

To: Interested Parties
Date: August 29, 2019
Subject: Tom Steyer Tax Returns

Today, less than two months after launching his campaign to seek the Democratic nomination for President of the United States, Tom Steyer is releasing 2683 pages of tax returns on his website. This will give the American public a clear picture of his charitable giving, political activities, and taxes paid. The public and members of the press can find these tax returns on our transparency page at tomsteyer.com/transparency.

Tom has long committed to releasing his tax returns if he ever became a candidate for public office, and today's disclosure makes good on that commitment. In addition to the charitable and political tax returns, Tom and his wife – Kat Taylor – are releasing 10 years of their personal tax returns, which will include their 2018 return as soon as it is timely filed with the IRS later this year. Tom and Kat's tax return release includes four years of returns while Tom was still head of Farallon Capital Management, the company he founded more than 30 years ago. This disclosure is unprecedented, compared with many previous candidates' time in the private sector. Tom believes it is important to provide voters with an understanding of his role in the private sector, which he has since left behind to work for the public good.

Additionally, Tom is filing his personal financial disclosure (PFD) with the United States Office of Government Ethics which will be available on the transparency page as soon as the disclosure has been reviewed and certified.

As President, Tom is committed to ensuring the wealthy pay their fair share. [Tom has proposed an annual wealth tax that](#) could be used to improve public education, improve access to healthcare, and retirement security. Under Tom's own proposal he would pay more than an additional \$10 million annually in taxes. Tom has also called for closing the carried interest tax loophole, which would treat investment managers' share of their firm's profits as ordinary income – rather than at the lower capital gains tax rate.

Charitable Tax Returns

In 2010, Tom and Kat took the [Giving Pledge](#) and committed to give the vast bulk of their wealth to charitable pursuits during their lifetime.

Tom and Kat have distributed more than \$190 million in charitable contributions from 2009-2017, both through their charitable foundations and direct giving. Tax returns for their charitable foundations – TomKat Foundation, TomKat Charitable Trust, TomKat Ranch Educational Foundation, and the Beneficial State Foundation – can be found on the transparency page under each respective year. Tom and Kat make most of their grants

from their foundations – which are distributed on an annual basis, separately from when they commit money to their foundations. Therefore, their total annual charitable giving is greater than the amount reported on their individual Form 1040.

An annual breakdown of their charitable grants and activity is provided in the table below.

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Charitable activity	\$7.0M	\$7.7M	\$18M	\$28M	\$44.8M	\$27.0M	\$22.9M	\$17.5M	\$17.1M
Percent of AGI	11.5%	4.4%	13.8%	16.1%	32.9%	14.3%	21.9%	21.7%	11.7%

Political Tax Returns

Tom founded NextGen America in 2013, a nonprofit group that combats climate change, promotes social justice, and increases participation in our democracy through voter registration and grassroots organizing. In the past six years, NextGen ran the largest youth vote program in American history, ran successful ballot measures, was a leader in the effort to oppose the Keystone XL Pipeline, worked to pass laws to hold corporations accountable and pay their fair share of taxes, and advocated for the election of progressive candidates across the country. NextGen’s IRS filings for 2013–2017 are all available on the transparency page and the 2018 filing will be made available as soon as it is filed with the IRS.

In 2017, Tom launched Need to Impeach, a petition calling for the impeachment of Donald Trump. Thanks to the grassroots efforts of the over eight million members of the Need to Impeach movement – contacting their legislators, organizing in their local communities, and engaging millions of voters across the country – more than 132 members of Congress now support impeachment. The Need to Impeach 2018 IRS filings will be available on the transparency page as soon as it is filed with the IRS.

The table below shows Tom’s annual political activities, including contributions to federal and state candidates, federal and state committees, 501(c)(4) contributions to NextGen, and Need to Impeach spending. Tom and Kat do not count any of their political contributions as part of their Giving Pledge promise to give away the majority of their wealth to charitable pursuits during their lifetime.

	2009	2010	2011	2012	2013	2014	2015	2016	2017
Political Activities	\$52.5K	\$6.1M	\$160.8K	\$31.3M	\$17.4M	\$67.6M	\$38.0M	\$139.6M	\$65.4M

Personal Tax Returns

From 2009-2017, Tom and Kat have paid \$405.3 million in federal and state taxes. Their overall total effective tax rate of federal and state tax rate averaged 40.5% and the annual rates can be seen in the table below.

Effective Tax Rate	2009	2010	2011	2012	2013	2014	2015	2016	2017
Taxable Income	\$42M	\$148.9M	\$108.6M	\$156.8M	\$92.1M	\$154.6M	\$86.9M	\$60.3M	\$109.5M
Tax Paid Federal	\$12.1M	\$38M	\$27.6M	\$32.5M	\$35.2M	\$42.6M	\$25.2M	\$18.8M	\$32.5M
Tax Paid California	\$4.9M	\$17.2M	\$12.8M	\$22.6M	\$17.5M	\$24M	\$13M	\$10.3M	\$18.5M
Federal	28.8%	25.5%	25.4%	20.7%	38.2%	27.6%	29.0%	31.2%	29.6%
California	9.8%	10.2%	10.2%	13.1%	13.1%	13.1%	12.7%	13.0%	13.1%
Total	38.6%	35.7%	35.6%	33.8%	51.3%	40.7%	41.7%	44.2%	42.7%

Source: [Tom Steyer and Kat Taylor IRS 1040, CA 540; Investopedia Effective Tax Rate](#)

As head of a global investment firm with offices in multiple countries, Tom received income from all over the world. As you review the tax returns you will see investment funds that are based in other countries. The fact that these are reported on his taxes demonstrates that the income passed through directly to Tom, was properly reported to the IRS, and all appropriate taxes were paid.

When Tom left Farallon at the end of 2012, he sold his stake in the management company to the firm's existing partners for a fixed amount of money which is paid out over time. In addition, Tom is a passive limited partner investor in Farallon investment funds. Tom has not had any participation in management or control of Farallon, or any right to compensation from Farallon – other than the amount due in respect of the sale – since he left Farallon at the end of 2012.