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## **HOUSE & SENATE LEGISLATION WOULD CLOSE LOOPHOLES IN TRUMP-GOP TAX LAW THAT INCENTIVIZE SHIFTING JOBS & PROFITS OFFSHORE**

### **“No Tax Breaks for Outsourcing Act” Would Remedy Trump Failure to Stop Manufacturing from Disappearing Offshore**

WASHINGTON, D.C. – New legislation introduced today would end tax incentives that encourage multinational corporations to shift jobs and profits offshore that were enacted under the recent tax legislation pushed by President Trump and Republicans in Congress.

Sponsored by House Ways and Means Tax Policy Subcommittee Ranking Member Lloyd Doggett (D-TX), and Senate Finance Committee Member Sheldon Whitehouse (D-RI), the “No Tax Breaks for Outsourcing Act” would equalize the tax rates for profits booked at home and abroad rather than maintain the 21% rate on domestic profits and 10.5% on offshore profits, repeal the 10% tax exemption on profits earned from investments made offshore, and crack down on corporation inversions.

Frank Clemente, executive director of American for Tax Fairness, issued the following statement:

“The Trump-GOP tax giveaway legislation is a jobs killer. It cut in half the tax rate corporations will pay on offshore profits in general, but then it effectively eliminates taxes on offshore profits derived from new plant and equipment located offshore. This provides even more tax incentives than existed before for corporations to outsource U.S. jobs and shift profits offshore.

“It is critical to level the playing field so that U.S. workers and U.S. corporations are on an equal footing with the subsidiaries of U.S. corporations operating offshore. Otherwise, corporations will game the system created by this new tax law and working families, communities and Main Street businesses will pay the price.

“When running for president Donald Trump promised to stop U.S. manufacturing from disappearing overseas, but his tax plan will do the opposite. The ‘No Tax Breaks for Outsourcing Act’ is a critical remedy to ending the new Trump tax incentives that encourage corporations to outsource jobs and shift profits offshore.”

Other organizations endorsing the legislation include the AFL-CIO; Alliance for Retired Americans; American Family Voices; American Federation of Government Employees; American

Federation of State, County and Municipal Employees (AFSCME); Americans for Democratic Action; Campaign for America's Future; Coalition on Human Needs; Communications Workers of America; CREDO; Economic Policy Institute Policy Center; Financial Accountability and Corporate Transparency (FACT) Coalition; Institute on Taxation and Economic Policy (ITEP); International Federation of Professional and Technical Engineers; Main Street Alliance; MomsRising; National Association of Social Workers; NETWORK Lobby for Catholic Social Justice; Other98; Oxfam America; Patriotic Millionaires; People Demanding Action; Progressive Congress Action Fund; Public Citizen; Small Business Majority; Social Security Works; Union Veterans Council; International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW); United Steelworkers; and Working America.

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