



FIGHTING for PENNSYLVANIA FAMILIES

No Tax Breaks for Union Busting Act of 2023

U.S. Senator Bob Casey

For decades, the deck has been stacked against workers. The National Labor Relations Act grants them the right to organize, but corporations bankroll multi-million dollar campaigns to try to deny them this right or dissuade them from using it. One advantage corporations have is the tax code. When workers try to organize and form unions to improve their wages and working conditions, corporations spend millions of dollars to dissuade or coerce them, often using unlawful labor practices. They claim anti-union expenses as run-of-the-mill business tax write-offs. The ability to write off their union-busting expenses is one reason why so many large, profitable corporations pay little or no income taxes.¹

The *No Tax Breaks for Union Busting Act* ends the taxpayer subsidization of business anti-union activity. The bill would classify business' interference in worker organization campaigns as not tax deductible, similar to how corporate political speech or lobbying is already treated in the tax code. Business write-offs should be reserved for genuine business activities, not for interference in workers' elections or collective actions.

No Tax Breaks for Union Busting Act also establishes an IRS reporting requirement for employers who intervene in protected labor activities, and the consultants they employ. Only a small portion of this activity is even reported currently, but that portion amounts to \$340 million annually, according to a recent report.²

Employer Interference in Union Elections is Rampant

Despite the clear intent of Congress to grant workers full control over decisions to unionize, employers regularly choose to interfere—lawfully or unlawfully—with workers' right to organize. Employers are charged with violating labor laws in approximately four of every 10 organization elections.

National Labor Relations Act violations include firing employees for labor organization activity, refusal to bargain in good faith with unions, arbitrary and unfair changes to working conditions, coercion, and intimidation. They are related to other coercive (but often not illegal) practices such as captive audience meetings, hiring anti-union consultants, workplace surveillance, and million-dollar anti-union advertising campaigns. None of these lawful or unlawful activities would constitute an allowable business deduction under this bill.

Supporting Organizations

National Employment Law Project (NELP), Economic Policy Institute (EPI), Center for American Progress (CAP), Americans for Tax Fairness, United Steelworkers (USW), AFL-CIO, Communications Workers of America (CWA), United Autoworkers (UAW), United Food & Commercial Workers (UFCW), American Federation of State, County and Municipal Employees (AFSCME), International Brotherhood of Teamsters, Department for Professional Employees, AFL-CIO, Transport Workers Union of America, International Alliance of Theatrical Stage Employees (IATSE), American Guild of Musical Artists (AGMA), Guild of Italian American Actors (GIAA), Office and Professional Employees International Union (OPEIU), International Federation of Professional and Technical Engineers (IFPTE)

¹ <https://itep.org/55-profitable-corporations-zero-corporate-tax/>

² <https://www.epi.org/publication/unlawful-employer-opposition-to-union-election-campaigns/>

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