

With Its 2018 Tax Cut, Wells Fargo Could Pay Its \$1 Billion Fine 3 Times and Still Have Cash to Spare

The \$1 billion fine levied by federal regulators against Wells Fargo is unlikely to hobble or even slow down the bank, thanks to the massive corporate tax cut passed by Congress last year, reports *The Washington Post*.

Reporter **Renaë Merle** explains: “Just in the first quarter, Wells Fargo’s effective tax rate fell from about 28 percent to 18 percent, saving it more than \$600 million. For the entire year, the tax cut is expected to boost the company’s profits by \$3.7 billion, according to the Goldman Sachs report.”

“Despite its regulatory headaches, Wells Fargo remains massively profitable. The bank reported Friday that although the fine drove down its first-quarter profits by \$800 million, it still netted \$4.7 billion,” Merle writes.

Read the *Post* article.