Business Roundtable℠

Massive New International Taxes on U.S. Companies Will Slow Economic Recovery and Job Growth

As many of the world's major economies take steps to enhance the ability of their companies to grow and spur economic growth and job creation, proposed new U.S. international tax policies threaten to unfairly harm American companies and make U.S. workers less secure.

Unlike most other countries, the United States taxes the worldwide earnings of U.S.-headquartered companies, not just their U.S. earnings. To level the playing field, Congress has enacted a series of complex tax rules designed to allow American companies to compete better with their foreign competitors.

The Treasury Department now proposes to fundamentally rewrite the basic rules of international taxation that have been in existence for nearly 100 years in a manner that would severely disadvantage U.S. companies. While most of the world is striving to make their companies more competitive the United States is moving in the opposite direction.

- These proposed changes would raise taxes on U.S.-based international companies, allowing their foreign-based competitors to reinvest more, expand faster, and sell their products at lower prices than their U.S.-owned competitors.
- Over time, U.S.-based international companies would be unable to profitably compete in foreign markets against foreign-headquartered corporations – in turn, reduced sales would lead to reduced employment and lower wages for American workers at U.S. companies.
- 95% of the world's consumers live outside of the United States. For U.S. companies to serve these markets and increase jobs in the United States, they must be able to compete internationally on a level playing field.

A massive $200 billion-plus tax hike will punish U.S. companies and workers that have succeeded in growing and creating jobs against tough international competition.

A massive increase in taxes on international commerce will disadvantage American companies and make U.S. workers less secure.

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