

## Closing Tax Breaks for Shipping Jobs Overseas

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3 **WHEREAS** U.S. companies can claim a tax deduction for costs associated with moving  
4 company operation overseas;

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6 **WHEREAS** U.S. companies move their operations overseas and bring products back to  
7 the United States;

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9 **WHEREAS** U.S. companies operating overseas are supposed to pay both U.S. taxes and  
10 the taxes of country they operate in;

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12 **WHEREAS** to lessen the burden, United States tax code allows companies to defer the  
13 United States taxes until the money is brought back into the U.S.; and

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15 **WHEREAS** Senate Republicans recently blocked a bill that would have provided a tax  
16 credit for companies that move jobs back to the United States;

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18 **THEREFORE BE IT RESOLVED** we call on the Washington State Legislature and the  
19 Washington State delegation to Congress to:

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- Eliminate tax breaks for moving expenses when U.S. companies ship operations  
21 overseas;
  - Replace the job export tax credit with a credit to U.S. companies for expenses  
22 when moving company operations back to the United States;
  - Close the tax loophole that allows U.S. companies to shelter profits overseas; and  
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  - Pursue a reformed approach to closing tax breaks for companies that ship jobs  
24 overseas.  
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29 Submitted by the Okanogan County Democrats to the 2014 Washington State  
30 Democratic Convention. (Date Submitted 4/12/2014)

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32 The Subcommittee on Foreign Policy referred this resolution to the Subcommittee on  
33 Corporate power at their May 4<sup>th</sup> meeting.

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35 The Subcommittee on Corporate Power amended this resolution at their May 18<sup>th</sup>  
36 meeting.

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38 The Subcommittee on Corporate Power recommended that this resolution be passed as  
39 amended at their May 18<sup>th</sup> meeting.

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41 The Platform Committee affirmed the recommendation of the Subcommittee on  
42 Corporate Power at their May 31<sup>st</sup> meeting.

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44 The 2014 Washington State Democratic Convention passed this resolution on June 21,

45 2014.