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FedEx CEO Corrects the Record on Tax Reform

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Standing by support of tax reform, FedEx Chairman and CEO Frederick W. Smith countered the New York Times's claims in a November 21, 2019 Wall Street Journal op-ed.

"There is little doubt the significant increase in U.S. employment and wages since the tax cuts were passed is due to the decrease of corporate tax rates from 35% (which we used to pay) to 21%, which is competitive with the rest of the industrialized world. Over the past five years, we have paid more than $10 billion in U.S. taxes. After the temporary effect of capital expensing wears off, I expect FedEx will pay billions more into the U.S. Treasury from the earnings produced by our investments.

"The recent slowdown in U.S. companies' capital expenditures is, in my opinion, due to trade disputes and the attendant global slowdown. We believe re-embracing TPP and TTIP and passing the new U.S.-Mexico-Canada trade agreement would reverse these trends in short order.

"With the above background in mind, I urge readers to review the New York Times's disparaging story from Nov. 17 about FedEx's involvement in corporate tax reform and see a great example of polemics: printing selected facts, connecting unrelated events, and implying nefarious activities when there were none whatever. FedEx takes great pride in being a good corporate citizen—here and abroad—at all times."

Source: FedEx