

Promote America's Competitive Edge

U.S. Workers Keeping **PACE**
with the World

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Leading U.S. Business Groups Urge Congress to Reject Anti-Competitive International Tax Proposals

Changes in International Tax Rules Should Only be Considered as Part of Comprehensive Tax Reform

Washington, D.C. – America's leading business associations, cumulatively representing companies employing tens of millions of American workers, today urged Congress to reject attempts to alter current international tax provisions as a method for raising new revenue.

Warning of the unintended consequences that would result, including reduced competitiveness for U.S. companies and their American workers, the business associations stated the following in a letter delivered today to all Members of Congress:

Cross-border trade and investment is of vital importance to the U.S. economy. Worldwide American companies directly employ 22 million U.S. workers and support an additional 41 million U.S. jobs through their supply chains and spending by the people they employed directly or indirectly.

...As we seek to rebuild the economy and restore jobs, it is critical that we adopt the best policies to secure future economic growth. We must focus on tax changes that will assure that American firms operating in the global economy are more competitive, not less competitive. Any consideration of U.S. international tax rules affecting business should be part of a broader tax reform debate that is focused on ensuring the competitiveness of U.S. companies and American workers both at home and abroad.

The letter also warned of the detrimental impact of overly broad anti-abuse tax legislation, and called on Congress to narrowly target any measures so as not to inadvertently punish legitimate business transactions.

The letter was signed by the following organizations:

- Aerospace Industries Association
- American Beverage Association
- American Chemistry Council
- Association of Equipment Manufacturers
- Business Roundtable

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- Business Software Alliance
- Emergency Committee for American Trade (ECAT)
- Financial Executives International's Committee on Taxation
- Information Technology Industry Council
- National Association of Manufacturers
- National Foreign Trade Council
- Software Finance & Tax Executives Council
- TechAmerica
- United States Council for International Business
- U.S. Chamber of Commerce

Today's business association letter follows a March 2010 letter signed by 287 companies and business associations also expressing opposition to altering current international tax rules in lieu of comprehensive corporate tax reform designed to make U.S. companies more competitive in the international market.

To view a copy of both letters, visit www.pace4jobs.org.

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The PACE Coalition (Promote America's Competitive Edge) is dedicated to promoting and increasing the more than 60 million American jobs that depend on the international competitiveness of worldwide American companies. The ability of these companies to stem job losses in the United States and eventually return to hiring more American workers depends on the health and vitality of their worldwide operations. To ensure American competitiveness, PACE advocates that the United States maintain a level playing field for taxation of international operations, and not act unilaterally to disadvantage U.S. companies.