



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 Kevin Brady  
Chairman  
House Committee on Ways and Means  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Orrin Hatch  
Chairman  
Senate Committee on Finance  
219 Dirksen Senate Office Building  
Washington, D.C. 20510

Secretary Steven Mnuchin  
U.S. Department of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, D.C. 20220

The Honorable Gary Cohn  
Director, National Economic Council  
1600 Pennsylvania Ave., NW  
Washington, D.C. 20500

Dear Speaker Ryan, Leader McConnell, Chairman Brady, Chairman Hatch, Secretary Mnuchin and Director Cohn:

We are encouraged that Congressional leaders and the White House have seized this once-in-a-generation opportunity to overhaul our outdated tax code by unifying around bold reforms to transform our economy, make the U.S. more competitive globally, and generate faster job creation and economic growth. As the chief executives of major American employers, we believe effective tax reform depends on the three following priorities:

**Significantly lower, competitive rates** – The U.S. taxes businesses at the highest rates in the developed world. Significantly lowering these rates would enable companies to hire and train new workers, raise wages for workers already on the payroll, and invest in research and new equipment. Lowering rates to bring our tax code more in line with other developed countries also encourages businesses with a global footprint to expand their operations in the U.S.

**The adoption of a territorial tax system** – Tax reform should make the U.S. more competitive globally and end the tax incentive for U.S. firms to relocate overseas or be acquired by foreign-headquartered companies. American companies operating abroad already pay taxes in the countries where they do business. Our outdated, worldwide tax system discourages increased investment in the U.S., effectively trapping foreign earnings in other markets and fueling the migration of American businesses to lower-tax countries. We can fix this imbalance by joining the rest of the developed world and no longer taxing the foreign earnings of companies based in the U.S. This change will help American businesses compete on an even playing field with our foreign-based competitors.

**Permanent reforms** – To generate real, sustainable growth, tax reform should be permanent. Few businesses would make significant new investments, if these changes are set to expire. Companies need to be confident these policies will still be in place for the long-term in order to make significant investment decisions. The only way to ensure that permanence is to adopt a plan that offsets lost revenue with economic growth and thoughtful base-broadening provisions that do not impose onerous new taxes on U.S. businesses competing abroad.

We know it will take time to enact the transformative change our economy needs, and we are pleased Congress

and the administration are unified around shared principles to create that growth. This debate is bound to take many unexpected turns in the weeks ahead, but we hope tax-writers at both ends of Pennsylvania Avenue focus on these broad principles to create a 21<sup>st</sup> Century tax code that will make the U.S. more competitive. If we miss this chance, it might take another 30 years before we get a similar opportunity to enact major tax reform.

Thank you for your steadfast work on tax reform. We look forward to our continued engagement with you as this work progresses.

Sincerely,

David F. Melcher  
President and CEO, Aerospace Industries Association

David A. Ricks  
Chairman and CEO, Eli Lilly and Company

Juan R. Luciano  
Chairman of the Board, President and CEO, Archer Daniels Midland Company

Peter Huntsman  
President and CEO, Huntsman Corporation

Mark C. Rohr  
Chairman and CEO, Celanese

Mark Hunter  
President and CEO, Molson Coors Brewing Company

Mark J. Alles  
CEO, Celgene

Rebecca Boenigk  
CEO, Neutral Posture

Carl Cook  
CEO, Cook Group Inc.

Thomas A. Kennedy  
Chairman and CEO, Raytheon

John K. Coors  
Chairman, CoorsTek

Douglas L. Peterson  
President and CEO, S&P Global Inc.

William J. Jones  
Chairman and CEO, Cummins Allison Corporation

Thomas A. Gendron  
Chairman of the Board, CEO and President,  
Woodward Inc.

CC:

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  
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