ACC’S CAL DOOLEY COMMENTS ON OBAMA’S FY2011 BUDGET PLAN

ARLINGTON, VA (February 01, 2010) – American Chemistry Council President and CEO, Cal Dooley, today issued the following statement on provisions included in the FY 2011 budget submitted to Congress that could unduly impact the business of chemistry and cost American jobs:

“Unfortunately, the Administration’s proposed budget will unduly impact the business of chemistry by imposing new or reinstating former taxes that will hurt America’s chemical industry at a time of economic fragility.

“Contrary to the President’s stated goal of doubling U.S. exports, the new taxes on companies that export would mean higher costs for U.S. producers and less ability to compete in the global market. Changes to the rules for U.S. taxation of foreign earnings would increase the disadvantage U.S. companies already face in competing in the global economy. Further, provisions of the Budget would increase double taxation of foreign earnings by U.S. corporations.

“Given that the chemical industry supplies many other sectors, higher costs in our industry will ripple through the American economy. Chemistry goes into the products that make the economy more energy efficient, enable renewable energy technologies and use energy efficient and low carbon innovations.

“Chemistry companies are among the largest investors in research and development. Today, the chemical industry employs more than 800,000 and over 5 million jobs are supported through downstream sectors. The new taxes proposed by the Administration would mean fewer American jobs and less revenue at a time when we desperately need both.

“We look forward to working with the Administration and Congress to develop public policies that will lead to the development of essential new chemical products and new high-paying American jobs.”

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The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, common sense advocacy designed to address major public policy issues, and health and environmental research and product testing. The business of chemistry is a $689 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, accounting for ten cents out of every dollar in U.S. exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.