September 19, 2014

Dear Senator:

On behalf of the 1.6 million members of the American Federation of State, County and Municipal Employees (AFSCME), I urge you to co-sponsor and support S. 2360, the “Stop Corporate Inversions Act of 2014.” AFSCME strongly supports S. 2360 because it would narrow the harmful federal tax loophole that encourages companies which reincorporate offshore through inversions to avoid paying U.S. taxes. Large profitable corporations should pay their fair share of U.S. taxes and this bill is part of the solution.

S. 2360 would greatly restrict a troubling tax break that rewards businesses after they merge with foreign companies and reincorporate in offshore low tax nations, by allowing them to avoid U.S. tax on their offshore income. It is wrong for corporations to engage in these sham relocations to reduce their taxes and then retain ownership and operations in America. The legislation tightens existing restrictions on these tax breaks and imposes a two-year moratorium on inversions that do not meet new tighter restrictions. As companies increasingly consider and implement these inversions in order to avoid taxes, AFSCME urges immediate action to end this abuse.

AFSCME supports the efforts of those who want corporations and the wealthiest Americans to pay their fair share of taxes. It’s wrong for some to enjoy the benefits of being a U.S. corporation, yet scheme to avoid their taxes. We urge your support for the “Stop Corporate Inversions Act of 2014.”

Sincerely,

[Signature]

Scott Frey
Director of Federal Government Affairs

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