

For Immediate Release

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Let's Invest for Tomorrow (LIFT) America Coalition Launches to Advance a Modernized International Tax System

A Modernized "Territorial 2.0" Tax System will Strengthen America's Competitiveness, Promote Increased U.S. Investment and Protect America's Tax Base

Washington, D.C., March 14, 2013 - A broad coalition of U.S.-headquartered companies, trade associations and economic stakeholders, concerned that antiquated U.S. tax laws are threatening America's economic competitiveness, announced today the launch of the *Let's Invest for Tomorrow* (or "LIFT") America Coalition.

The LIFT America Coalition will conduct an issue education campaign to raise awareness of the significant economic harm caused by our outdated international tax laws, while promoting reforms that would ensure U.S. companies operating globally pay home country tax rates that are competitive with those paid by foreign business rivals.

The Coalition specifically supports a modernized Territorial 2.0 Tax System that strengthens America's competitiveness in the global marketplace, promotes increased U.S. investment, and protects America's tax base.

"When compared to other industrialized countries, the U.S. has one of the least competitive, most out-dated international tax systems in the world – hurting American companies and workers in an already difficult economic environment. The primary issue is that U.S. companies are taxed here on their U.S. profits, taxed abroad on their foreign profits, and then taxed again when those foreign profits are brought back home. This additional tax is locking out \$1.7 trillion in American investment and putting U.S. workers at a disadvantage," said Claire Buchan Parker, LIFT America Coalition Spokeswoman and former Deputy White House Press Secretary.

Modernizing our international tax system and ending the punitive double taxation of foreign earnings represents a balanced, long overdue reform to our tax laws. The United States is the only major economy in the world that has not transitioned from an uncompetitive "worldwide tax system" to a territorial approach, and this has had a negative impact on the ability of U.S. - headquartered companies to compete globally.

LIFT America believes that international tax reform must incorporate the following principles:

- Modernize our tax laws to provide a level playing field for American workers competing in the global marketplace to sell more U.S. goods and services;
- Simplify the tax code and make reforms permanent, as we cannot afford the patchwork of fine print that locks in the status quo and locks out \$1.7 trillion in private investment;
- Prevent tax base erosion and abuse by creating clear, manageable standards for globally engaged U.S. companies who continue to pay taxes owed in the United States and abroad;

- Reduce the corporate tax rate to make it more competitive with our nation's major trading partners; and
- Ensure tax reform will be revenue neutral with the goal of promoting the free flow of investment into the U.S. and making America the most attractive place to hire and invest in the world.

"In 1960, U.S. - headquartered companies comprised 85% of the world's largest companies. By 2010, only 30% of American headquartered companies were ranked in the top 20. Our tax code should encourage U.S. companies to grow and to attract others to locate here. However, our current system is doing just the opposite of that. Developing a consensus on how to reform our punitive international tax laws will be difficult, but our nation has reached a perilous tipping point and the time for reform has arrived," said Scott Hodge, President of the Tax Foundation, a non-partisan tax research group based in Washington, D.C.

"Having competitive tax rates and a competitive territorial system are worthy goals that ultimately increase confidence, create certainty, and ensure good jobs for America. These reforms will enable both old and new companies with American headquarters to succeed today and in the future, sharing their products, services, talents and technologies with the world," said Greg Hayes, Senior Vice-President and Chief Financial Officer, United Technologies Corporation.

"Eliminating the toll-like barrier that is locking out approximately \$1.7 trillion in American economic investment would strengthen our economy through increased research and development, plant expansions, new equipment purchases, more jobs and better worker benefits," remarks Parker. "Because in the end, when U.S. companies can make the investments needed to sell more of their products and win new customers around the world, it is our economy and workers who stand to gain the most."

Members of the LIFT America Coalition include - 3M, Caterpillar, Inc., Cisco, Eli Lilly and Company, Emerson, Financial Executives International, Honeywell International, Inc., Hewlett-Packard Company, International Business Machines Corporation, Information Technology Industry Council, Intel, Johnson & Johnson, National Foreign Trade Council, Oracle, Procter & Gamble, Semiconductor Industry Association, The Coca-Cola Company, United Technologies Corporation., Xerox Corporation, and Yum! Brands.

To schedule an interview with Coalition Spokeswoman Claire Buchan Parker, please contact the Coalition by phone: 855-207-5548 or email: LIFTAmericaCoalition@gmail.com.

About the Let's Invest for Tomorrow (LIFT) America Coalition:

LIFT America is a coalition of U.S.-headquartered companies, trade associations and economic stakeholders representing industries that are critical to the American economy. Coalition members share concerns that outdated U.S. international tax laws are threatening American competitiveness and reforms must be enacted to help U.S. companies sell more of their products and services around the world, while encouraging economic investment here at home. The coalition supports a modernized Territorial 2.0 Tax System that strengthens America's competitiveness in the global marketplace, promotes increased U.S. investment and protects America's tax base. More information can be found at www.LIFTAmericaCoalition.org.