



**FACTCOALITION**

Financial Accountability & Corporate Transparency

August 28, 2019

The Honorable Dick Durbin  
The United States Senate  
711 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Jack Reed  
The United States Senate  
728 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Tammy Baldwin  
The United States Senate  
709 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Richard Blumenthal  
The United States Senate  
706 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Sherrod Brown  
The United States Senate  
503 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Tammy Duckworth  
The United States Senate  
524 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Dianne Feinstein  
The United States Senate  
331 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Mazie K. Hirono  
The United States Senate  
713 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Patrick J. Leahy  
The United States Senate  
437 Russell Senate Office Building  
Washington, D.C. 20510

The Honorable Jeff Merkley  
The United States Senate  
313 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Bernard Sanders  
The United States Senate  
332 Dirksen Senate Office Building  
Washington, D.C. 20510

The Honorable Elizabeth Warren  
The United States Senate  
309 Hart Senate Office Building  
Washington, D.C. 20510

The Honorable Sheldon Whitehouse  
The United States Senate  
530 Hart Senate Office Building  
Washington, D.C. 20510

**RE: Stop Corporate Inversions Act of 2019 (S.2140)**

Dear Senators Durbin, Reed, Baldwin, Blumenthal, Brown, Duckworth, Feinstein, Hirono, Leahy, Merkley, Sanders, Warren, and Whitehouse,

We write on behalf of the Financial Accountability and Corporate Transparency (FACT) Coalition to express our strong support for your Stop Corporate Inversions Act of 2019 (S.2140), which would combat tax avoidance by preventing inverted corporations from being treated as foreign companies when they have not left the United States in any legitimate sense.

The FACT Coalition is a non-partisan alliance of more than 100 state, national, and international organizations working toward a fair tax system that addresses the challenges of a global economy and promoting policies to combat the harmful impacts of corrupt financial practices.

We support putting an end to corporate inversions because such gimmicks allow companies to maximize the benefits of exploiting offshore tax loopholes. This type of tax dodging hurts American small businesses and costs U.S. taxpayers billions in foregone revenue that could be used to fund public programs and infrastructure, cut taxes for middle class families, or lower our national debt.

Under the current system, companies that invert can easily continue to benefit from the stable financial system, markets, educated workforce, and infrastructure in our country while simultaneously claiming that U.S.-earned profits were earned in a low- or no-tax jurisdiction. In other words, it allows U.S.-based multinational corporations to benefit from their U.S. residence without paying to support the very system that earns them such record-high profits.

These tax gimmicks are used most regularly by the largest and most highly profitable multinational corporations, at the detriment of small and wholly domestic American businesses. U.S. businesses who are unwilling or unable to invert are forced to compete with these multinational corporations not just on the merits of their products and services, but also on the cleverness of their tax attorneys.

By requiring that an inverted company meets certain thresholds to be considered foreign for tax purposes, the Stop Corporate Inversions Act would significantly limit tax avoidance facilitated by inversions. Businesses that are owned, operated, and profiting in the United States should pay taxes in the United States — not in a tax haven country where their business presence is often little more than a mailbox and some paperwork.

We applaud your reintroduction of this bill and thank you for your continued leadership in fighting tax avoidance and leveling the playing field for patriotic Americans and domestic businesses.

Sincerely,

**Gary Kalman**  
Executive Director

**Clark Gascoigne**  
Deputy Director

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