



# News Release

FOR IMMEDIATE RELEASE

**MILLER & CHEVALIER ANNOUNCES RESULTS OF TAX POLICY FORECAST SURVEY**  
***Respondents to Third Annual Survey Say Economic Crisis Will Dominate the Tax Agenda;***  
***Call for Overhaul of Business Tax Structure to Increase Global Competitiveness***

**Washington D.C., February 2, 2009** – Miller & Chevalier Chartered today announced the results of their 2009 Tax Policy Forecast Survey measuring the current perspectives and attitudes of leading corporate tax executives on the direction of tax policy in the coming year. The results reflect an opinion that addressing the economic crisis will dominate the tax agenda. Longer-term, respondents are calling for greater simplification, a lower corporate tax rate and international tax policies that will help their companies stay more competitive in the global business environment.

Survey respondents named management of the effective tax rate and taxation of international operations as their top two business tax concerns in 2009. The United States currently has the second highest statutory corporate tax rate, which is a significant concern for domestic-based businesses competing with foreign competitors. However, while respondents overwhelmingly believe there is a need for a comprehensive overhaul of the current tax structure, less than two percent believe it is likely in the coming year.

“Respondents to our survey understand that the tax agenda in early 2009 will be dominated by economic stimulus measures,” said Miller & Chevalier Member Marc Gerson, former Majority Tax Counsel to the U.S. House of Representatives Committee on Ways & Means. “Looking beyond that legislation, the business community is concerned about the use of revenue raisers that affect business interests and are again calling for greater simplification, a lower corporate tax rate and international tax policies that will help their companies stay more competitive in the global business environment.”

## **Survey Highlights**

In January, Miller & Chevalier distributed the survey via e-mail to leading corporate tax executives at a broad cross-section of large U.S.-based and foreign-based multinational corporations and major trade associations. The survey was completed by 178 respondents who provided opinions on the impact of the economic turmoil, tax legislation likely to be enacted in 2009, and likely revenue sources. Some survey highlights include:

- Respondents name management of the effective tax rate (40%) and taxation of international operations (22%) as their top two business tax concerns in 2009.
- 95% of respondents think economic stimulus will be a tax policy priority of the Obama Administration, 71% think middle class tax cuts will be a priority and 31% think energy legislation will be a priority.
- Respondents overwhelmingly believe there is a need for a comprehensive overhaul of the current tax structure, but only 2% think such reform is likely in the coming year.
- Tax legislation that respondents think most likely to be enacted this year includes economic stimulus legislation (97%), a one-year "AMT" patch (72%) and a one-year "extenders" package (62%).

- Respondents believe Congress will look at increased taxation of international operations (69%), limitations on executive compensation (66%) and increased taxes on capital gains, dividends, and interest (59%) as revenue sources.

### **IRS Initiatives**

For the first time, the Tax Policy Forecast Survey measured corporate tax executives' perspectives and attitudes on a number of issues related to administration of the tax law by the Internal Revenue Service (IRS).

For a number of years, the Large and Mid-Size Business Division of the IRS has attempted to improve the quality of its auditors' performance through various internal programs. 88% of survey respondents view their IRS examinations as being conducted in a manner that is the same as or better than that which existed five years ago.

"Over the last few years, the IRS has faced many challenges in terms of combating overly aggressive tax transactions, managing budgetary constraints, gearing up to meet the complexities created by an ever increasing global economy, and implementing a host of changes to the Internal Revenue Code. To deliver in all these areas and achieve the results indicated in this survey is a noteworthy accomplishment. However, those who responded to the survey still felt there was significant room for audit improvements by the IRS," added Miller & Chevalier Member and former IRS Commissioner Lawrence Gibbs.

For a full copy of the survey results and analysis, please contact Laura Miller at (312) 252-4104 or visit [www.millerchevalier.com](http://www.millerchevalier.com).

### **About Miller & Chevalier**

Founded in 1920, Miller & Chevalier is a leading Washington, D.C. law firm with more than 100 lawyers who practice in the areas of tax; benefits, including ERISA; federal healthcare programs; white collar; federal procurement fraud; international; and related litigation. For more information on the firm visit [www.millerchevalier.com](http://www.millerchevalier.com).

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