February 21, 2017

The Honorable Paul Ryan
Speaker
U. S. House of Representatives
H-232, U.S. Capitol
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
S-230, U.S. Capitol
Washington, D.C. 20510

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
H-204, U.S. Capitol
Washington, D.C. 20515

The Honorable Chuck Schumer
Democratic Leader
U.S. Senate
S-221, U.S. Capitol
Washington, D.C. 20510

Dear Speaker Ryan, Leader McConnell, Leader Pelosi, and Leader Schumer:

Our companies collectively employ millions of Americans, either directly or through our suppliers, and we are proud of our roots here in the United States. We do business all over the world, so we witness every day how federal policies restrain the growth of the U.S. economy and reduce the number of jobs available to American workers.

We recommend enacting comprehensive pro-growth tax reform to remove a major impediment to economic growth – our outdated tax code. We have the highest business tax rate in the developed world and are one of the few countries that taxes business income on a worldwide basis. At a time when other countries have lowered their tax rates and enacted territorial taxation to attract investment and create jobs, the U.S. tax code continues to stand still. Our tax code also penalizes American workers who make products or provide services sold abroad, while favoring their international competitors.

The status quo hurts American companies – large and small – and their employees. Tax reform needs to address this challenge head on, which is why we are so encouraged by your commitment to fundamentally revamping the tax code. For the first time in 30 years, the U.S. has a real opportunity to adopt major reforms, and the change cannot come soon enough. If you are successful, the U.S. will level the international playing field by replacing the most antiquated tax code in the developed world with the most modern. The

nonpartisan Tax Foundation estimates that increased investment under the House plan will result in higher wages and roughly 1.7 million new jobs here at home.

The plan championed by House Speaker Paul Ryan (R., Wis.) and Ways & Means Committee Chairman Kevin Brady (R., Texas) would dramatically lower rates for businesses of all sizes, allow immediate expensing of all capital expenditures, and incorporate a more competitive "territorial" approach to taxing businesses. These changes will free up much-needed capital for companies to invest here in the U.S., help stop corporate inversions and acquisitions of U.S. companies, and protect American jobs from unfair foreign competition.

A critical element of the House blueprint is the provision that ensures goods and services produced abroad face the same tax burden as those produced in the United States. This reform is consistent with the tax policies of nearly every other country in the world, and it would effectively end the "Made in America" tax that creates an unfair advantage for foreign-based companies at the expense of U.S. jobs and economic growth.

We applaud your efforts to pursue tax reform that is both big and bold. Incremental tweaks will not level the playing field for American workers or dramatically reinvigorate economic growth. If we miss this chance to fundamentally reshape the tax code, it might take another 30 years before we have another chance to try.

That is why we are committed to helping you advance transformative changes that will accelerate a new wave of job creation and investment here in the U.S.

Sincerely,

Dennis A. Muilenburg
Chairman, President and Chief Executive Officer
The Boeing Company

John K. Coors
Chairman
CoorsTek

Jim Umpleby
Chief Executive Officer
Caterpillar Inc.

Andrew N. Liveris
Chairman and Chief Executive Officer
The Dow Chemical Company

Mark C. Rohr
Chairman and Chief Executive Officer
Celanese Corporation

Jeffrey R. Immelt
Chairman and Chief Executive Officer
GE

Mark J. Alles
Chief Executive Officer
Celgene Corporation

David A. Ricks
President and Chief Executive Officer
Eli Lilly and Company

Tony Simmons
President and Chief Executive Officer
McIlhenny Company

Kenneth C. Frazier
Chairman and Chief Executive Officer
Merck & Co., Inc

Safra Catz
Chief Executive Officer
Oracle Corporation

Ian C. Read
Chairman and Chief Executive Officer
Pfizer

Thomas A. Kennedy
Chairman and Chief Executive Officer
Raytheon Company

Douglas L. Peterson
President and Chief Executive Officer
S&P Global

Gregory J. Hayes
Chairman and Chief Executive Officer
United Technologies Corporation

Dow R. Wilson
President and Chief Executive Officer
Varian Medical Systems