

March 7, 2012



Dear Senator,

The [Financial Accountability and Corporate Transparency \(FACT\) coalition](#), which includes a broad range of small business, faith-based, labor union, anti-corruption, government transparency, tax policy and public interest organizations, urges you to support the Levin-Conrad offshore tax amendments to [S.1813](#), the Surface Transportation bill.

Senate Amendment 1741 includes a comprehensive proposal to permanently close offshore tax loopholes and keep much-needed jobs and revenues here in the U.S. It includes restrictions on the use of offshore tax havens to avoid and evade federal taxes. It would tax, as U.S. corporations, companies that have the vast majority of their staff and their main offices in the U.S., but have registered as foreign corporations in order to avoid U.S. taxes while reaping the benefits of the roads, sanitation, educated workforce, etc., that our tax dollars provide to them. It would greatly reduce the tax incentives for corporations to move operations and profits offshore, and require annual country-by-country reporting by SEC-registered corporations. **It has been estimated that this amendment would result in an additional \$155 billion in revenue over 10 years.**

While amendment 1741 provides the most significant impact on closing offshore tax loopholes and raising revenues, we also ask you to support **S.A. 1746**. This amendment, a key provision included in S.A. 1741, gives the Treasury another tool to stop off-shore tax havens and their financial institutions that “impede U.S. tax enforcement” from transacting business in the United States. This authority is already granted in the USA PATRIOT Act with respect to money laundering concerns. Given the relationship between offshore tax avoidance and evasion and money laundering, this is a natural fit to combat financial crime and its dangerous downstream effects.

The negative impact of financial secrecy on the U.S. and around the world makes this a very timely proposal. While S.A. 1746 provides for enforcement and does not amend the tax code, **it was estimated by the Joint Committee on Taxation as raising \$900 million over 10 years.**

With these amendments, Congress has an immediate opportunity to begin the process of restoring some justice and fairness to our tax system. [As budgets for the enforcement of current tax laws are cut](#), it is critical to give those on the front line as many tools as possible.

Thank you,

[The Financial Accountability and Corporate Transparency \(FACT\) Coalition](#)