



Business Leaders in Support of a Territorial Tax System

Greg Hayes Senior VP and CFO, United Technologies Corporation, a producer of high-technology products and support services in the aerospace and building industries worldwide: “[W]hen you have a territorial tax system and the free movement of capital that will drive job creation here in the United States, that will drive investment here in the United States.”

Mark Buthman, Senior VP and CFO, Kimberly-Clark Corporation, an American corporation that produces paper-based consumer products: “[T]he more competitive we are overseas, the more cash we generate overseas - - today, the fact is that it is very difficult to bring it back to this country. If we can eliminate that obstacle, there is no question that much of the cash we refer to as ‘trapped’ overseas would return here, to be invested in some way, shape, or form in the United States.”

James Crines, Executive VP Finance and CFO, Zimmer Holdings, Inc., a medical device company: “Under a territorial tax system, U.S. companies like Zimmer will have the ability to access our foreign resources for investment here, in our home country. This would eliminate the so-called lock-out effect inherent in today's U.S. tax system.”

Edward Rapp, Group President and CFO, Caterpillar Inc. “As we’ve looked at tax systems around the world, we see common characteristics we believe ought to be part of any tax reform in the United States...Second, do away with the worldwide structure and implement a territorial tax system like those in most other industrialized nations. This would provide a level playing field for American companies competing in markets at home and abroad.”

Michael T. Duke, CEO of Wal-Mart Stores “If it means a simplified, more competitive, territorial system, we will give up the existing incentives that benefit us.”

On Aug. 12, Barack Obama summoned chief executives from some large U.S. companies to the White House to sound them out on ideas for his jobs proposal. **Xerox Corp. chief executive Ursula Burns** pressed him to include corporate-tax simplification and a territorial tax system, according to people familiar with the meeting.

Business Roundtable “To level the playing field for U.S. companies – and enhance U.S. economic growth and job creation – the United States must reform its corporate tax system to include a significantly lower corporate rate and the adoption of a territorial-type system for international tax.”

Michael G. Wall, VP of Corporate Tax, Case New Holland Inc., an exporter of agricultural and construction equipment: “We strongly believe that a territorial system coupled with a substantially lower U.S. corporate tax rate would provide tremendous incentives for increasing operations in the United States for both U.S. based and foreign based companies.”

National Commission on Fiscal Responsibility and Reform “Move to a competitive territorial tax system. To bring the U.S. system more in line with our international trading partners, we recommend changing the way we tax foreign-source income by moving to a territorial system.”