Tax Reform Is Working

20%	increase in domestic investment, including in workers, equipment, patents and technology
$6K+	growth in real median household income in first two years after tax reform, more than in the previous 10 years combined
3%	GDP growth in the year following enactment, exceeding CBO estimates
$2.5T	in international earnings returned to the U.S.
Global Fortune 500	includes more American companies
Record high	corporate taxes paid
0	major tax-related corporate inversions
2x	royalty income subject to U.S. taxation, which includes new and existing IP

Maintain the Globally Competitive U.S. Business Tax System

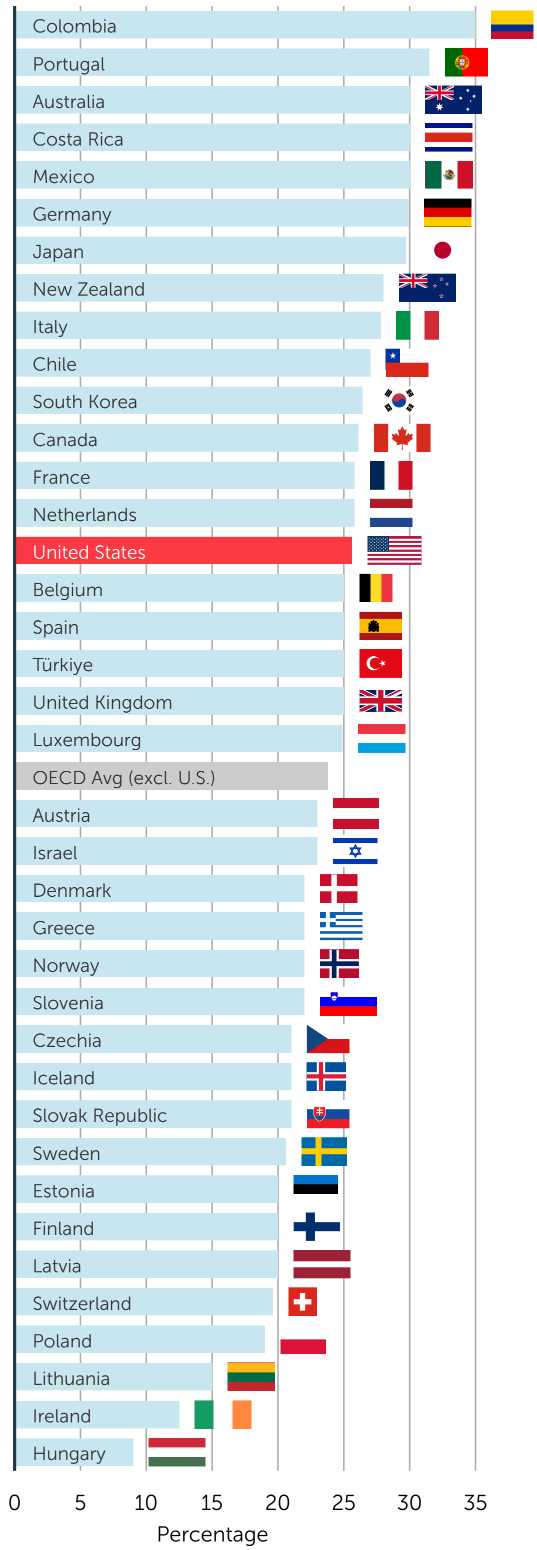
As a result of tax reform, the U.S. business tax system is more globally competitive and encourages companies to invest at home. With most of our tax system expiring in 2025, Business Roundtable urges policymakers to:

1. **Retain the permanent corporate income tax rate of no more than 21%.**
2. **Maintain a competitive international tax system.** Keep the international tax rules on foreign income, including the minimum rate, globally competitive.
3. **Continue and strengthen broad-based innovation incentives.** A competitive tax system should include immediate expensing for R&D investment, which is standard practice for our international competitors. Any reforms should retain the tax incentives for owning intellectual property (IP) in the U.S., including the current deduction for Foreign-Derived Intangible Income (FDII).

Raising Corporate Taxes Would Drive Investment and Jobs Overseas

While tax reform increased America's global competitiveness, the combined U.S. corporate rate of 25.6% — federal (21%) plus state average (4.6%) — is still one of the highest among developed economies. Since tax reform, American businesses have been hit by new taxes. Additional tax increases on corporations would only make it more difficult for U.S. businesses to invest at home, create American jobs and compete globally.

Corporate Tax Rate % for OECD Countries



Source: OECD

Any U.S. corporate rate increase would undermine America's competitiveness

Increasing the U.S. corporate rate by just 1% would return the tax burden on American corporations to pre-tax reform levels.

FDII rate increase would chill American innovation

A higher FDII rate would disincentivize businesses from developing IP in the U.S. and repatriating IP.

A significant portion of the corporate tax burden is borne by workers

The Treasury Department estimates that families making less than $72,500 pay more in corporate income taxes than they do in individual income taxes.