



Senate Committee on Finance
U.S. Senator Orrin Hatch (R-UT), Chairman

<http://finance.senate.gov>

FOR IMMEDIATE RELEASE

February 24, 2015

CONTACT: [Aaron Fobes](#) , [Julia Lawless](#)

(202) 224-4515

Hatch Statement at Finance Hearing on Tax Reform, Growth and Efficiency

WASHINGTON – Senate Finance Committee Chairman Orrin Hatch (R-Utah) today delivered the following opening statement at a committee hearing on tax reform, growth and efficiency:

The committee will come to order.

I want to welcome everyone to today's hearing to discuss tax reform, growth, and efficiency. I also want to thank our witnesses for appearing before the committee today.

Many of us on the committee believe that tax reform is no longer optional. Rather, it is essential to help get our economy moving again. I believe that there is bipartisan agreement on the need for tax reform.

Ranking Member Wyden, for example, has been invested in reform for about a decade now. Other members of this committee have worked diligently in recent years to examine available options and tradeoffs. Our efforts continue with bipartisan working groups that we established to engage in studying the issues, examining tradeoffs, considering options, and arriving at recommendations.

The Obama Administration also remains interested in bipartisan efforts to reform the tax code, with particular interest in business tax reform.

I disagree with most of the aggressive, often anti-growth, proposals in the President's recent budget aimed at significantly hiking taxes on capital as well as on savings and investment. Nonetheless, I welcome willingness on the part of the administration to engage in dialogue about how to reduce tax burdens on American businesses of all types, and how to improve the tax system for working American families.

While there is no shortage of interest in tax reform, we need to continue to work in a bipartisan way toward action.

Today's hearing will allow us to hear from an expert panel of witnesses about their views on how we can reform the tax system to promote growth in wages, jobs, and the economy and reduce economic inefficiencies.

Issues surrounding how best to promote the efficient allocation and utilization of resources accompany any objective for promoting growth. In my view, we should minimize tax provisions that stand in the way of efficiently utilizing resources.

While there are many issues surrounding how society values resource allocations, there are striking areas of our existing tax system that need attention. For example, our statutory and effective corporate tax rate is far too high relative to our international competitors, which impedes the abilities of U.S. firms to compete.

And there are many tax-driven distortions in the tax code, but the list is too long for me to cover in the limited time I have available in my opening remarks.

By now, I hope that everyone is clear on the principles that I believe should guide us as we examine tax reform. Prominent among those principles is that tax reform should significantly reduce economic distortions that are present under the current income tax system and promote growth in our economy.

I want to ask that each witness on today's panel identify in their remarks today what they believe are the most damaging aspects of our existing tax system from the perspective of growth in the economy and efficient utilization of resources.

Finally, let me just say that we must always remember that tax revenue comes from the economy, and not from Congress. Tax revenue comes from the hard work of American households and businesses, and not from bureaucrats in government. Congress should act as stewards of resources it extracts from American households and businesses, not as primary claimants on those resources.

With that, I now turn to Ranking Member Wyden for his opening remarks.

###