

PRESIDENT OBAMA HAS FOUGHT CONTINUOUSLY TO ENCOURAGE INSOURCING AND CREATE A LEVEL PLAYING FIELD FOR AMERICAN WORKERS

President Obama has fought continuously to end tax breaks for companies that ship jobs overseas, fostered incentives for companies to bring jobs back to America and doubled the rate of trade enforcement actions we've taken against China to ensure an even playing field for American workers. That's a record that stands in stark contrast to Mitt Romney, who profited from investments in companies that were pioneers in shipping American jobs to India and China, vetoed legislation that would have prevented outsourcing and supports a tax policy that would encourage companies to ship American jobs overseas.

PRESIDENT OBAMA HAS FOUGHT CONTINUOUSLY TO END TAX BREAKS FOR COMPANIES THAT SHIP JOBS OVERSEAS AND HAS INCLUDED SUBSTANTIAL INTERNATIONAL TAX REFORM PROPOSALS IN EACH OF HIS BUDGETS OVER THE LAST THREE YEARS

A Treasury Department Description Of Revenue Proposals In The President's FY2013 Budget Included A Section Titled, "Reform U.S. International Tax System." ["General Explanations Of The Administration's Fiscal Year 2013 Revenue Proposals" Department Of The Treasury, p.85, [February 2012](#)]

A Treasury Department Description Of Revenue Proposals In The President's FY2012 Budget Included A Section Titled, "Reform U.S. International Tax System." ["General Explanations Of The Administration's Fiscal Year 2012 Revenue Proposals" Department Of The Treasury, p.40, [February 2011](#)]

A Treasury Department Description Of Revenue Proposals In The President's FY2011 Budget Included A Section Titled, "Reform The U.S. International Tax System." ["General Explanations Of The Administration's Fiscal Year 2012 Revenue Proposals" Department Of The Treasury, p.39, February [2010](#)]

PRESIDENT OBAMA FOSTERED INCENTIVES FOR COMPANIES TO BRING JOBS BACK TO AMERICA

President Obama's Tax Reform Framework Removes Tax Deductions For Moving Production Overseas And Provides New Incentives For Bringing Production Back To The United States. "Remove tax deductions for moving productions overseas and provide new incentives for bringing production back to the United States. The tax code currently allows companies moving operations overseas to deduct their moving expenses—and reduce their taxes in the United States as a result. The President is proposing that companies will no longer be allowed to claim tax deductions for moving their operations abroad. At the same time, to help bring jobs home, the President is proposing to give a 20 percent income tax credit for the expenses of moving operations back into the United States." [The President's Framework For Tax Reform, [February 2012](#)]

President Obama Has Called On Congress To Provide Additional Tax Credits For Advanced Energy Manufacturing In The United States. From a White House fact sheet: "The Advanced Energy Manufacturing Tax Credit provides a 30 percent investment credit to manufacturers who invest in capital equipment to make components for clean energy projects in the U.S., working in tandem with the Production Tax Credit to create jobs and help reduce our dependence on foreign oil and secure a clean energy future for the United States." [White House Fact Sheet, [5/22/12](#)]

THE PRESIDENT INCLUDED OUTSOURCING, INSOURCING REFORM IN HIS 2012 STATE OF THE UNION AND BUDGET INITIATIVES, AND MADE THEM PART OF HIS CONGRESSIONAL "TO DO" LIST

Under The President's Proposed Tax Framework, Income Earned By Subsidiaries Of U.S. Corporations Operating Abroad Must Be Subject To A Minimum Rate Of Tax, Which Would Stop Our Tax System From Generously Rewarding Companies For Offshoring Profits. "Specifically, under the President's proposal, income earned by subsidiaries of U.S. corporations operating abroad must be subject to a minimum rate of tax. This would stop our tax system from generously rewarding companies for moving profits offshore. Thus, foreign income deferred in a low-tax jurisdiction would be subject to immediate U.S. taxation up to the minimum tax rate with a foreign tax credit allowed for income taxes on that income paid to the host country." ["The President's Framework For Tax Reform," Department Of The Treasury, [February 2012](#)]

The President's FY2013 Budget Proposed Removing Tax Deductions For Shipping Jobs Overseas And Includes Incentives For Insourcing Jobs In America. "Incentives for expanding manufacturing and insourcing jobs in America: Provide tax incentives for locating jobs and business activity in the United States and remove tax deductions for shipping jobs overseas. Provide new Manufacturing Communities tax credit. Target the domestic production activities deduction to domestic manufacturing activities and double the deduction for advanced manufacturing activities. Enhance and make permanent the research and experimentation tax credit. Provide a tax credit for the production of advanced technology vehicles. Provide a tax credit for medium- and heavy-duty alternative-fuel commercial vehicles." [FY2013 Budget Of The United States Government, White House Office Of Management And Budget, [February 2012](#)]

The President Proposed Eliminating Tax Incentives To Ship Jobs Overseas As Part Of His "To Do List" For Congress. "Reward American Jobs, Eliminate Tax Incentives To Ship Jobs Overseas: Congress needs to attract and keep good jobs in the United States by passing legislation that gives companies a new 20 percent tax credit for the cost of moving their operations back to the U.S. and pay for it by eliminating tax incentives that allow companies to deduct the costs of moving their business abroad." ["President Obama Calls On Congress To Act On "To Do List," White House Press Release, [5/8/12](#)]

THE RECOVERY ACT INCLUDED SUPPORT FOR RENEWABLE ENERGY PROJECT DEVELOPERS THAT CREATE AMERICAN JOBS

To Minimize Economic Stagnation In The Renewable Energy Industry, Congress Created The §1603 Treasury Grant Program As Part Of The Recovery Act To Offer One-Time Payments To Renewable Energy Project Developers As An Alternative To Tax Credits. "In order to minimize any stagnation in the renewable energy industry as a result of the weakened tax equity market, the United States Congress created the §1603 Treasury grant program under the American Recovery and Reinvestment Act. This program offers renewable energy project developers a one-time cash payment—in lieu of the ITC and PTC and equal in value to the ITC (30% of total eligible costs of a project for most types of energy property)—thereby reducing the need for project developers to secure tax equity partners." [National Renewable Energy Laboratory, [4/6/12](#)]

- **Properties That Are Predominantly Outside Of The United States Do Not Qualify For The 1603 Program.** From a Treasury Department document on the 1603 program: "Property which is used predominantly outside the United States does not qualify for a payment under section 1603. The determination of whether property is used predominantly outside the United States is made by comparing the period of time during which the property is physically located outside the United States with the period of time during which the property is physically located within the United States in a given year. If the property is located outside the United States during more than 50% of the year, such property is considered to be used predominantly outside the United States during that year. This limitation does not apply to property described in section 168(g)(4) of the IRC." [U.S. Department of Treasury, Revised [April 2011](#)]
- **The 1603 Program Offered Payment In Lieu Of Tax Credits For Projects That Went Into Service Or Were Under Construction Before The End Of 2011.** "To be eligible, a property must be placed in service in 2009, 2010, or 2011 or placed in service after 2011 but only if construction of the property began during 2009, 2010, or 2011. Properties placed in service after 2011 must be placed in service by the credit termination date (see Guidance, page 5)." [Treasury Department, accessed [6/29/12](#)]

The Department Of Energy's 1603 Program Is Estimated To Have Supported 52,000 To 75,000 Direct And Indirect Jobs Each Year Between 2009 And 2011. "The estimated gross jobs, earnings, and economic output supported by the PV and large wind projects that received §1603 funds are summarized below and in Table ES-1: Construction- and installation-related expenditures are estimated to have supported an average of 52,000–75,000 direct and indirect jobs per year over the program's operational period (2009–2011). This represents a total of 150,000–220,000 job-years." [National Renewable Energy Laboratory, [4/6/12](#)]

According To The American Wind Energy Association, Domestic Content For Wind Turbines Installed In The United States Increased From 25 Percent In 2005 To More Than 60 Percent Through 2010. “Since 2005, the domestic content in American wind turbines has grown 12-fold from less than 25% domestic content to 60% domestic content of wind turbines, continuing to bring new manufacturing jobs to America.” [American Wind Energy Association Fact Sheet, “Wind Power: Economic Growth for Rural America,” [8/4/11](#)]

According To a Report By The Lawrence Berkeley National Laboratory, “Due To The Size And Promise Of The U.S. Market, Wind Turbine Manufacturers Continued To Localize Production Domestically In 2010, Despite The Relatively Slow Year.” According to a press release on a report by the Lawrence Berkeley National Laboratory on the wind market: “The 2010 edition of the DOE’s ‘Wind Technologies Market Report’ provides a comprehensive overview of developments in the rapidly evolving U.S. wind power market. Some of the key findings include: Due to the size and promise of the U.S. market, wind turbine manufacturers continued to localize production domestically in 2010, despite the relatively slow year.” [Lawrence Berkeley National Laboratory Press Release, [7/12/11](#)]

According To The Lawrence Berkeley National Laboratory, The Portion Of Domestic Equipment In Wind Turbines Increased From 35 Percent In 2006 To 60% In 2010. According to a press release on a report by the Lawrence Berkeley National Laboratory on the wind market: “As a result, a growing percentage of the equipment used in U.S. wind power projects is domestically manufactured. U.S. trade data show that the United States remained a large importer of wind power equipment in 2010, but that wind power capacity growth has outpaced the growth in imports in recent years. When presented as a fraction of total equipment-related wind turbine costs, imports have declined significantly from 65 percent in 2005-2006 to roughly 40 percent in 2009-2010.” [Lawrence Berkeley National Laboratory Press Release, [7/12/11](#)]

Solar Energy Industries Association: The U.S. Solar Industry “Thrived In The Midst Of A Sluggish Economy Due To The 1603 Treasury Program.” “In contrast to 2.8% GDP growth in the U.S. economy, the solar market grew 67% in value from \$3.6 billion in 2009 to \$6.0 billion in 2010. Industry thrived in the midst of a sluggish economy due to the 1603 Treasury Program, which eliminated the need to secure scarce tax equity to finance commercial solar projects. A gap persists today between industry demand and capital availability. The 1603 Treasury Program continues to meet this vital need until private markets recover and catalyze the creation of thousands of jobs.” [Solar Energy Industries Association, accessed [11/19/11](#)]

PRESIDENT OBAMA HAS DOUBLED THE RATE OF TRADE ENFORCEMENT ACTIONS WE’VE TAKEN AGAINST CHINA TO ENSURE AN EVEN PLAYING FIELD FOR AMERICAN WORKERS

The Obama Administration Has Filed Seven Trade Complaints Against China To The World Trade Organization In Its First Three And A Half Years, Bringing Cases At Twice The Rate Of The Bush Administration. Under the first three and a half years of the Obama Administration, the U.S. has filed 7 complaints against China with the World Trade Organization. Under the eight years of the Bush Administration, the U.S. filed 7 complaints against China with the WTO. [World Trade Organization List Of Disputes Cases, Accessed [7/5/12](#); Office of the US Trade Representative Press Release, [7/5/12](#)]

PRESIDENT OBAMA SIGNED THREE TRADE AGREEMENTS THAT WILL SUPPORT OVER 70,000 AMERICAN JOBS, AND BOOST U.S. EXPORTS BY MORE THAN \$12 BILLION PER YEAR

President Obama Signed Free Trade Agreements With South Korea, Colombia And Panama In The Largest Trade Deal Since 1994, With The Agreements To Support An Estimated 70,000 Jobs. “President Barack Obama will sign the South Korea, Colombia and Panama free trade agreements on Oct. 21, the White House announced. The accords were approved by Congress last week. The agreement with South Korea is the largest trade deal since 1994 and will widen U.S. export access for everything from cars to farm goods and support about 70,000 jobs, according to the administration.” [Bloomberg, [10/18/11](#)]

The Trade Agreements With South Korea, Colombia And Panama Will Increase US Exports By More Than \$12 Billion A Year. “The [trade agreements with South Korea, Colombia and Panama] would end or cut the tariffs those countries pay when they purchase American goods, increasing U.S. exports by more than \$12 billion a year.

The White House and the U.S. Chamber of Commerce agree the trade deals will create tens of thousands of new jobs as American businesses hire to meet increased demand.” [Chicago Tribune, 9/16/11]

PRESIDENT OBAMA DEMANDED TOUGH CONCESSIONS TO PROTECT AMERICAN WORKERS AND OUR COUNTRY’S VALUES BEFORE SIGNING TRADE AGREEMENTS WITH KOREA, PANAMA, AND COLOMBIA

December 2010: President Obama Revised The Korea-US FTA To Level The Playing Field For US Automakers And Workers. “The U.S. and South Korea revised parts of the 2007 KORUS FTA on trade in automobiles in December 2010. The Obama Administration claimed this was a necessary step in moving the agreement forward because ‘the [original] U.S.-Korea trade agreement did not go far enough to provide new market access to U.S. auto companies and to level the playing field for U.S. auto manufacturers and workers.’ ... In negotiating the KORUS FTA, U.S. industry argued that South Korea should eliminate policies and practices that seemingly discriminate against U.S. auto imports.” [Congressional Research Service Report On The Proposed U.S.-South Korea Free Trade Agreement, [5/4/11](#)]

UAW President Bob King Praised President Obama For Modifying The U.S.-Korea Free Trade Agreement To Include “Strong, Auto-Specific Safeguards To Protect Our Domestic Markets.” “President Barack Obama and U.S. Rep. Sander Levin, a Royal Oak Democrat, should be commended for their effective efforts to substantially revise the U.S.-Korea Free Trade Agreement, which Congress overwhelmingly approved Wednesday night. The UAW fully supports this trade agreement because the automotive provisions, which are very different from those negotiated by President George W. Bush in 2007, will create significantly greater market access for American auto exports and include strong, auto-specific safeguards to protect our domestic markets from potentially harmful surges of Korean automotive imports.” [Detroit Free Press Op-Ed, [10/14/11](#)]

President Obama Demanded Labor Rights Concessions From Colombia Before Signing The U.S.-Colombia Trade Promotion Agreement. “With the announcement on Wednesday that it has extracted labor rights concessions from Colombia to advance a trade deal, the Obama administration is now two-thirds of the way toward meeting Republican demands that three languishing trade agreements be sent to Congress for approval... Under the deal, the Colombian government said it would provide more protection to labor advocates, including shop stewards, union organizers and bargaining committee members. It also agreed to eliminate its current backlog of risk assessments of union leaders and members who have requested government protection. It also said it would revise its plan to relocate and protect teachers who were considered at high risk of violence.” [New York Times, [4/7/11](#)]

WHILE THE PRESIDENT HAS FOUGHT TO STOP OUTSOURCING, ROMNEY’S BAIN INVESTED IN COMPANIES THAT WERE PIONEERS IN OUTSOURCING AMERICAN JOBS TO LOW-WAGE COUNTRIES

Washington Post: “During The 15 Years That Romney Was Actively Involved In Running Bain...It Owned Companies That Were Pioneers In The Practice Of Shipping Work From The United States To Overseas Call Centers And Factories.” “During the nearly 15 years that Romney was actively involved in running Bain, a private equity firm that he founded, it owned companies that were pioneers in the practice of shipping work from the United States to overseas call centers and factories making computer components, according to filings with the Securities and Exchange Commission.” [Washington Post, [6/21/12](#)]

Washington Post Ombudsman: “Bain Knowingly And Far-Sightedly Made Strategic Investments, With Romney At The Helm, In These Pioneering Outsourcing Firms In The Late 1990s, Which Grew Into Some Of The Largest Outsourcing And Offshoring Companies In The World. And Romney And Bain Shared In Their Profits While He Was Chief Executive And After He Left.” [Washington Post, [6/29/12](#)]

ROMNEY VETOED A BILL TO PREVENT MASSACHUSETTS FROM SENDING STATE JOBS OVERSEAS AND SIGNED A CONTRACT FOR A CALL CENTER IN INDIA

Boston Herald: “Gov. Mitt Romney Admitted Yesterday That He Sent State Jobs To India And Then Utah.” [Boston Herald, 2/23/06]

2004: Romney Vetoed Legislation That Would Have Barred Outsourcing of Massachusetts State Jobs Overseas. “In a surprise move, Romney also vetoed a provision barring overseas outsourcing by vendors doing business with the state, even though in March he proposed a \$29 million package of incentives designed to discourage Massachusetts companies from moving jobs out of state. Romney said that the plan included in the budget was hastily crafted and would drive away some businesses while failing to create jobs here.” [Boston Globe, [6/26/04](#)]

Romney’s Administration Signed A Contract For A Food Stamp System That Involved A Call Center In India. “When Romney was governor of Massachusetts, his administration signed a \$160,000-per-month contract with Citigroup to operate an electronic food stamp system that included a consumer call center in India.” [Boston Globe, Political Intelligence, [5/1/12](#)]

ROMNEY PROPOSED A TERRITORIAL TAX SYSTEM WHICH WOULD ALLOW COMPANIES TO AVOID PAYING U.S. TAXES ON INCOME EARNED ABROAD

Romney Would Allow Multinationals Investing Overseas To Avoid U.S. Taxes By Creating A “Territorial” System. “The United States currently operates under what is known as a ‘worldwide’ tax system, meaning that business income is taxed at the U.S. rate regardless of whether the income is earned within American borders or overseas... It needs to be changed. Other nations have noted the competitive disadvantage inherent in a worldwide tax system, resulting in a gradual movement of countries converting from a worldwide to a ‘territorial’ system, in which income is taxed only in the country where it is earned... Romney supports the recommendation of the Bowles-Simpson Commission to make the switch to a territorial system.” [Romney’s Plan For Jobs And Economic Growth, p. 45-46, [9/6/11](#)]

CRITICS SAY A TERRITORIAL TAX SYSTEM WOULD ENTICE COMPANIES TO SHIFT MORE JOBS OFFSHORE

Reuters: “A Territorial System Would Prompt U.S. Companies To Shift Offshore Even More Income Than They Already Do And Jobs Would Follow, Worsening Unemployment And The Economy, Critics Say.” [Reuters, [9/14/11](#)]

Citizens For Tax Justice: “Giving Corporations A Permanent Tax Exemption For Their Purported Offshore Profits Will Make Things Much Worse.” “Giving corporations a permanent tax exemption for their purported offshore profits will make things much worse. The only real solution is for Congress to do the opposite’ and repeal foreign income deferral, said Bob McIntyre, director of Citizens for Tax Justice, a left-leaning tax watchdog group.” [Reuters, [9/14/11](#)]

Economist Kim Clausing: A Territorial Tax System “Would Significantly Exacerbate Incentives For U.S. Firms To Move Economic Activity Abroad.” “Many U.S. multinational corporations and their political allies are pushing a different approach. They would move the U.S. to a ‘territorial system’ in which the foreign income of U.S. multinational corporations is completely exempt from U.S. taxation. This approach would significantly exacerbate incentives for U.S. firms to move economic activity abroad. U.S. tax payments for the income from foreign operations of U.S. multinational corporations would not simply be deferred; they would be completely erased.” [Kimberly A. Clausing, Reed College Economics Professor – “A Territorial Tax Plan Could Make a Bad Situation Worse,” [6/24/12](#)]

ROMNEY WOULD ZERO OUT FUNDING TO CREATE GREEN ENERGY JOBS IN THE U.S.

Romney Has The “View That The Government Should Cut Off Aid To Renewable Energy.” “Romney’s view that the government should cut off aid to renewable energy marks a reversal for the candidate.” [Washington Post, [6/8/12](#)]

- **Romney Criticized The Obama Administration For “Spending Billions Of Dollars On Alternative Energy Forms” And Called Wind And Solar Energy “Sharply Uncompetitive” And “The Most Ballyhooed Forms Of Alternative Fuel.”** “An Unhealthy ‘Green’ Jobs Obsession: As the Obama administration wages war against oil and coal, it has been spending billions of dollars on alternative energy forms and touting its creation of ‘green’ jobs. But it seems to be operating more on faith than on fact-based economic calculation. To begin with, wind and solar power, two of the most ballyhooed forms of alternative fuel,

remain sharply uncompetitive on their own with conventional resources such as oil and natural gas in most applications. Indeed, at current prices, these technologies make little sense for the consuming public but great sense only for the companies reaping profits from taxpayer subsidies.” [Romney’s Plan For Jobs And Economic Growth, p. 90, [9/6/11](#)]

- **Romney Pledged To “Redirect Clean Energy Spending Towards Basic Research.”** “Focus on Basic Research: There is a place for government investment when time horizons are too long, risks too high, and rewards too uncertain to attract private capital. However, much of our existing energy R&D budget has been devoted to loan guarantees, cash grants, and tax incentives for projects that might have gone forward anyway. As president, Mitt Romney will redirect clean energy spending towards basic research. Government funding should be focused on research and development of new energy technologies and on initial demonstration projects that establish the feasibility of discoveries. This approach offers the best opportunity to promote innovation without distorting the market.” [Romney’s Plan For Jobs And Economic Growth, p. 96, [9/6/11](#)]