiving farm subsidy checks."

Perhaps more of us should become farmers. In Florida, according to [Forbes](#), "anyone could legally qualify their land as farmland by stocking it with a few cows." Wealthy heir Mark Rockefeller received [\\$342,000](#) to NOT farm, to allow his Idaho land to return to its natural state.

7. Profit Margin Magic: Turning a dollar into \$100,000

Which costs the consumer more, printer ink or bottled water? Calculations by [DataGenetics](#) reveal that the ink in a \$16.99 cartridge comes to almost \$3,400 per gallon. The cost of a gallon of cartridge ink would buy enough gasoline to run the [average](#) car for over two years.

Water seems to cost less, until the details are factored in: we're paying for our own public water, which we've given away almost for free, and which comes back to us in [no better condition](#) than when it started.

For every 100,000 bottles sold, [Nestle](#) pays the proceeds from ONE bottle to those of us (the taxpayers) who own the water.

So This Is Capitalism..

Consumer-exploiting, tax-avoiding, profit-maximizing, responsibility-shirking, winner-take-all capitalism. An economic system which, as Milton Friedman once believed, "distributes the fruits of economic progress among all people."

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