



March 6, 2012

The Honorable Dave Camp
Chairman
House Committee on Ways and Means
United States House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Max Baucus
Chairman
Senate Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Sandy Levin
Ranking Member
House Committee on Ways and Means
United States House of Representatives
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Orrin Hatch
Ranking Member
Senate Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairmen Camp and Baucus and Ranking Members Levin and Hatch:

There is an overwhelming consensus among taxpayers, Congress, academics and nearly all other stakeholders that the federal tax system must be reformed and simplified in order for U.S. businesses to compete globally, promote economic growth and create U.S. jobs.

We believe the cornerstone of reform must be a significant reduction in the current 35% statutory corporate tax rate, which is why we have come together as the RATE Coalition (Reforming America's Taxes Equitably). The RATE Coalition is made up of like-minded businesses and associations with the purpose of advocating for sound and equitable reforms to the federal tax code that would reduce the corporate tax rate in order to improve the competitiveness of American business. Importantly, in our current deficit environment, we understand that base-broadeners may be required to achieve a meaningful corporate rate reduction.

Coalition member companies employ millions of Americans and provide benefits for retirees right here in the U.S.; yet higher tax rates and a complicated tax code put our companies at a distinct competitive disadvantage compared to our foreign competitors. In a global economy where capital is highly mobile, it's simply harder to compete from America. Research has found

that the corporate income tax rate can have a large impact on where companies choose to place production facilities and on the size of investments. We need to ensure that America is the place to invest now and in the future.

It has been 25 years since the last comprehensive tax reform was accomplished. Since then, other countries' tax systems have changed dramatically, and not to our benefit. Our competitors in the OECD have lowered their statutory tax rates while the U.S. rate has remained relatively constant. This has resulted in an uncompetitive tax environment that discourages investment and job creation here at home.

A lower U.S. corporate tax rate offers critical benefits to the U.S. economy and to all Americans. Most importantly, a lower corporate rate will boost investment in the U.S., bringing more American jobs, innovation and growth.

We urge you to move forward now to enact a lower corporate tax rate and restore America's competitive edge.

Respectfully,

Michael E. Szymanczyk
Chairman and
Chief Executive Officer
Altria Group, Inc.

Edward R. Hamberger
President and
Chief Executive Officer
Association of American Railroads

Randall Stephenson
Chairman and
Chief Executive Officer
AT&T Inc.

Jim McNerney
Chairman, President and
Chief Executive Officer
The Boeing Company

Larry J. Merlo
President and
Chief Executive Officer
CVS Caremark

Frederick W. Smith
Chairman of the Board and
Chief Executive Officer
FedEx Corporation

Alan Roger Mulally
President and
Chief Executive Officer
Ford Motor Company

Gregory B. Maffei
President and
Chief Executive Officer
Liberty Media

Robert J. Stevens
Chairman and
Chief Executive Officer
Lockheed Martin Corporation

Terry J. Lundgren
Chief Executive Officer, Chairman of the
Board, President, and Director
Macy's, Inc.

The Hon. Dave Camp
The Hon. Sandy Levin
Page 3

The Hon. Max Baucus
The Hon. Orrin Hatch

Matthew Shay
President and
Chief Executive Officer
National Retail Federation

William H. Swanson
Chairman and
Chief Executive Officer
Raytheon Company

Philipp Humm
Chief Executive Officer and
President
T-Mobile

Glenn Britt
Chairman and
Chief Executive Officer
Time Warner Cable

Scott Davis
Chief Executive Officer
United Parcel Service

Lowell McAdam
President and
Chief Executive Officer
Verizon Communications Inc.

Robert A. Iger
President and
Chief Executive Officer
The Walt Disney Company