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Leading U.S. Business Groups Decry International Tax Provisions Included in House Extenders Package

PACE Coalition Urges Changes in International Tax Rules Only as Part of Comprehensive Tax Reform

Washington, D.C. – In a letter sent today to all Members of Congress, The PACE Coalition (Promote America's Competitive Edge) representing America's leading business associations and companies employing tens of millions of American workers, today urged Congress to reconsider several international tax provisions which have been included in the House tax extenders bill as "pay fors" for other provisions.

In its letter, PACE stated:

...American global companies already struggle under a worldwide tax system and one of the highest corporate tax rates in the world. The proposed changes in the international tax rules will make a bad situation worse, making it even more difficult for American worldwide companies to compete.

While PACE members support many of the pro-growth tax relief provisions in the bill, these large and permanent tax increases are being used to "fund" various temporary tax and spending initiatives.

The bill contains eight significant international tax provisions raising \$14 billion that should properly be included only in a discussion of fundamental tax reform at which time in-depth consideration of the best tax system for the future with a more competitive rate could be considered.

The retroactive tax increases run contrary to principles of fairness and due process. Such unpredictability undermines confidence in the tax system, and could have large financial statement impacts.

American workers and jobs benefit from the ability of American companies to compete in a global economy. Other countries are eliminating the overreaching worldwide tax model, lowering tax rates, and creating new and dynamic tax systems to attract job-creating activity. In the United States however, the proposed changes like those

outlined above will make the U.S. tax system even less competitive than it is, threatening U.S. jobs, U.S. competitiveness and overall growth...

To view a copy of the letter, please visit www.pace4jobs.org.

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The PACE Coalition (Promote America's Competitive Edge – www.pace4jobs.org) 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.