

Congress of the United States

Washington, DC 20515

March 24, 2023

The Honorable Mario Diaz-Balart
Chairman
House Appropriations Committee
Subcommittee on State Department
and Foreign Operations
U.S. House of Representatives
Washington, DC 20515

The Honorable Barbara Lee
Ranking Member
House Appropriations Committee
Subcommittee on State Department
and Foreign Operations
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Diaz-Balart and Ranking Member Lee:

We write regarding Fiscal Year 2024 (FY24) appropriations for the Organisation for Economic Co-Operation and Development (OECD).

The OECD, and its predecessor organization, the Organisation for European Economic Co-Operation, have played important roles in promoting global economic development, opportunity, and transparency. However, we are concerned OECD has evolved into a venue that advocates against the economic interests of United States' workers and business through its efforts to undermine legitimate, pro-growth tax competition. The Tax Cuts and Jobs Act (P.L. 115-97) demonstrated lower tax rates and broad-based investment incentives drive economic growth, raise wages without spurring inflation, and increase tax revenue. However, OECD continues to focus on higher tax rates, corporate tax floors, and digital tax schemes that target the American tax base for taxation.

As you may know, OECD is the primary venue through which the Biden administration joined 130 nations in reaching international tax agreements on the taxation of digital services (Pillar 1) and an international corporate minimum tax (Pillar 2). While U.S. participation in Pillars 1 and 2 requires legislative action, no majority exists in the House or Senate to enact these agreements. Despite this, OECD continues to produce implementation guidance for Pillars 1 and 2, which could ultimately lead to foreign countries levying additional taxes on American companies.

OECD is funded through voluntary contributions from member states, with its Part I operating budget allocated by the size of members' economies and its Part II program budget allocated among nations based on their interest in various programs. The United States currently funds 19.1% of OECD's Part I budget, more than double any other member.

Because OECD utilizes United States' funding for the primary purpose of advocating against American families and businesses, we request you include language in the FY24 State Department and Foreign Operations appropriations bill prohibiting any funding from being provided to OECD.

We appreciate your attention to this matter and thank you for your work on State Department and Foreign Operations appropriations as the United States faces critical security challenges abroad.

Sincerely,



Adrian Smith
Member of Congress



Kevin Hern
Member of Congress



David Schweikert
Member of Congress



A. Drew Ferguson IV
Member of Congress



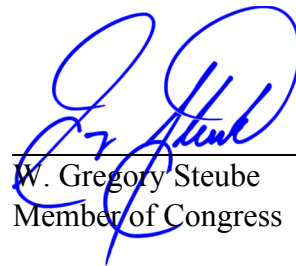
Ron Estes
Member of Congress



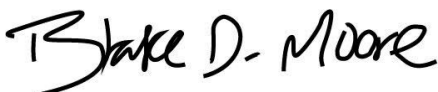
Lloyd Smucker
Member of Congress



Carol D. Miller
Member of Congress



W. Gregory Steube
Member of Congress



Blake D. Moore
Member of Congress



Beth Van Duyne
Member of Congress