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**□ Congresswoman Matsui Votes to Create New Opportunities, Close Tax Loopholes, and Keep Jobs in America**

**WASHINGTON, D.C.**— Today, Congresswoman Doris O. Matsui (D-Sacramento) joined her colleagues in passing The American Jobs and Closing Tax Loopholes Act. This jobs package is a critical component of the work this Congress is doing to spur domestic job creation, close tax loopholes that lead companies to move jobs overseas, and reduce taxes for middle-class working Americans. It also contains a necessary extension of unemployment benefits through November 30, 2010 to help displaced workers and their families make ends meet as they continue to seek job opportunities. Without today's action, many current benefits were set to expire at the end of this month.

“Provisions in this legislation will help small businesses, and State and local governments spur job growth while also providing critical tax relief and economic assistance to American families,” stated Representative Matsui. “Our bill will provide the tax cuts local businesses need to grow and hire more workers, ensure Sacramento families continue to have the support of unemployment insurance, and make vital investments for the future of our economy.”

Rep. Matsui has been a strong advocate for additional Congressional measures to create jobs and prevent the outsourcing that is happening as a result of out-dated tax loopholes. By closing the tax loopholes, this bill will help prevent the outsourcing of American jobs. In turn, additional job creation measures will help Americans get back to work and provide for their families. This is a critical step to get our regional – and national – economy moving again.

To help alleviate the 25% unemployment rate among young adults, this bill will support over 350,000 summer jobs. This funding will expand successful summer jobs programs that were funded in the Recovery Act and prior years. In summer 2009, the Sacramento Employment and Training Agency (SETA) received a Recovery Grant and partnered with nineteen local organizations to create 942 part-time jobs for Sacramento's youth that generated \$1,400,000 in earned wages. SETA has plans an application under review for similar plans for eligible youth this summer.

“By promoting jobs here in the United States and cracking down on loopholes that encourage companies to move overseas, we strengthen opportunities for American workers and

businesses so that we can achieve a sustained economic recovery and renewed prosperity,” said Congresswoman Matsui. “This bill will create new job opportunities for our local workforce and get our economy moving again.”

Specifically, The American Jobs and Closing Tax Loopholes Act would provide critical tax cuts and support for American workers through the end of this year and support the creation of millions of American jobs. By extending the small business lending program first established by the Recovery Act, Congresswoman Matsui is working to ensure that credit flows to small businesses. Since its creation, the program has supported the lending of over \$26 billion to small business and helped to create or retain over 650,000 jobs.

This legislation includes the R&D tax credit for American businesses will be reinstated for one year to continue America’s dominance in innovation. For Sacramentans, the bill will provide tax credits and incentives for further energy efficiency upgrades and advances. Representative Matsui continued; “There is no reason why America – and Sacramento in particular – shouldn’t be at the center of the green revolution that is moving our economy forward. From solar power to energy efficiency, our region is uniquely posed to take advantage of these opportunities that this jobs package and other measures passed by this Congress are creating.”

Through this legislation, Representative Matsui and her colleagues are also authorizing the National Flood Insurance Program (NFIP) to continue to write and renew flood insurance coverage through the end of 2010. Without their action, the NFIP was set to expire on May 31, 2010. Since its creation in the National Flood Insurance Act of 1968, the NFIP has been the primary source of reliable flood insurance coverage for millions of American homes and businesses and vital to many of Sacramento’s most at-risk homeowners.

In an effort to ensure America’s seniors, people with disabilities, military, and military retirees are afforded access to the doctor of their choice, this legislation also contains a provision to ensure doctors are paid fairly for services rendered. As healthcare costs have risen in recent years, this formula--known as the Sustainable Growth Rate (SGR)--has mandated deeper cuts in physician payments from year to year.

To offset the funding of these job creation efforts, the bill closes tax loopholes and requires corporate accountability. It does so by preventing corporations from shipping jobs overseas and sticking American taxpayers with the bill; making Wall Street fund manager pay a fair tax on their income; and by making the oil industry pay to ensure there are sufficient funds to clean up the BP oil spill. The bill includes a package of provisions developed jointly by the Treasury Department, the Committee on Ways and Means and the Senate Finance Committee to curtail abuses of the U.S. foreign tax credit system and other targeted abuses. This system is intended to ensure that U.S.-based multinational companies are not subject to double taxation. However, taxpayers have taken advantage of the U.S. foreign tax credit system to reduce the U.S. tax due on completely unrelated foreign income in a manner that has nothing to do with eliminating double taxation. The bill would eliminate \$14.451 billion of foreign tax credit loopholes.

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