

Promote America's Competitive Edge

U.S. Workers Keeping **PACE**
with the World

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July 23, 2009

Dear Member of Congress:

As you continue to work on healthcare reform and other legislation this year, the undersigned companies and trade associations want to reiterate our strong opposition to the Administration's proposals that would rescind certain U.S. international corporate tax provisions. We appreciate that the House healthcare reform bill, as it stands today, does not include these provisions and commend the three committees for that decision.

American companies with worldwide operations directly employ 22 million American workers and support an additional 41 million U.S. jobs through their supply chain and through the purchases of goods and services by their employees. A steep corporate tax hike on worldwide American companies, especially during a severe recession, will hinder our ability to protect and create American jobs and will slow our nation's economic recovery.

The current U.S. international tax system has evolved over decades in a manner that attempts to keep worldwide American companies on a nearly level playing field with competitors in other nations. Meanwhile, other leading economies are moving to make their corporate tax systems more competitive. As a result, the United States lags behind and is increasingly isolated from the rest of the world.

The U.S. business community supports closing tax loopholes and prosecuting those who cheat on their taxes. However, the current international tax rules including deferral, check the box and foreign tax credits are fundamental tax provisions, and are integral parts of the US tax system – not “tax loopholes.” It is inaccurate and misleading to represent them as such.

The proposals would force American companies to lose deductions for costs of doing business in the U.S., risk double taxation of dividends from worldwide business

operations; and limit their ability to choose the entity or form in which they do business. Together, these proposals are in broad measure equivalent to repealing deferral.

To keep good jobs and decent wages here in America, Congress must ensure that the U.S. tax code keeps worldwide American companies competitive both here at home and abroad. Congress needs to examine tax changes that will enable American companies and U.S. workers to compete in the global marketplace.

We strongly urge Congress to reject any attempt to expand taxation of income beyond the borders of the U.S., as it would impair the competitiveness of American companies and American workers.

Sincerely,

A O Smith Corporation
ABB Inc.
Abbott
Acuity Brands, Inc.
Adhesive and Sealant Council, Inc.
Adobe
Aerospace Industries Association
AGCO
Agilent Technologies, Inc.
Air Products and Chemicals, Inc.
Akamai
Alcoa
Allergan, Inc.
All-Pak, Inc.
Altera Commercial Real Estate
Altera Corporation
American Apparel & Footwear Association (AAFA)
American Chemistry Council
American Express Company
American Petroleum Institute
American Standard Development Company
Amgen
Amphenol Corporation
AMT-Association For Manufacturing Technology
Amway
Apple Inc.
Applied Materials, Inc.
Arch Chemicals, Inc.
Association of Equipment Manufacturers
ATHEROS COMMUNICATIONS, INC.

Automated Industrial Motion
Avery Dennison Corporation
Barrick Gold of North America
Baxter International
BAYER CORPORATION
Best Buy Co., Inc.
Bison Gear & Engineering Corp.
BMC Software
Boston Scientific Corporation
Bristol-Myers Squibb Company
Brocade Communications Systems, Inc.
Brown-Forman Corporation
Brunswick Corporation
Business Roundtable
Business Software Alliance
CA, Inc.
Cadence Design Systems, Inc.
Campbell Soup Company
Cardinal Health
Cargill
Carrix, Inc.
Caterpillar Inc.
CBS Corporation
Celanese Corporation
Cisco Systems, Inc.
Cleveland Bottle & Supply
CNL Financial Group, Inc.
CNL Lifestyle Properties, Inc.
Coats North America
Coca-Cola Enterprises Inc.
Cognizant
Colorado Business Roundtable
Cooper Tire & Rubber Company
Corning
Council for Citizens Against Government Waste
Crown Holdings, Inc.
Cummins Inc.
Cushman & Wakefield, Inc.
Deere & Company
Dell Inc.
Designatronics Inc.
Devon Energy
Diamond Offshore Drilling, Inc
Discovery Communications, LLC

DuPont
Eastman Chemical Company
Eaton Corporation
eBay Inc.
Ecolab Inc
Edmunds Gages
EFI
Electronic Arts, Inc.
Eli Lilly and Company
EMC Corporation
Emergency Committee for American Trade (ECAT)
Emerson
Enterprise Rent-A-Car
European American Business Council (EABC)
Falcon Ventures, LLC
Federal Signal Corporation
Financial Executives International's Committee on Taxation
Flowserve Corporation
FMC Corporation
FMC Technologies Inc.
Ford Motor Company
Fortune Brands
Franklin Templeton Investments
General Cable Corporation
General Electric
General Mills
Genworth Financial, Inc.
Gibraltar Industries, Inc.
Goodrich Corporation
Google Inc.
Guardian Industries Corp
Harley-Davidson, Inc.
Harsco Corporation
Henry Pak Inc.
Hess Corporation
Hewlett-Packard Company
Honeywell
Hutchinson Technology Incorporated
i2 Technologies
Illinois Technology Association (ITA)
INDA, Association of the Nonwoven Fabrics Industry
Indiana Chamber of Commerce
Information Technology Industry Council
Intel

International Business Machines Corporation
International Flavors & Fragrances Inc.
International Paper Co.
Intersil Corporation
Jabil Circuit, Inc.
Jeld-Wen
JLG Industries/Oshkosh Industries
Johnson & Johnson
Joy Global Inc.
Juniper Networks
Kimberly-Clark Corporation
Kodak
Kohler Co.
Koller Enterprises, Inc.
Kraft Foods
Life Technologies
Lincoln Electric Holdings, Inc.
Loews Corporation
Lord Corporation
Louisiana Technology Council
LSI Corporation
Lymtech Scientific
M & M Representatives
Manpower
Massachusetts Business Roundtable
McAfee
McCormick & Company, Inc.
McLaughlin Global Network, LLC
Mead Johnson Nutritionals
Medical Device Manufacturers Association
Medtronic, Inc.
Merck & Co., Inc.
Microsoft Corporation
Millipore Corporation
Minnesota Business Partnership
Mississippi Manufacturers Association
Modine Manufacturing Company
Monsanto Company
Mordge Mfg., Inc.
MTD Products Inc
Multi-Chem Group, LLC
National Association of Manufacturers
National Foreign Trade Council
National Gypsum Company

National Instruments Corporation
National Mining Association
NBC Universal
Nebraska Chamber of Commerce & Industry
NetApp, Inc.
Netgear, Inc.
New Jersey Technology Council
New Mexico Business Roundtable
New York Life Insurance Company
NewPage Corp
NIKE Inc
Northern Virginia Technology Council (NVTC)
Numrich Gun Parts Corporation
NXP Semiconductors
Oracle
Owens-Illinois, Inc.
Parker Hannifin Corporation
Partnership for New York City
Peabody Energy
Pennsylvania Business Council
Pentair, Inc.
PepsiAmericas, Inc.
PepsiCo, Inc.
Perry Ellis International, Inc.
Pfizer Inc
Philip Morris International Inc.
Plexus
POOL Corporation
PPG Industries
Prab, Inc.
Praxair, Inc.
Qualcomm
Reinsurance Group of America, Incorporated
Robbins & Myers, Inc.
Rockwell Automation
Rockwell Collins
Rocky Brands Inc.
Rovi Corporation
RR Donnelley
Ryder System, Inc.
S.C. Johnson & Son, Inc.
sanofi-aventis U.S. Inc.
Sara Lee Corporation
SAS

SC Chamber of Commerce
Schering Plough
Schmidt Industries
Seagate Technology
Sealed Air Corporation
Securities Industry and Financial Markets Association
Selig Sealing Products, Inc.
Semiconductor Equipment and Materials International
Semiconductor Industry Association
Sigma-Aldrich Corp.
Silicon Valley Leadership Group
Smurfit-Stone Container Corporation
Snap-on Incorporated
Software Finance and Tax Executives Council
SolFocus, Inc.
Sonoco Products Company
SpikeSource
Spirit Aerosystems, Inc.
SPX Corporation
Star Cutter Company
Stellar Industries, Inc.
STIHL Corporation
SunPower Corporation
Sybase, Inc.
Symantec Corporation
Synaptics Incorporated
Synopsys, Inc.
TechAmerica
TechNet
Technology Council of Central Pennsylvania, Inc.
TechQuest Pennsylvania
Tennessee Chamber of Commerce & Industry
Teradata Corporation
Terex Corporation
Texas Instruments
Textron Inc.
The AES Corporation
The Bank of New York Mellon
The Brink's Company
The Coca-Cola Company
The Dow Chemical Company
The Lee Company
The Lubrizol Corporation
The Manitowoc Company, Inc.

The McGraw-Hill Companies
The Pepsi Bottling Group
The Procter & Gamble Company
The Stanley Works
The State Chamber of Oklahoma
The Timken Company
Thermal Designs Inc.
TNS, Inc.
Tranel Farms USA
Travel Goods Association (TGA)
Tupperware Brands Corporation
Tyson Foods, Inc
U.S. Chamber of Commerce
United States Council for International Business
United States Steel Corporation
United Technologies Corporation
Universal Corporation
Utah Manufacturers Association
Utah Technology Council
Vermeer Corporation
Veyance Technologies, Inc.
Virginia Manufacturers Association
W. R. Grace
Wal-Mart Stores, Inc.
Walnut Hollow
Washington Technology Industry Association
WESCO Distribution Inc.
WNC & Associates
Wyeth
Xerox Corporation
Xilinx
Yum! Brands, Inc.