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The Honorable William M. Thomas
Chairman, Committee on Ways and Means
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

On behalf of Citigroup, I am writing to express our support for H.R. 4520, the American Jobs Creation Act of 2004. As introduced last week, H.R. 4520 represents a fitting response to the WTO's decision in the FSC/ETI case, by replacing the export tax incentive with changes to the U.S. international tax rules intended to enhance the competitiveness of U.S. companies with foreign operations, along with tax incentives for U.S. manufacturers.

Citigroup provides financial services to customers in more than 100 countries. Your bill recognizes that a global company based in the United States should not be hindered in its ability to serve its customers by U.S. tax rules that foster double taxation and other anti-competitive policies. We need a level playing field, particularly because our competitors in foreign markets tend to be foreign-based companies operating under much more favorable home country tax regimes. The changes to the U.S. international tax rules in your bill begin to move the pendulum back in our direction.

We also believe it is critical that the United States act quickly to come into compliance with the WTO decision, and that legislation resolving the FSC/ETI dispute be enacted this year. We thus look forward to working with you and your colleagues to quickly move H.R. 4520 through the Committee, the House, and into conference with the Senate.

Sincerely,



Nicholas E. Calio