

Corporate Welfare Costing Taxpayers \$100B a Year

Posted by Gerri Willis | July 30, 2012

Everybody needs a little help now and then, right?

Consider the case of a retailer intent on occupying one of the most high-profile spaces in New York City -- the balcony of Grand Central Station where tens of thousands of commuters pass through every single day.

That retailer wanted a little help from taxpayers to make it happen -- \$2 million to reimburse it for the money it spent getting the previous tenant to leave.

That retailer is Apple. A company that makes \$2 million every eight minutes. A company with \$110 billion in cash on the books. A company that has a market cap over \$547 billion, which makes it the biggest company in the world - more than the entire economy of Sweden. A company that will rake in hundreds of millions of dollars annually at that single new location.

The good news is that Apple's effort to get money from taxpayers didn't work.

The bad news is other companies are way, way more successful.

You think the abuse of Medicaid and food stamps is bad?

Corporate welfare in the federal budget costs taxpayers almost \$100 billion a year in direct subsidies, tax breaks, and all kinds of creative loan programs.

Sometimes the money gets paid back, sometimes it doesn't.

You've heard us talk about the Department of Energy's failed green energy program -- remember Solyndra? -- but that's the tip of the iceberg, according to a new study from the Cato Institute.

Take a look at these other government programs offering a hand to companies.

There's the Michigan brewer that gets a \$220 thousand block grant to expand its brewery from the Department of Housing and Urban Development.

The farm subsidies that go to large corporations and celebrities. By the way, some of these subsidies continue long after the land is no longer used for farming.

Then, there's the wineries that get marketing grants from the Department of Agriculture.

Since when should tax dollars go for wine ads?

Oh how this money is misused!

A new study shows subsidies to promote the expansion of broadband internet services in rural areas tend to go to areas where there is already service.

You get the point.

But I have to share this example with you:

One company managed to finagle nearly \$4 billion in financing from a bunch of federal bureaucracies -- the Export Import Bank, the U.S. Trade and Development Agency and so on and on.

\$4 billion to Enron -- the company that became the poster child for accounting fraud.

The company that at the time was the biggest corporate bankruptcy ever.

The company whose collapse sent 21 people to prison.

So not only are these companies sucking up as many tax payer dollars as they can but the government isn't too good at figuring out who deserves the dough either!

If we take the cleaver to entitlement programs this fall, these programs should take cuts too!

Read more: <http://www.foxbusiness.com/on-air/willis-report/blog/2012/07/30/corporate-welfare-costing-taxpayers-100b-year#ixzz22D2RGJZx>