

Promote America's Competitive Edge

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PACE Coalition Critical of Recycled Tax Proposals in Obama Administration's FY2012 Budget

Washington – The PACE Coalition today criticized several international tax provisions contained in the Obama Administration's proposed budget for FY2012.

These provisions – targeting deferral and foreign tax credits, among others – have been proposed as revenue raisers by the Administration in the past, and represent the type of selective changes in the law that will only serve to make American companies less competitive.

President Obama's recent overtures about working on tax reform that will make American business more competitive are welcome, but the international tax proposals in the FY2012 budget will do the exact opposite. They represent a setback in efforts to achieve a level playing field for worldwide American companies.

American workers and jobs benefit from the ability of American companies to compete in a global economy. Most other countries have eliminated the overreaching worldwide tax model, lowering tax rates, and creating new and dynamic tax systems to attract job-creating activity. The Administration's proposed budget provisions would move in the opposite direction – making the U.S. tax system even less competitive than it is today, threatening U.S. jobs, U.S. competitiveness and overall growth.

A better path would be for the Administration to propose international tax policies that promote economic growth to help ensure good standards of living for all Americans. The PACE Coalition, therefore, urges Congress to once again reject the Administration's international tax proposals.

For further information, 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.