

U.S. NEWS

Corporations Reveal (Some) Tax Secrets

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Nvidia paid Uncle Sam almost \$17 billion last year. **JP-Morgan Chase** got a \$1.1 billion refund. Activities in Ireland and Malta helped trim companies' tax liabilities.

These nuggets come from investors' clearest look yet at corporate taxes, thanks to detailed disclosures required by new accounting rules. The filings show how much large companies pay in cash taxes and which countries get those payments.

The new rules standardize public companies' explanations of why their effective tax rates diverge from the U.S.'s statutory 21% levy. In annual securities filings, companies now must provide more granular data about tax breaks and overseas operations.

With analytics firm Calcbench, The Wall Street Journal dug through details from about 1,100 companies that made new disclosures.

Big cash taxpayers

Nvidia, the chip-making company, paid the U.S. \$16.8 billion in corporate taxes last year as earnings soared; that is more than any other company disclosed. In past years, companies didn't have to break out

cash taxes by country.

Nvidia paid nearly 4% of all U.S. corporate taxes, which isn't quite enough to cover an average day of federal spending.

These are cash payments—the checks companies wrote to the Internal Revenue Service. That is different from the typical measures of taxes on corporate income statements, which are based on generally accepted accounting principles and include how activities during the current year affect future tax payments.

Together, the top six companies reported paying more than \$53 billion in cash federal income taxes, or 13% of total collections. The top 43 companies—those paying at least \$1 billion apiece—generated more than a quarter of U.S. corporate tax revenue in 2025.

Some companies got federal refunds. That includes JPMorgan Chase's \$1.1 billion. The bank paid more than \$6.4 billion to other jurisdictions, including \$987 million to the U.K., \$582 million to India and \$538 million to New York state. According to the company, the refund stemmed from paying too much in tax in prior years.

Refunds can also come from completed audits; JPMorgan had a \$629 million benefit from what the company said were federal and state audits.

Despite the cash refund, JPMorgan reported a \$7.6 billion federal income-tax accounting expense for 2025 and a global effective tax rate of 21.4%.

Some of the biggest, most profitable U.S. companies won't report figures for months, including Apple, Oracle and Microsoft. That is because of when their fiscal years start.

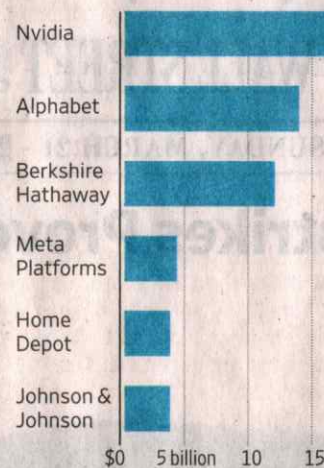
A handful of U.S.-based companies reported making no U.S. cash income tax payments while paying foreign taxes. That includes mining company Freeport-McMoRan, which disclosed that it paid \$2.2 billion to Indonesia and \$704 million elsewhere but no income taxes to the U.S. or the states. A company spokeswoman said that, historically, Freeport's U.S. operations have been significantly less profitable than its international business.

Pharma's Irish taxes

Big U.S. companies reported paying about \$12 billion in cash taxes to Ireland, beating every other country outside the U.S. Most so far has come from pharmaceutical companies.

Pharmaceutical companies have long used Ireland as a hub for manufacturing and intellectual property. Some companies book profits there from

Cash taxes paid to the U.S., most recent fiscal year



Sources: Calcbench; the companies

their sales to U.S. customers. Companies can face some U.S. taxes on those foreign profits, but they typically pay less than they would if they served American customers with domestic manufacturing and intellectual property.

Eli Lilly reported paying Ireland \$6.6 billion in cash. That is double what it reported paying the U.S., where it generates two-thirds of its revenue. The activity in Ireland reduced the company's effective tax rate by 0.3 percentage point, its filing showed.

Lilly said the payments reflected increased production in Ireland to meet global demand.

The company said its U.S. income subject to taxes was lowered by new and bigger tax incentives for research and investment in last year's tax law. The company said its investments in U.S. facilities will yield higher future U.S. tax payments.

Pfizer reported paying \$1 billion to Ireland, 22% of its total tax bill, and less than the \$2.7 billion it paid to the U.S. In securities filings, Pfizer said nearly 60% of its revenue last year came from U.S. customers, while less than 5% came from Ireland.

Maltese moves

With the new required disclosures, investors are getting a peek into corporate operations in places where companies don't have significant employment, sales or production—including the tiny island republic of Malta.

Xylem, a water-technology company, reported saving \$19 million, or 1.6 percentage points, on its tax rate, because of Malta's "notional interest deduction." That is a tax incentive encouraging companies to invest with equity rather than debt.

Yum Brands transferred some of Pizza Hut's intellectual property rights so they are housed in Malta, as part of a

transaction designed to simplify the company's organization, Yum said in its filing.

Thermo Fisher Scientific, which makes instruments for the drug industry, also disclosed tax benefits from Malta. The notional interest deduction saved Thermo nearly \$1.2 billion in 2025.

Energy credits

Companies still benefit from a provision of Democrats' 2022 Inflation Reduction Act that lets them buy and sell clean-energy tax credits. Many companies that generate these credits—battery makers, wind farms, solar arrays—don't owe enough in taxes to use them. So Congress let them sell credits to companies that can use them to lower tax bills, creating a new market in tax breaks.

In 2025, 8.5% of public companies disclosed buying tax credits, up from 4.9% in 2024, according to Reunion Infrastructure.

McDonald's reported buying \$429 million of credits in 2025 after making no such disclosure in 2024. **Keurig Dr Pepper** reported steady use of credits, buying between \$260 million and \$270 million in each of the past three years at a discount that yielded savings of \$16 million to \$23 million annually.