



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

January 30, 2008

The Honorable John Ensign
United States Senate
Washington, DC 20510

Dear Senator Ensign:

ATR supports swift passage of the growth package compromise that passed the House this week. It seems clear, however, that Senate Democrats are taking the opportunity presented by the economic growth package to add on extraneous spending that bears no relation to job creation or prosperity. If Senate Democrats are determined to open the package to more spending, taxpayers should insist on opening the package to more pro-growth tax cuts.

I was encouraged to hear that you are supporting a provision to allow the repatriation of cash earned by foreign subsidiaries of U.S. companies for use in the American economy. The last time this was attempted in 2005, \$360 billion was brought back from foreign accounts and invested in U.S. jobs and business growth. IRS figures show that this provision actually raised \$10-\$20 billion in additional taxes.

It's essential that companies have the capital needed to create jobs and invest in America. Too many corporations are simply unable to bring foreign earnings home since they would then be liable for a 35% corporate tax rate—the second-highest in the developed world.

Repatriation of foreign earnings would be a welcome and effective boost to economic growth in 2008, and should also be considered as a permanent, pro-growth change to tax law. To create jobs and grow the economy, companies need capital. Bad tax law should not prevent vital investments in America.

Sincerely,

Grover Norquist
GGN:rlc

1920 L Street NW

Suite 200

Washington, DC

20036

T: (202) 785-0266

F: (202) 785-0261

www.ATR.org