

WASHINGTON, D.C. – U.S. Representative Richard Hanna (R,C,I-NY) today introduced his first piece of legislation, H.R. 609 the [American Competitiveness Act](#), to cut the corporate tax rate in an effort to promote American growth.

“This bill is simple, but it sends a powerful message to corporations around the world that the United States won’t stand by idly while our finest corporations export jobs,” Hanna said. “The American people need to know we’re focused on growing our economy and putting people back to work. Our high corporate tax rate forces away investment and the jobs that come with it. It makes it increasingly difficult for American corporations to stay here and still compete in the global marketplace.”

Several members have already signed on as co-sponsors, including some in leadership positions. Hanna said that he hopes the bill will get bipartisan support, and pointed out that President Barack Obama, during his State of the Union Address noted that American businesses face “one of the highest corporate tax rates in the world.”

The federal corporate tax rate in the United State is 35 percent. On top of that, local and state governments pile more taxes on business – leading to an average blended rate of 40 percent in our country, Hanna said. That is 56 percent higher than the wealthy-nation average.

The average rate in the Organization for Economic Cooperation and Development countries is just over 25 percent.

Hanna’s legislation would cut the top corporate tax rate from 35 percent to 25 percent over two years and keep the rate at 25 percent permanently. The phase-in period is designed to allow Congress to simplify the tax code and close tax loopholes.

According to a [Heritage Foundation analysis](#) of a 25 percent corporate rate, the United States could expect the following benefits:

- The number of jobs in the U.S. would grow on average by 581,000 annually from 2011 to

2020;

- U.S. real gross domestic product would rise on average by \$132 billion per year;
- A typical family of four's after-tax income would rise on average by \$2,484 per year;
- U.S. capital stock would grow by an average of \$240 billion more per year; and
- Gross private domestic investment would increase by \$57.2 billion per year.

“More can always be done to simplify the tax code and end tax subsidies that pick winners and losers,” Hanna said. “At the federal level, I believe the American Competitiveness Act is a bold step toward making our country the best place in the world to do business. We need to allow our companies to do what America has always done best – compete.”

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