



Center for Freedom and Prosperity

Andrew F. Quinlan
President

Wednesday, June 21, 2006

The Honorable Jim DeMint
United States Senate
340 Russell Senate Office Building
Washington, DC 20510

Dear Senator DeMint,

On behalf of the Center for Freedom and Prosperity, I offer our endorsement for the Working American Competitiveness Act (S. 3496). The elimination of the second layer of taxation on Americans working overseas is an essential step toward a stronger U.S. economy. Americans who live and work abroad greatly benefit our country by earning market share for our goods and services. It is good economics and common sense to remove the punitive double taxation on these productive citizens.

Unfortunately, Congress recently worsened this form of double taxation. Since all other developed countries have a superior system of territorial taxation, this was a big mistake. Your bill is the right remedy at the right time, especially for growing American businesses who are considering their first leap into the global market. Under your bill, their employees will be able to go abroad and boost our nation's competitive position without discriminatory tax treatment from their own government. Your bill reduces both the risk and the cost that businesses face when entering the global market.

Removing worldwide taxation also brings the tax code more in tune with what people think is reasonable. Respect for the tax code is higher when the code makes sense. By eliminating double taxation on expatriates, your bill adds a much needed dose of common sense to our tax code.

The Center for Freedom and Prosperity applauds your work to remove the second layer of tax on Americans working abroad. We strongly encourage Congress to pass your Working American Competitiveness Act.

Sincerely,

Andrew F Quinlan
President and CEO
Center for Freedom and Prosperity