

Gentlemen,

You all say that you are FOR increasing the export of Made in America goods and machinery to other world companies.

BUT, your actions speak louder than any word that comes out of your mouths.

I read where you are planning to increase the income tax on Discs from 15% to 35 %.. This is almost a crime against principles. This program is not a tax dodge, it is a real incentive for small companies to strive to increase overseas exports. It is working... The problem you have is your spending is out of control and you are scrambling around looking for any taxes you can increase and then hiding them in a bill like this. You are not going to increase revenue, you are going to lose it because we, the real taxpayers in this country are just going to forget about exporting as it will not be worth the extra efforts required to do business overseas as a small business.

Let me give you an example... We are a new small business that is focusing on selling all our output to overseas companies. We are an S corp.

Because of the Disc program as it is now, we have a big incentive to focus on selling overseas. Even though we started this company last may, we have the potential to do 40 million in sales at high margins next year 2007 and a defined chance to do \$125Mill in 2008. If you enact this illogical bill, you can kiss any income to your treasury essentially good bye as it will not be worth our efforts.. I just completed trips to Korea, Japan, France, and England at a cost to our company of over \$75,000. Give me one reason why I should want to continue this if you essentially take all the incentive to do so.

Get realistic. You are taking away the last and maybe only legal means you have to incentivise a company to focus on exports, and in doing so provide you with a new business with over 100 employees paying taxes to the good old USA. Get into the real world, it is a jungle out there.

Please stop this foolishness and take this bill off the docket.

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