



## 4 REASONS TO SUPPORT THE “STOP TAX HAVEN ABUSE ACT”

The Stop Tax Haven Abuse Act (S. 1533) was introduced by Sen. Carl Levin (MI), Sheldon Whitehouse (RI), Mark Begich (AK) and Jeanne Shaheen (NH). It would close tax loopholes that encourage U.S. corporations to move jobs, profits and operations offshore and prevent them from paying their fair share of taxes. Below are four reasons to support S. 1533:

**1. It would raise \$220 billion to replace budget sequester cuts and to invest in America.**

Over the last three years, to reduce the deficit Congress has [cut about \\$1 trillion from benefits and services that protect our families and grow our economy](#). Deep cuts have ranged from school funding to Head Start, investments in new medical cures to finding clean energy sources, and meals for seniors to veterans’ mental health care. Meanwhile, corporations have not contributed a dime to reduce the deficit and no corporate tax loopholes have been closed. Federal spending is slated to be reduced another \$110 billion in 2014 under the budget sequester. It doesn’t have to be this way. Instead of making more cuts, [S. 1533 could stop overseas tax dodging and raise at least \\$220 billion in new revenue over 10 years](#), according to the Joint Committee on Taxation. This would also save American jobs and allow us to invest in a growing economy.

**2. America should stop giving corporations tax subsidies to export jobs.** U.S. tax law lets multinational corporations write off the costs of transferring operations overseas, even if they will never pay U.S. taxes on those new foreign operations. By setting a new rule – if a company has not paid taxes on foreign income, it cannot deduct the costs of earning that income – S. 1533 takes away a big incentive to export jobs.

**3. Corporations should pay their fair share of taxes.** Large, profitable corporations [pay on average just one-third the official corporate income tax rate of 35 percent](#), according to a U.S. General Accounting Office report. That’s due in part to offshore tax loopholes. U.S. companies have almost [\\$2 trillion in profits stashed overseas](#), much of it in tax havens and all of it untaxed by the United States until it is brought back home. [Apple enjoyed profits of \\$74 billion from 2009-2012 on worldwide sales](#) (excluding the Americas) and paid nearly *nothing* in taxes to any country. S. 1533 would stop much offshore tax dodging so that corporations cannot avoid their responsibilities to the American communities that helped make their success possible.

**4. We need to level the playing field between big corporations and small businesses.** American small businesses that pay their fair share are subsidizing large corporations that dodge their taxes and ship jobs overseas. Small businesses create many new jobs. If we care about seeing “Made in the USA” again, we need to level the playing field between big and small businesses by eliminating tax loopholes that benefit big corporations that ship jobs overseas.