

FedEx Tax Facts

FedEx is a full-rate taxpayer — paying all taxes owed to local, state and federal governments.

- Fact:** FedEx takes pride in being a good public citizen providing excellent service to its customers while paying its full share of taxes.
- Fact:** FedEx has paid \$3.9 billion in U.S. federal income tax in the last 10 years.
- Fact:** FedEx paid over \$9 billion in total U.S. taxes (federal and state income, excise, property, sale and use) during the five fiscal years 2011 – 2015.
- Fact:** FedEx has not reported an effective tax rate of less than 35% in more than 25 years.
- Fact:** FedEx's effective income tax rates for the last five fiscal years (June - May) were 35.5% in 2015, 36.5% in 2014, 37.4% in 2013, 35.3% in 2012, and 35.9% in 2011. Our effective tax rate has been no lower than 35% in over 25 years.
- The FY2015 ETR was 36.3% excluding the impact of the mark-to-market accounting adjustment related to our Retirement Plans. The FY2014 and FY2013 ETRs were 36.3% and 36.4% respectively prior to the FY2015 adoption of mark-to-market accounting which required adjustment to these prior years' ETRs.*
- Fact:** Our tax information is publicly available in filed 10-K forms.
- Fact:** FedEx contributes to the communities where we live and work. In the last three years alone, we donated \$105 million in direct charitable contributions, including disaster relief, United Way, Direct Relief, among many other efforts.
- Fact:** FedEx has a powerful economic impact across America. In the U.S. alone, FedEx generates more than 409,000 jobs and more than \$21 billion in labor income. Globally, we generate 530,000+ jobs and about \$29 billion in labor income.
- Fact:** Every large aircraft purchase injects nearly \$540 million into the U.S. economy, supports 1,850 jobs, and generates about \$45 million in federal, state and local taxes.
- Fact:** President Obama and a strong bipartisan majority in Congress passed accelerated depreciation deductions for the years 2008 through 2019 to encourage companies like FedEx to invest in new capital assets in the U.S. and create new jobs. Both parties in Washington know there is a near perfect correlation between capital investment and jobs. These deductions are only temporary, with higher depreciation and lower taxes early in the life of a new capital asset offset by lower depreciation, but higher taxes, later in that asset's life. FedEx invested billions in capital items eligible for accelerated depreciation and made large contributions to our employee pension plans. These factors along with the Great Recession temporarily lowered our federal income tax between FY09-12, which was Congress' intention to help recover from this recession.
- Fact:** The accelerated tax depreciation deductions FedEx received for capital investments are marginal compared to the overall economic impact of the company.
- Fact:** FedEx forecasts approximately \$4.6 billion in capital spending for FY16, which will again support high-skilled, high-paying job growth.