



Business Roundtable

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BY FACSIMILE

TO THE MEMBERS OF THE HOUSE OF REPRESENTATIVES:

Business Roundtable, an association of chief executive officers of leading corporations with a combined workforce of more than 10 million employees in the United States and \$3.7 trillion in annual revenues, urges you to support passage of H.R. 4520, the American Jobs Creation Act of 2004.

Henry A. McKinnell, Jr.
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President

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H.R. 4520 includes a replacement regime for FSC/ETI that will help maintain the competitiveness of U.S. exporters. It also includes provisions that represent a positive step forward in reforming the taxation of international business.

The United States' international tax system is outmoded and increasingly burdensome. Reforms are urgently needed to ensure that our international tax system promotes domestic investments and exports, which are key to sustained economic growth. The Business Roundtable believes that H.R. 4520 will help achieve these objectives.

Congress must act expeditiously to enact FSC/ETI reform to comply with the WTO's ruling that FSC/ETI is a prohibited export subsidy. Trade expansion is one of the most important catalysts for economic growth. U.S. companies and workers will be able to expand their share of foreign markets if our trading partners comply with their international obligations. Our ability to insist that other countries follow the rules depends in large part on our commitment to do the same.

We do have concerns about a number of specific provisions in the bill, but we are hopeful that these can be addressed as part of a House-Senate Conference. It is critical that the Congress move forward this year to enact a FSC/ETI replacement bill, as well as effectively address key problems with our tax code that undermine the competitiveness of U.S. businesses, both domestic and internationally.

For these reasons, we urge you to support H.R. 4520 so that the Congress can move quickly and agree on a final package as soon as possible.

Sincerely,

John J. Castellani