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April 23, 2001

Hon. Paul O'Neill  
Secretary of the Treasury  
Department of Treasury  
1500 Pennsylvania Ave.  
Washington, DC 20220

Dear Secretary O'Neill:

I am writing to share my deep-seated objections to the attack by the Organization for Economic Cooperation and Development (OECD) on tax competition, financial privacy and fiscal sovereignty. Simply stated, nations should be free to adopt low-tax market-oriented policies, which promote economic growth and individual freedom.

We should welcome the fact that low-tax nations make life more difficult for high-tax countries. Fiscally irresponsible countries should not be shielded from the discipline of the marketplace any more than inefficient businesses should be protected from their competition.

I am particularly disturbed by the OECD's call for "information sharing" between tax authorities. This assault on financial privacy raises serious human rights concerns and makes a mockery of common law legal protections. From a tax perspective, the OECD agenda is driven by bad tax policy, particularly the desire to double-tax income that is saved and invested. Adding insult to injury, the OECD wants to make it easier for profligate governments to double-tax income that is saved and invested in other nations.

Mr. Secretary, I urge you to reject the OECD's proposed tax cartel. It is bad tax policy, bad trade policy, bad private policy and bad sovereignty policy. It will undermine America's economic interests, since we are the biggest beneficiary of tax competition.

Sincerely,

LEWIS K. UHLER