July 31, 2018

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President:

Under your Administration the United States has leapfrogged the rest of the world and now is the most competitive country in the world, according to annual rankings by the Switzerland-based IMD World Competitiveness Center. This is a truly remarkable feat, and you should be proud of what you have accomplished in just over 500 days in office.

Unfortunately, our success as a nation is perceived as a threat to the European Union (EU) so they are attempting to undercut American exceptionalism through a targeted digital tax regime. For this reason, we need a strong advocate to represent the US as Ambassador to the Organization for Economic Cooperation and Development (OECD).

The European Commission has proposed a tax on digital services intended to make technology companies pay more. The Commission is calling for a 3% tax on the turnover of large digital enterprises – those with EU digital revenues over $58 million and total global revenues of over $877 million. The Commission claims this tax is a facially neutral attempt to tax digital service providers without a physical presence, yet over 50% of the companies impacted are U.S. based.

Ironically, the EU has also asked the OECD to review the international provisions of the Tax Cuts and Job Act (TCJA), which are designed to curb the very practices that this digital services tax alleges to address. Of course, the best course of action for European countries is to enact pro-growth tax reform like the TCJA. Without the political will to act, however, it seems clear they will continue to attack US gains through international bodies. We need a strong and powerful voice advocating for the US and US-based companies at the OECD. As such, we respectfully request you nominate an Ambassador to the OECD as quickly as possible. Thank you for your consideration.

Sincerely,

Jim Renacci
Member of Congress

Mike Kelly
Member of Congress