

MEMORANDUM

May 4, 2009

To: Reporters and editors

From: Dan Virkstis for Senate Finance Committee Chairman Max Baucus (D-Mont.)

Re: Baucus statement on President's international tax proposals

Senate Finance Committee Chairman Max Baucus (D-Mont.) commented today following the Obama Administration's announcement, as part of the President's budget, of several international tax policy proposals that would directly affect American multinational corporations. Baucus said more study is required to see how American companies will be influenced by the suggested policies. Proposals would modify the law surrounding companies' ability to defer tax on foreign earnings, foreign tax credits, classification of foreign businesses, and offshore tax havens.

"The President's proposals highlight an important point — our corporate international tax system needs reforming. There are a number of Finance Committee ideas reflected here, such as the proposal to address offshore tax evasion and making the R&D credit permanent for businesses, but further study is needed to assess the impact of this plan on U.S. businesses," said Baucus. **"I want to make certain that our tax policies are fair and support the global competitiveness of U.S. businesses. These policies must be designed to encourage economic growth and create good-paying jobs Americans need right now. The proposals announced by the President today set the table for tax reform, and I look forward to sitting down with the Administration soon to take up these issues."**