



MEDIA STATEMENT

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**Business Roundtable Statement on International Tax Increases
in House Amendment to H.R. 4213**

“Business Roundtable CEOs have two key messages on the tax extenders legislation before Congress. First, it is critical to extend the tax provisions that expired in 2009; important incentives for job-creating research and development and patches to our international tax system that allow U.S. companies to compete abroad with their foreign-based competitors need to be restored as soon as possible.

“Second, member CEOs strongly urge Congress to reconsider the tax increases on international operations of U.S. companies proposed in the legislation currently before the House of Representatives. These tax increases would take us two steps backwards in terms of the job-creating legislation; we strongly need to move our economy forward, not backwards, to stay competitive with the rest of the world.

“Let’s be clear, worldwide American companies already face one of the highest corporate tax rates in the world and face more disadvantageous international tax rules than their foreign-headquartered competitors. These current tax disadvantages make our U.S. companies less competitive and harm the U.S. economy through slower growth and fewer U.S. jobs. The proposals currently before the House of Representatives would raise taxes even further on the foreign operations of U.S. companies, making American businesses even less competitive in global markets and will further slow the economy. The competitive disadvantage would be compounded even further since these tax increases are made retroactive, overturning years of judicial decisions and IRS regulations and practice.

“Business Roundtable CEOs believe we need to make the U.S. tax system more competitive with the rest of the world and want to engage with Congress on the kinds of reforms that would enhance U.S. economic growth and add high-wage jobs to the U.S. economy. But adding \$14 billion in new taxes on a sector of the economy that contributes 63 million jobs, nearly half of U.S. exports and most of the productivity gains of the U.S. economy is exactly the wrong direction for this economy. We need to send a signal to the world that the United States is open for business – that we want more job-producing investments, not less.

“Business Roundtable CEOs urge Congress to engage in serious consideration of fundamental tax reforms to improve the competitiveness of the U.S. economy. But the proposed tax extenders bill is not the appropriate place for ad hoc permanent international revenue increases. Let's drop these new international tax revenue-raisers from the legislation and pass the much needed tax extenders as soon as possible to move this economy forward,” said John J. Castellani, President and CEO of Business Roundtable.

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Business Roundtable is an association of chief executive officers of leading U.S. companies with nearly \$6 trillion in annual revenues and more than 12 million employees. Business Roundtable companies provide health care coverage to more than 35 million employees, retirees and their families. Member companies comprise nearly a third of the total value of the U.S. stock markets and pay more than 60 percent of all corporate income taxes paid to the federal government. Annually, they return more than \$167 billion in dividends to shareholders and the economy.

Business Roundtable companies give more than \$7 billion a year in combined charitable contributions, representing nearly 60 percent of total corporate giving. They are technology innovation leaders, with more than \$111 billion in annual research and development spending – nearly half of all total private R&D spending in the U.S.

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