

Title: Banks can write off fees and penalties as tax deductions...

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Edit: Yes that's right, those fines and penalties the SEC and DOJ charges corporations/banks for manipulation and Fraud are usually written off as tax deductions! There is 0 sense of liability and punishment in this market for the ultra rich and guess who pays for it all? The taxpayers like me and you! Not only do they not go in jail they don't even lose most of the money from the fines and penalties, realistically they lose only 63% of the initial fines amount (20-37% gained back from tax deductions)! This is fucking absurd, every tax payer should be pissed and demand answers. On top of that every fine is so low that it's basically a slap on the back.

A report in June 2016 showed from the start of 2010 14 banks were fined more then \$1 Billion, and a lot of them are very familiar to all of us with Bank of America at the top of the list with \$56 Billion fine, JP Morgan \$28 Billion, Citigroup \$15.4 Billion, Wells Fargo \$10.9 Billion, and more adding up to more then \$160 Billion and guess what most of it was probably written off as tax deductions. Here's some of the categories these penalties were charged on- Manipulation of foreign exchange markets, Manipulation of energy markets, failing to report suspicious behavior by Madoff, assisting tax evasion, toxic securities and mortgage abuses, and many other major cases.

"When banks negotiate an out-of-court settlement instead of waiting for a judge to decide the penalty amount, the categorization of the payment as a "fine or penalty" becomes — as a "cost of doing business" and thus get a tax deduction on those payments."

In the definition of a fine or similar penalty, the U.S. Tax Code does NOT consider compensatory damages paid to a government as constituting a fine or penalty. This exception is the "tax loophole" a clever tax lawyer can exploit to help banks reduce the amount of money they have to pay to compensate the people harmed by their actions

<https://sevenpillarsinstitute.org/ethics-tax-breaks-bank-fines/>

"The corporation gets to ultimately deduct these huge amounts of payments, the government agency gets to advertise these huge top-line numbers saying that they're holding the corporation accountable for its behavior, but the bottom line is that TAXPAYERS are the ones who are LOSING.

In 2013, for example, JPMorgan Chase agreed to what was then a landmark \$13 billion civil penalty with the Department of Justice to resolve investigations into its sale of risky mortgages prior to the financial crisis. Of that amount, \$11 billion was eligible for a tax deduction."

<https://www.pbs.org/wgbh/frontline/article/how-80-billion-in-corporate-fines-can-become-48-billion-in-tax-breaks/>

Fines are not acceptable, I want people behind bars! No cell, no sell.

Edit: The title meant to say "Fines" instead of "Fees" sorry for any mix up.

Special thanks to @ApesTogetherDoc on Twitter for shedding light on the topic.