

Trump's taxes: Takeaways from release of long-sought returns

By NICHOLAS RICCARDI yesterday





In one of its last acts under Democratic control, the House of Representatives on Friday [released six years of former President Donald Trump's tax returns](#), dating to 2015, the year he announced his presidential bid.

[The thousands of pages of financial documents](#) were the subject of a [prolonged legal battle](#) after [Trump broke precedent](#) in not releasing his tax returns while running for, and then occupying, the highest office in the land.

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Some takeaways from a review of the documents:

A BANK ACCOUNT IN CHINA

The longtime real estate and media mogul with business interests on multiple continents was asked during a 2020 presidential debate about having a bank account in China. He said he closed it before he began his 2016 campaign — a statement his tax returns show was not true.

“The bank account was in 2013. It was closed in 2015, I believe,” Trump said during the debate. “I was thinking about doing a deal in China. Like millions of other people, I was thinking about it. I decided not to do it.”

The tax returns, however, report that Trump had a bank account in China in 2015, 2016 and 2017.

The returns show accounts in other foreign countries over the years, including the United Kingdom, southern Ireland and the Caribbean island nation of St. Martin. By 2018, Trump had apparently closed all his overseas accounts other than the one in the U.K., home to one of his flagship golf properties.

The returns don't detail the amount of money held in those accounts.

MANY FOREIGN INVESTMENTS

China is one of several countries where Trump reported making money over the years.

He reported \$38 million in overseas gross income in 2016 and \$55 million in 2017, from countries including Azerbaijan, India, Indonesia, Panama, the Philippines, Turkey and the United Arab Emirates.

This sort of information about potential conflicts of interest for the commander-in-chief of the United States are one reason presidents normally release their tax returns.

It's not clear what that overseas money came from. Trump claimed tens of millions of dollars in losses and expenses in his overseas investments as well, but his liabilities there sometimes were greater than those in the U.S. In 2016, for example, Trump told the Internal Revenue Service that he paid \$1.2 million in foreign taxes, while he ended up paying only \$750 in U.S. income taxes.

WORKING THE SYSTEM

It's been long known that Trump, like many rich people, has been able to exploit the country's complex tax code to avoid paying as large a share of his income to the federal government as working families do. When he was pressed on not paying federal taxes in a 2016 debate against Democrat Hillary Clinton, Trump retorted, "That makes me smart."

It also highlights the two-tier tax system that allows wealthy people like Trump to take advantage of breaks and loopholes not available to regular households. In 2020, for example, Trump reported owning more than 150 private corporations that claimed losses, sometimes in the millions of dollars. Partly by claiming those losses, Trump reduced his own federal tax income liability to zero that year.

Some of those losses were real as the coronavirus pandemic battered the economy. But others reflect special deductions that developers like Trump can take on the depreciation of buildings and equipment.

Some losses Trump claimed may be more questionable — one of the companies he reported owning is called "Unreimbursed expenses." The Joint Committee on Taxation noted that one of Trump's firms claimed \$438,000 in losses for gift cards redemptions and urged additional

investigation of whether the losses were genuine — one of a number of deductions into which the Democratic-controlled committee called for further investigation.

They're the sort of deductions the typical American household, which earns \$70,000 a year, can't take.

NO REPORTED CHARITABLE GIVING IN 2020

In the final year of his presidency, Trump reported making no charitable donations.

That was in contrast to the prior two years, when Trump reported making about \$500,000 worth of donations. It's unclear whether any of the figures include his pledge to donate his \$400,000 presidential salary back to the U.S. government.

Trump, who has bragged of being a billionaire, [told The Associated Press](#) in 2015 that he gives “to hundreds of charities and people in need of help.”

He said, “It is one of the things I most like doing and one of the great reasons to have made a lot of money.”

He reported larger donations in 2016 and 2017, donating \$1.1 million in the year he won the presidency and \$1.8 million in his first year in office.

MONEY FROM THE ARTS WORLD

Trump collected a \$77,808 annual pension from the Screen Actors Guild, as well as a \$6,543 pension in 2017 from another film and TV union, and reported acting residuals as high as \$14,141 in 2015, according to the tax returns.

Trump has made cameo appearances in various movies, notably “Home Alone 2: Lost in New York,” but his biggest on-screen success came with his reality TV shows “The Apprentice” and “The Celebrity Apprentice,” where each episode would end in a boardroom setting with Trump dismissing a contestant with his trademark phrase: “You're fired!”

Trump also reported paying a little more than \$400,000 from 2015 to 2017 in “book writer” fees. In 2015, Trump published the book, “Crippled America: How to Make America Great Again,” with a ghostwriter.

In 2015, Trump reported receiving \$750,000 in fees for speaking engagements.

TRUMP VOWS PAYBACK

Trump broke political tradition by not releasing his tax returns as president. Now Republicans warn that Democrats will pay a political price by releasing what is normally confidential tax information.

Trump himself underscored that in a statement Friday morning after his returns were made public. “The great USA divide will now grow far worse,” Trump said. “The Radical Left Democrats have weaponized everything, but remember, that is a dangerous two-way street!”

Republicans on the House Ways and Means Committee, which has jurisdiction over tax matters and released the Trump documents, warned that in the future the committee could release the returns of labor leaders or Supreme Court justices. Democrats countered with a proposal to require the release of tax returns by any presidential candidate — legislation that is unlikely to pass, given that Republicans take control of the House next week.

Notably, the GOP cannot disclose President Joe Biden’s tax returns because [they’re already public](#). Biden resumed the long-standing bipartisan tradition of releasing his tax records, disclosing 22 years’ worth of his filings during his presidential campaign.

Associated Press writers Jill Colvin and Michael R. Sisak in New York and Chris Rugaber in Washington contributed to this report.