

**Small  
Business  
SURVIVAL  
Committee**

April 16, 2001

The Honorable Paul O'Neill  
Secretary of the Treasury  
Department of Treasury  
1500 Pennsylvania Avenue  
Washington, DC 20220

Dear Secretary O'Neill,

On behalf of the 70,000 members and supporters of the Small Business Survival Committee (SBSC), I am writing to urge you to reject the Clinton-supported policy regarding the so-called "harmful tax competition" initiative of the Organization for Economic Cooperation and Development (OECD).

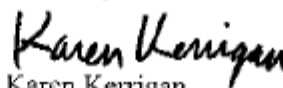
Tax competition provides a necessary check on high-tax governments and helps encourage pro-growth tax policy. This is good news for small business, which is why the OECD effort to hinder tax competition, financial privacy, and fiscal sovereignty is so imprudent. To quote Congressman Don Manzullo, Chairman of the House Small Business Committee:

"I am particularly concerned that the OECD's proposed cartel for the benefit of high-tax nations will have adverse effects on America's small businesses. As you surely know, our tax and privacy laws make the United States a tax haven for foreign investors. This has resulted in \$7 trillion-\$10 trillion of capital from overseas being invested in our economy. These funds both directly and indirectly help finance small business growth, yet the global system of tax information exchange envisioned by the bureaucrats in Paris will undermine our ability to attract and retain foreign investment."

I ask you to defend America's economic interests -- our small business and entrepreneurial sector -- and reject the OECD initiative. It is bad tax policy, bad trade policy, bad privacy policy, and bad sovereignty policy.

I look forward to working with you to make America's tax code more competitive. Please do not hesitate to contact me if you have questions regarding SBSC's position on this important matter.

Sincerely



Karen Kerrigan  
Chairman