

Jay Timmons

Executive Vice President

August 2, 2010

U.S. Senate  
Washington, DC 20510

Dear Senators:

The National Association of Manufacturers (NAM), the nation's largest industrial trade association representing small and large manufacturers in every industrial sector and in all 50 states, urges you to oppose Senate Amendment (SA) 4567 to H.R. 1586.

While the NAM has taken no position on the spending provisions in the legislation, we remain adamantly opposed to using proposed tax increases on American worldwide companies to fund unrelated spending initiatives.

An estimated 22 million people in the United States – more than 19 percent of the private sector workforce and 53 percent of all manufacturing employees – are employed by companies with operations overseas. Manufacturers feel strongly that imposing \$9.6 billion in tax increases on these companies as proposed in SA 4567 will jeopardize the jobs of American manufacturing employees and stifle our fragile economy.

Some of the proposed tax increases, which are mischaracterized as closing tax loopholes, actually represent significant changes to pro-growth tax policy supported by Congress and the Administration.

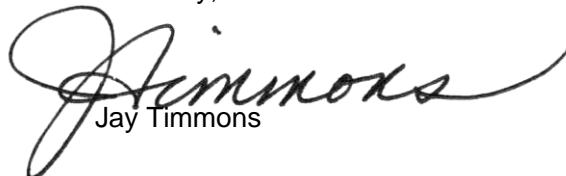
We are disappointed that many of the Amendment's proposed tax increases have not been adequately scrutinized during congressional hearings. In many cases, taxpayers have relied on these longstanding tax provisions in structuring their businesses. Changing the rules without fair and adequate hearings will cost in terms of jobs, investment and manufacturers' ability to compete overseas.

Manufacturers believe strongly that changes to our international tax laws should be considered in the broader context of tax reform that makes the United States more competitive – not as “pay fors” for unrelated policy initiatives. Moreover, targeting some international tax law changes in advance of the tax reform debate would make the goal of pro-growth, pro-competitiveness reform that much more difficult, if not impossible, to achieve.

The NAM's Key Vote Advisory Committee has indicated that votes related to SA 4567, including procedural votes, may be considered for designation as Key Manufacturing Votes in the 111th Congress.

Thank you for your consideration.

Sincerely,



Jay Timmons