
Here's what we do and do not know about President Trump's tax returns

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WASHINGTON — President Trump paid \$38 million in taxes in 2005 on an income of more than \$150 million, a senior White House official confirmed Tuesday night.

That rare acknowledgement came in anticipation of a report by MSNBC host Rachel Maddow, who purported to have copies of Trump's tax returns from 11 years ago. The White House official spoke on condition of anonymity to discuss a sensitive financial matter.

Trump defied decades of tradition during the 2016 presidential campaign in refusing to voluntarily release his tax returns, which would shed light on the size and breadth of a sprawling real estate and entertainment empire he says is worth \$10 billion.

Maddow said she had two pages of Trump's Form 1040 from 2005, which she obtained from financial journalist and Trump biographer David Cay Johnston. "I got them in the mail. They came in over the transom," he told Maddow. It is illegal for the Internal Revenue Service to disclose a taxpayer's returns, but the First Amendment protects journalists who disclose tax information they obtain from an outside source.

Trump's [joint tax return with his third wife, Melania](#) — their first after getting married in January 2005 — shows earned income of just \$998,599. Most of the Trumps' income instead came from investments, including \$67.8 million in rents and royalties, \$42.4 million in business income, \$32.2 million in capital gains and \$9.4 million in interest.

But the return also claimed \$103.2 million in unspecified business losses.

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The Trumps' itemized deductions were more than \$17 million — but without a more detailed copy of the return, it's impossible to know how much of those deductions were from charitable contributions or state and local taxes. The Trumps did disclose \$23,940 in taxes paid in foreign countries.

Those deductions would have allowed him to pay just \$5.3 million in federal income taxes that year if not for a quirk of the tax code called the alternative minimum tax, which targets high earners with big exemptions.

With the AMT, the Trumps ended up owing more than he had withheld, meaning they had to pay nearly \$2.3 million in additional taxes with their return. The return shows they paid more than \$88,000 in penalties and \$68,000 in interest for under-withholding.

His overall tax rate was about 25%.

Previously, the [only Trump tax returns publicly known](#) were state tax returns from 1995 showing he lost more than \$913 million — a figure that would allow him to potentially take a deduction for losses for years. Those returns were obtained by *The New York Times* in October.

But the few pages of tax returns leaked so far shows the bottom lines of his financials for two years a decade apart — and without the schedules that would detail the sources of that income. And while a legally required financial disclosure statement [discloses Trump's holdings in more than 500 different ventures](#), that document gives only a broad outline of his financial interests.

More than 1 million people have [signed a petition on the White House website](#) calling on Trump to release his tax returns. But Trump has been dismissive of the issue, saying in early January that "the only ones who care about tax returns are reporters."

The Democratic National Committee were quick to pounce on the report late Tuesday night, calling Trump's "audit excuse" a "sham."

"If they can release some of the information, they can release all of the information," Zac Petkanas, a senior adviser to the Democratic National Committee, said in a released statement. "The only reason not to release his returns is to hide what's in them, such as financial connections with Russian oligarchs and the Kremlin."
