



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

FOR IMMEDIATE RELEASE
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October 23, 2008
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Worried About Your 401(k)? Start Asking Obama About the Corporate Income Tax Rate *Lowering the Corporate Income Tax Rate Would Boost Your Nest Egg's Size Immediately*

WASHINGTON, DC— Americans for Tax Reform (ATR) today reminded Americans that one of the best ways to boost the value of their 401(k) plans is to cut the U.S. corporate income tax rate, the second-highest in the developed world.

According to the Investment Company Institute, two-thirds of 401(k) balances are held in stock or stock mutual funds. Stocks are priced based on their after-tax value. So, the amount of taxes companies and shareholders have to pay affects the value of your 401(k).

One of the most onerous taxes dragging down the value of investments in your 401(k) is the corporate income tax. With the federal rate at 35 percent, the U.S. imposes the second-highest corporate income tax rate in the developed world (behind only Japan). Even worse, the U.S. seeks to impose this high corporate income tax rate not only on U.S. profits, but on profits earned all over the world.

“Politicians need to know that taxes are a cost,” said ATR President Grover Norquist. “When you’re talking about people’s nest eggs, these costs exact a real price. The corporate income tax, no less than capital gains and dividends taxes, drive down the value of every American’s 401(k).”

ATR, in partnership with Rutledge Capital, has launched the “2008 Election 401(k) Tax Calculator” so that Americans could input the value of their nest egg to see what effect tax policy changes had on their 401(k) value, including corporate rate cuts.

The “2008 Election 401(k) Tax Calculator” can be found at www.atr.org. Since it’s a widget, it can be uploaded on any blog or website, and has been accessed nearly 100,000 times since its launch earlier this month.

“Senator Obama is happy to keep our second-highest on the planet corporate tax rate right where it is,” concluded Norquist. “Senator McCain wants to cut the rate from 35 to 25 percent, right in line with our European competitors.”

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Americans for Tax Reform is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact John Kartch at (202) 785-0266 or by email at jkartch@atr.org.

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