

**REPORT BY THE RICK CARUSO FOR MAYOR 2022 CAMPAIGN DETAILING**

**TAX PAYMENTS AND CHARITABLE CONTRIBUTIONS**

**MADE BY RICK CARUSO AND THE CARUSO COMPANIES**

**FOR THE FIVE-YEAR PERIOD 2017-2021**

**Background**

During the March 22<sup>nd</sup> mayoral debate Rick Caruso pledged to “release everything I pay in taxes.”<sup>1</sup> This report has been completed to satisfy Mr. Caruso’s pledge. This report was prepared with the assistance of outside accountants based upon tax returns, financial statements and other accounting records prepared and compiled by accountants for Mr. Caruso and the businesses he owns and controls (the “Caruso Companies”). This final report has been reviewed by the outside accountants as well as attorneys for Mr. Caruso, the Caruso Companies, and the Rick Caruso for Mayor 2022 Campaign.

This report is supported by the “Independent Accountant’s Report on Applying Agreed-Upon Procedures,” prepared by the Los Angeles office of the national accounting firm Armanino LLP. A copy of the Armanino LLP report is attached.

**Summary of Taxes Paid by Rick Caruso and the Caruso Companies**

Over the past five years, Rick Caruso and the Caruso Companies have paid a **total of \$114,464,422 in taxes**, for an **average of \$22,892,884 in taxes paid per year**.

The taxes paid by Rick Caruso and the Caruso Companies fall into the following categories:

**Federal and state income taxes of \$3,946,699:**

- o Business income taxes: \$2,305,609
- o Personal income taxes: \$1,641,090

**Real property, personal property and other taxes of \$89,302,221** paid by Mr. Caruso on his personal assets including owned real property and personal assets such as the yacht Invictus and by the Caruso Companies on real property and personal property owned by those businesses.

- o Business property taxes: \$84,300,661

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<sup>1</sup> <https://youtu.be/ANzTMJfq3Lw?t=2759>

- o Property and other taxes on personal assets including taxes associated with Invictus: \$5,001,560

Employer's share of payroll taxes paid by the Caruso Companies: \$15,865,712

Miscellaneous business taxes of \$5,349,790 paid by the Caruso Companies, including Los Angeles City Business Tax, Los Angeles City Parking Tax, State of California Use Tax, and Federal Excise Taxes.

### **Sales Tax Revenue and Other Tax Revenue Generated by the Caruso Companies and Businesses Operating on Property Owned by the Caruso Companies**

Over the last five years, tenants operating on Rick Caruso's business properties and other businesses owned by the Caruso Companies generated an estimated **\$519,447,063 in taxes**, for an **average of \$103,889,413 a year in estimated taxes generated**.

These taxes generated fall into the following categories:

- o California state sales taxes, which are used to fund government programs at the state, county and city levels in California
- o Hotel occupancy taxes
- o Food and beverage taxes

The businesses that generated these taxes include tenants of properties owned by the Caruso Companies such as The Grove and Palisades Village in Los Angeles, at The Americana at Brand in Glendale, Mr. Caruso's hotel property in Santa Barbara County, and Mr. Caruso's automobile dealership in Long Beach.

### **Summary of Charitable Contributions Made by Rick Caruso**

Over the last five years Mr. Caruso and his wife Tina have made **charitable contributions totaling \$39,648,620**.

Attachment: Armanino LLP Report