

Administration of Barack Obama, 2012

Statement on Tax Code Reform

February 22, 2012

In my State of the Union, I laid out a blueprint for an economy that's built to last, where everyone gets a fair shot, everyone pays their fair share, and everyone plays by the same set of rules. That includes a Tax Code that rewards companies who invest and create jobs in the United States of America.

Our current corporate tax system is outdated, unfair, and inefficient. It provides tax breaks for moving jobs and profits overseas and hits companies that choose to stay in America with one of the highest tax rates in the world. It is unnecessarily complicated and forces America's small businesses to spend countless hours and dollars filing their taxes. It's not right, and it needs to change.

That's why my administration released a framework for reform that simplifies the Tax Code, eliminates dozens of tax loopholes and subsidies, and promotes job creation right here at home. It's a framework that lowers the corporate tax rate and broadens the tax base in order to increase competitiveness for companies across the Nation. It cuts tax rates even further for manufacturers that are creating new products and manufacturing goods here in America. Finally, because no company should be able to avoid paying its fair share of taxes by moving jobs and profits overseas, this framework includes a basic minimum tax for every multinational company. This reform is fully paid for, and it won't add a dime to the deficit.

As I said in the State of the Union, it is time to stop rewarding businesses that ship jobs overseas and start rewarding companies that create jobs right here in America.

Categories: Statements by the President : Tax Code reform.

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