

May 19, 2021

The Honorable Maxine Waters
Chair
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

The Honorable Patrick McHenry
Ranking Member
House Committee on Financial Services
U.S. House of Representatives
Washington, DC 20515

Re: Opposition to H.R. 3007

Dear Chair Waters and Ranking Member McHenry:

The undersigned trade associations write to express their opposition to the bill your committee recently reported, H.R. 3007, the "Disclosure of Tax Havens and Offshoring Act."

In stark contrast to the global consensus that country-by-country tax information should only be made available to governments, the bill would require disclosure in published financial statements of confidential taxpayer information. The United States' participation and agreement with Action 13 of the OECD/G20's BEPS initiative was predicated on the assumption that taxpayer information submitted in country-by-country reports would in fact remain confidential. Maintaining the confidentiality of taxpayer information is critical so that valuable and highly sensitive information is not disclosed to foreign competitors.

The bill also ignores the tremendous complexities required from a compliance perspective. Current country-by-country reporting rules require that data be provided on global income, profit, taxes paid, and economic activity in all the jurisdictions in which a multinational corporation operates. These reports do not provide a global information return for each individual entity in every country in which the multinational corporation operates.

We encourage Congress to adhere to the longstanding tradition that tax return information contained in country-by-country reports remain confidential and not subject to public disclosure.

We appreciate the opportunity to comment and look forward to continued interaction as this process moves forward.

Sincerely,

American Petroleum Institute
Business Roundtable
Financial Executives International
National Association of Manufacturers
National Foreign Trade Council
Software Finance and Tax Executives Council
United States Chamber of Commerce
United States Council on International Business