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PACE Coalition: Administration's Punitive International Tax Proposals Would Shrink Global Businesses, Diminish Economic Growth

Washington – The [PACE Coalition](#), representing thousands of American employers, today issued the following statement regarding the international tax proposals contained in the Obama Administration's FY 2016 Budget.

"The Administration's international tax proposals would impose substantial new taxes on American businesses – making them less competitive in the global marketplace and stifling economic growth and job creation.

"Substantial – and, in some cases, retroactive – tax increases on U.S. companies' global activities would negatively impact their U.S. operations, including a reduction in U.S. jobs tied to exports that are dependent on expanding markets abroad.

"While the rest of the developed world has adopted tax systems that allow their businesses to grow at home while expanding globally, the Administration's proposed minimum tax on foreign business income – which exists in no other advanced economy – would make U.S. businesses even less competitive in foreign markets. A higher tax burden on U.S. businesses than their foreign competitors would result in a loss of markets and sales of U.S. goods and services.

"In addition, the Administration's proposal to levy a new \$270 billion tax on existing foreign operations is both misguided and punitive. This mandatory, retroactive tax would fall on companies reinvesting their foreign earnings to expand markets for U.S. goods and services, making it even more difficult for U.S. companies to effectively compete overseas.

"Reform of U.S. international tax rules remains vital to allow American workers to fully benefit from the opportunity to compete in expanding global markets. The Administration's plan should be quickly rejected as it misses a vital opportunity to make U.S. businesses and workers more competitive and stimulate much-needed U.S. economic growth."

For further information, visit www.pace4jobs.org. Follow the PACE Coalition on [Twitter](#).

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About the PACE Coalition

The PACE Coalition is dedicated to promoting and increasing the more than 71 million American jobs that depend on the international competitiveness of globally engaged American companies. The ability of these companies to 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 provide a level playing field for taxation of international operations, and not act unilaterally to disadvantage U.S. companies.