

To Whom It May Concern:

I am writing with respect to Section 7. of H.R.6264 and companion S.4026 - Tax Technical Corrections Act of 2006.

I am VERY confused. After decades of doing continual battle with World Trade Organization accusations of unfair trade practices and multiple varieties of legislation (DISC, FSC, ETI, etc.) enacted in a conscientious effort to appease the WTO and yet encourage export activities, we have finally found a vehicle, the IC-DISC, which serves the purpose and is also apparently acceptable to the WTO. And what do we do? Potentially "shoot ourselves in the foot" by introducing the above referenced legislation!

At \$35 million of Sales (70% export) and 230 employees, LI-COR is not a major player in world economic markets. But I do believe companies our size and legions of even smaller companies do collectively comprise an extremely large constituency for whom export tax incentives DO make a difference. We established a DISC back in the early 1980's and have taken advantage of this legislation and successors since that time. It has meant hundreds of thousands of "incremental" investment dollars available, by virtue of reduced taxes, that has financed the growth LI-COR has experienced and therefore has been plowed right back into our local and national economies. In the economic circle this reinvestment of tax-saved dollars has, of course, resulted ultimately in substantially increased tax dollars coming back to numerous government units as a consequence of higher employment levels, goods and services purchases, etc. etc.

There are a variety of legislative measures Congress can and should consider to continue encouraging export activities, and I'm sure you have heard of all of them and confident they will be given due consideration. Particularly since the impetus behind the above referenced legislation did not come from external sources (i.e. the WTO), it seems perfectly reasonable that current law remain in effect as is, including the 15% tax rate on IC-DISC dividend distributions.

If this country is to remain competitive in the world marketplace, it is IMPERATIVE export incentives be preserved. And it is cumbersome and problematic in a variety of ways to us as "the players" to continually be changing the playing field. Fair and reasonable legislation needs to be in place and it needs to be consistent in application from year to year. Significant plans are built around existing tax legislation at any point in time and it is one thing to "tweek" things but it is an entirely different matter to alter fundamental structure!

Thank you for your consideration, and I urge you in the STRONGEST terms to reconsider the ramifications of Section 7. of H.R.6264 and companion S.4026 as it currently stands. Please remove this "correction" from the Bill in its entirety so that the full ramifications of any potential changes can be properly and thoughtfully considered at a more appropriate and later date.

Respectfully,
Gordon Quitmeyer
Treasurer, LI-COR, Inc.
gordon.quitmeyer@licor.com
(402) 467-0614