



April 29, 2021

Myth and Fantasy in Joe Biden's Address to the Joint Session of Congress

Dear members and friends

In yesterday's address to the joint session of Congress, President Joe Biden said "a lot of companies evade taxes through tax havens" such as Switzerland, Bermuda and the Cayman Islands, and "benefit from tax loopholes and deductions that allow for offshoring jobs and shifting profits overseas." With these, he repeated earlier remarks from Treasury Secretary Janet Yellen. Well, repeating falsehoods does not make them any truer.

Looking at corporate tax rates, the most effective measure is the Average Effective Tax Rate 2019 (ETR 2019), the effectively paid average corporate taxes in %. And here the facts look as follows (source OECD):

- Bermuda: 0%
- Cayman Island: 0%
- Switzerland: 19.6%

In fact, 12 EU countries have lower ETRs than Switzerland: Bulgaria, Croatia, Cyprus, Estonia, Finland, Hungary, Ireland, Latvia, Lithuania, Poland, Romania, Slovenia.

It is a mystery why Joe Biden is using such erroneous talk. His team needs to consider facts. Anything else is just plain populism.

We need to emphatically demand that the President and his staff stops slandering Switzerland and its very transparent, honest, and performing corporate tax system.

Please distribute this widely. Truth needs to prevail.

Thank you and best regards.

Martin Naville

CEO

Swiss-American Chamber of Commerce