

Assistant Secretary for Treasury Nominee David J Kautter

Confirmation Hearing

July 18, 2017

Chairman Hatch, Ranking Member Wyden, and distinguished members of the Senate Finance Committee, it is an honor to appear before you today. I feel both privileged and humbled to have been recommended by Treasury Secretary Steven Mnuchin and nominated by President Trump to serve as Assistant Secretary of the Treasury for Tax Policy. As a former tax staffer for a member of this committee, I have deep respect both for this committee and the institution of the Senate. I look forward to the opportunity, if confirmed, to serve this country again.

I would like to take moment to thank my family who have been a constant source of inspiration and support for me throughout my career, my wife Kathy and my two children Hilary and David.

I would also like to express my thanks to those members and staff that I've been able to visit with over the past couple of weeks. If confirmed, I look forward to working with you in a bipartisan, collaborative, and collegial manner.

I grew up in a small town by the name of Plymouth in the anthracite coal mining region in Northeastern Pennsylvania. My father worked as an accountant for the coal mines and my mother was a high school teacher.

I have spent the majority of my career as a tax practitioner and leading accounting firm tax departments. I am currently the Partner in Charge of the accounting firm RSM's Washington National Tax Office. I also ran the American University Kogod Tax Center, where I taught in the business school. Finally, I'm proud to say that I was Senator Danforth's tax counsel for over three years. I will always be grateful to Senator Danforth for the lessons I learned and the values he instilled in all of his staff. He set a standard for excellence and service that has been a source of inspiration for my entire career.

Through these career opportunities I have worked on many aspects of the tax code. At American University, I focused on small businesses and middle income

individuals. My current firm, RSM, is focused on middle market companies. At Ernst & Young, I specialized in employee benefits and compensation, and witnessed firsthand the challenge of keeping American companies competitive internationally.

Comprehensive tax reform is the challenge before us.

The current code is unnecessarily complex, anti-competitive and picks winners and losers. Americans need a simpler system when filing their taxes and the middle class needs a tax cut. U.S. businesses need a tax code that allows them to prosper, domestically and in the international marketplace.

You have made great progress in identifying the policies that will achieve these goals. The magnitude of Congress's tax reform work, in terms of hearings, working groups, and legislative proposals, is impressive. As a result, America is on the verge of its first comprehensive tax code overhaul in a generation.

Treasury has an outstanding team of many of the most talented tax professionals in the world. Working together, I believe we can get tax reform over the finish line. If confirmed, it will be an honor to strive to do so.

Thank you.