

TARP Bank Programs Have Been Paid in Full

Bank Programs: \$245 billion invested; \$275 billion repaid

TARP was successful in restoring stability in our financial system through Treasury's successful and profitable investments in banks. Today, banks have done the right and responsible thing, paying back, with interest, money invested in them during the financial crisis by the federal government, resulting in profits for taxpayers.

Positive Returns to Taxpayers from TARP Bank Programs

TARP's bank programs, often misperceived as causing losses, have already provided a significant return to taxpayers. The government invested \$245 billion into TARP bank programs, a small portion (35 percent) of the \$700 billion that was authorized. Banks have repaid \$275 billion through principal and interest payments—representing a \$30 billion positive return to taxpayers so far.¹

Former Treasury Secretary Geithner remarked, “We have been able to dramatically reduce the expected cost of the financial rescue to levels that were unthinkable in early 2009. The financial assistance we provided to banks through TARP, for example, will result in taxpayer gains.”²

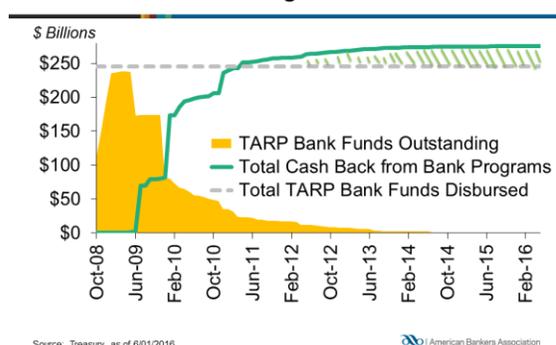
Lifetime Cost of TARP Program Remains Low

TARP included several investment programs to various industries that helped stabilize the economy. The Congressional Budget Office (CBO) revised its estimated lifetime cost of all TARP programs to \$30 billion as of March 2016. The estimated net cost of TARP stems largely from assistance to insurance giant American International Group (AIG) as well as from aid given to the automotive industry.

The CBO estimates the lifetime cost of the TARP investment in AIG to be a \$15 billion loss³, while the TARP investment in the automotive industry will be a \$12 billion loss.

According to the CBO, “other transactions with financial institutions have, taken together, yielded a net gain to the federal government.”⁴

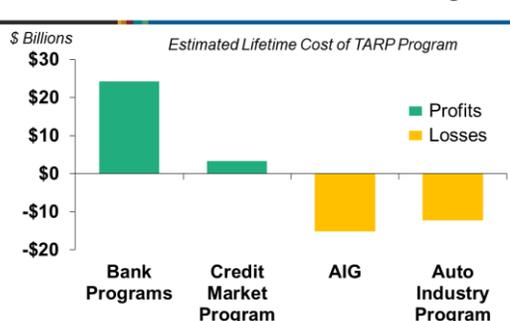
TARP Bank Programs Profitable



Source: Treasury, as of 6/01/2016

American Bankers Association

TARP Losses Stem from Non-Bank Programs



Source: Congressional Budget Office, as of March 2016

American Bankers Association

¹ Treasury, Monthly TARP Update for June 2016. [Link](#)

² Remarks by Treasury Secretary Timothy Geithner on the State of Financial Reform, February 2, 2012. [Link](#).

³ In addition to the TARP investments together. The non-TARP AIG investment has returned a profit of \$17 billion.

⁴ Congressional Budget Office, Report on the Troubled Asset Relief Program – March 2016. [Link](#).