



October 18, 2017

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Charles E. Schumer  
Democratic Leader  
United States Senate  
Washington, D.C. 20510

Dear Majority Leader McConnell and Democratic Leader Schumer:

We urge your support for S.Con.Res. 25, the Budget Resolution for FY '18, which includes reconciliation instructions that will allow for the ultimate enactment of tax reform.

The National Retail Federation believes that tax reform will boost the economy, helping small and large retailers, as well as our consumers. The U.S. has the highest corporate income tax rate in the industrialized world, which causes U.S. companies to move investment out of the country and is a disincentive for foreign companies to make larger investments here. Reducing the corporate rate will help attract investment to the U.S., which will help to increase wages and increase consumer spending. NRF estimates that the high corporate tax rate pushes down wages by as much as \$4690 a year.

Importantly, the Unified Framework for Fixing Our Broken Tax Code reduces the corporate tax rate to a competitive 20 percent rate and provides a 25 percent rate for pass through businesses, which we believe keeps small businesses competitive with corporations, especially in light of the fact that corporate income is subject to double taxation. In addition, we believe that the increased standard deduction and child tax credit will benefit our consumers.

The FY '18 Budget Resolution is an important first step towards tax reform that will unleash economic growth in the United States. Please support S.Con. Res. 25.

Sincerely,

David French  
Senior Vice President  
Government Relations

cc: Members of the United States Senate

