



News Release

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Miller & Chevalier and The National Foreign Trade Council Announce Results of the Seventh Annual Tax Policy Forecast Survey

2013 Survey Respondents Say Raising Revenue is the Administration's Top Priority; Fundamental Tax Reform Not Likely in 2013

Washington, D.C., February 19, 2013 – Miller & Chevalier Chartered and the National Foreign Trade Council (NFTC) today announced the results of their 2013 Tax Policy Forecast Survey measuring the current perspectives of leading business tax executives on the tax legislative agenda in 2013. The results demonstrate a leading concern that in light of the current political and fiscal environment, Congress will enact revenue offsets to fund other legislative initiatives rather than to make the U.S. tax system more competitive.

Business tax executives continue to believe that fundamental tax reform is necessary, but expressed increased doubt that such reform will be enacted in the near future. Respondents said the lack of activity is attributable to a variety of factors, including the existence of competing legislative priorities, a lack of public agreement, budget constraints and a lack of Administration interest.

“Respondents this year express deep concern and doubt over the future of tax policy in 2013. The focus on revenue offsets and the uncertainty regarding fundamental tax reform presents a very challenging environment for taxpayers this year,” said Miller & Chevalier Member Marc Gerson, former Majority Tax Counsel to the U.S. House of Representatives Committee on Ways & Means.

A majority of respondents also believe that an increase in the U.S. taxation of their international operations will be used for revenue, which is a top business concern in 2013.

“Worldwide American companies favor tax reform that will modernize the U.S. corporate tax rate and tax system to bring it in line with the rest of the world and are clearly concerned that their competitive situation will be further jeopardized by new U.S. taxes being imposed on them to offset pending budgetary problems. The focus on raising revenue from the business sector has business leaders worried about the future of tax reform,” said Catherine Schultz, Vice President for Tax Policy at the NFTC.

Survey Highlights

In January 2013, Miller & Chevalier and the NFTC distributed a survey via email to leading business tax executives, including Vice Presidents, Managers and Directors of Tax at a broad cross-section of large U.S.-based and foreign-based multinationals and major trade associations. Some survey highlights include:

- **Top two business concerns in 2013:** The enactment of revenue offsets without adoption of a competitive tax system and/or competitive tax rates (39 percent of those responding) and changes to the U.S. taxation of international operations (21 percent of the respondents) are the top two concerns of business tax executives in 2013.

- **Most impact on tax policy in 2013:** A plurality of business tax executives (34 percent) believe that a continued focus on the economy will have the most positive impact on tax policy in 2013, while 56 percent of executives believe that the Administration's priorities (which will likely include revenue raising) will have the most negative impact on tax policy in 2013.
- **International operations:** 68 percent of respondents say an increase in the U.S. taxation of international operations is likely to be a revenue source to pay for any Congressional tax initiatives this year, and 47 percent of respondents say such an increase will have a negative impact on their business.

For a full copy of the survey results and analysis, please contact Laura Miller at (312) 252-4104 or lmiller@greentarget.com or visit www.millerchevalier.com or www.nftc.org.

About Miller & Chevalier

Founded in 1920, Miller & Chevalier is a Washington, D.C. law firm with a global perspective and leading practices in Tax, Employee Benefits (including ERISA), International Law and Business, White Collar and Internal Investigations, Complex Litigation and Government Affairs. For more information on the firm, visit www.millerchevalier.com.

About the National Foreign Trade Council

Advancing Global Commerce for Nearly A Century – The National Foreign Trade Council (www.nftc.org) is a leading business organization advocating an open, rules-based global trading system. Founded in 1914 by a broad-based group of American companies, the NFTC now serves hundreds of member companies through its offices in Washington and New York.

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