

# Coalition for Tax Competition

February 20, 2012

Hon. Timothy F. Geithner  
Secretary of the Treasury  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

Dear Secretary Geithner:

We are troubled by the Treasury Department's failure to withdraw a rule that faces near universal opposition, provides no benefit to the U.S., and threatens to drive billions in much needed foreign investment out of the economy. We are therefore writing again to express our opposition to the nonresident alien deposit interest reporting regulation (REG-146097-09), and ask that it be withdrawn.

As has been argued by both members of Congress and financial experts, the regulation will do considerable damage to the U.S. economy and its already fragile banking system. There is no requirement under existing tax treaties that this information be reported, nor any obligation to impose regulatory burdens for the purpose of enforcing other nations' laws.

Moreover, the IRS has failed to conduct a cost-benefit analysis on the rule, presumably because there is no benefit and they are unwilling to address the considerable evidence regarding the regulation's high costs.

At a time when lawmakers remain focused on increasing employment, it is imprudent for the IRS to consider regulations that would drive job-creating investment out of the country. We ask again that this regulation be withdrawn.

Sincerely ,

Andrew F. Quinlan ~ President, Center for Freedom and Prosperity Foundation  
Grover Norquist ~ President, Americans for Tax Reform  
Pete Sepp ~ Executive Vice President, National Taxpayers Union  
Phil Kerpen ~ Vice President for Policy, Americans for Prosperity  
R. Bruce Josten ~ Executive Vice President Government Affairs, U.S. Chamber of Commerce  
J. Bradley Jansen ~ Director, Center for Financial Privacy and Human Rights  
John Berlau ~ Director, Ctr. for Investors and Entrepreneurs, Competitive Enterprise Institute  
Karen Kerrigan ~ President & CEO, Small Business & Entrepreneurship Council  
Terrence Scanlon ~ President, Capital Research Center  
Eli Lehrer ~ National Director and Vice President, The Heartland Institute  
Erika Nolan ~ Executive Director, The Sovereign Society  
Wayne Brough ~ Chief Economist and Vice President of Research, FreedomWorks

David Williams ~ President, Taxpayers Protection Alliance  
Carrie Lukas ~ Managing Director, Independent Women's Forum  
Jim Martin ~ Chairman, 60 Plus Association  
Tom Giovanetti ~ President, Institute for Policy Innovation  
Lew Uhler ~ President, National Tax Limitation Committee  
Thomas A. Schatz ~ President, Citizens Against Government Waste  
Bill Wilson ~ President, Americans for Limited Government  
Stephen J. Entin ~ President and Executive Director, Institute for Research on the  
Economics of Taxation  
Seton Motley ~ President, Less Government  
Palmer Schoening ~ Director of Federal Affairs, American Family Business Institute  
Mario H. Lopez ~ President, Hispanic Leadership Fund  
Charles Sauer ~ President, Market Institute