Internal Revenue Service
Attention: CC:PA:LPD:PR (REG-108060-15)
Washington, DC 20044

Via: http://www.federalregister.gov

Re: IRS-2016-0014-0002

To whom it may concern:

Attached please find comments submitted by 29,604 members and supporters of Americans for Tax Fairness and Daily Kos in support of the draft rule on the Treatment of Certain Interests in Corporations as Stock or Indebtedness, also known as the "earnings stripping" rule.

We are very pleased that the Treasury Department took this action to protect the loss of critical tax dollars. This rulemaking is necessary because the U.S. Congress has failed to act to stem the tide of inversions and other manipulative financial arrangements multinational corporations use to dodge paying their fair share of U.S. taxes, such as earnings stripping.

American companies must pay their fair share of the costs of creating a vibrant economy, including an educated workforce, a strong infrastructure, and a fair legal system. The Joint Committee on Taxation estimates that corporate inversions could result in a loss to the Treasury of $34 billion over the next 10 years, money that is needed for priorities that can improve our local communities.

When a foreign company buys a U.S. company it should not be able to strip taxable profits out of the United States by giving its American subsidiaries unnecessary loans. The interest paid on these loans are tax deductible here in America, which reduces their U.S. tax bill. By using this scam to shift U.S. profits offshore to a low-tax country, foreign corporations avoid even more taxes owed to America. Thankfully, the proposed rule would stop this tax dodge.

Respectfully submitted,

Frank Clemente
Executive Director
Americans for Tax Fairness
fclemente@americansfortaxfairness.org

Chris Bowers
Executive Campaign Director
Daily Kos
chris@dailykos.com