

# Update on relevant U.S. tax developments Opening Remarks May 13, 2008

Gerry Seligman  
International Tax Partner  
Head of Tax Department  
Tel: 03-7954510  
[gerry.seligman@il.pwc.com](mailto:gerry.seligman@il.pwc.com)  
PwC Israel

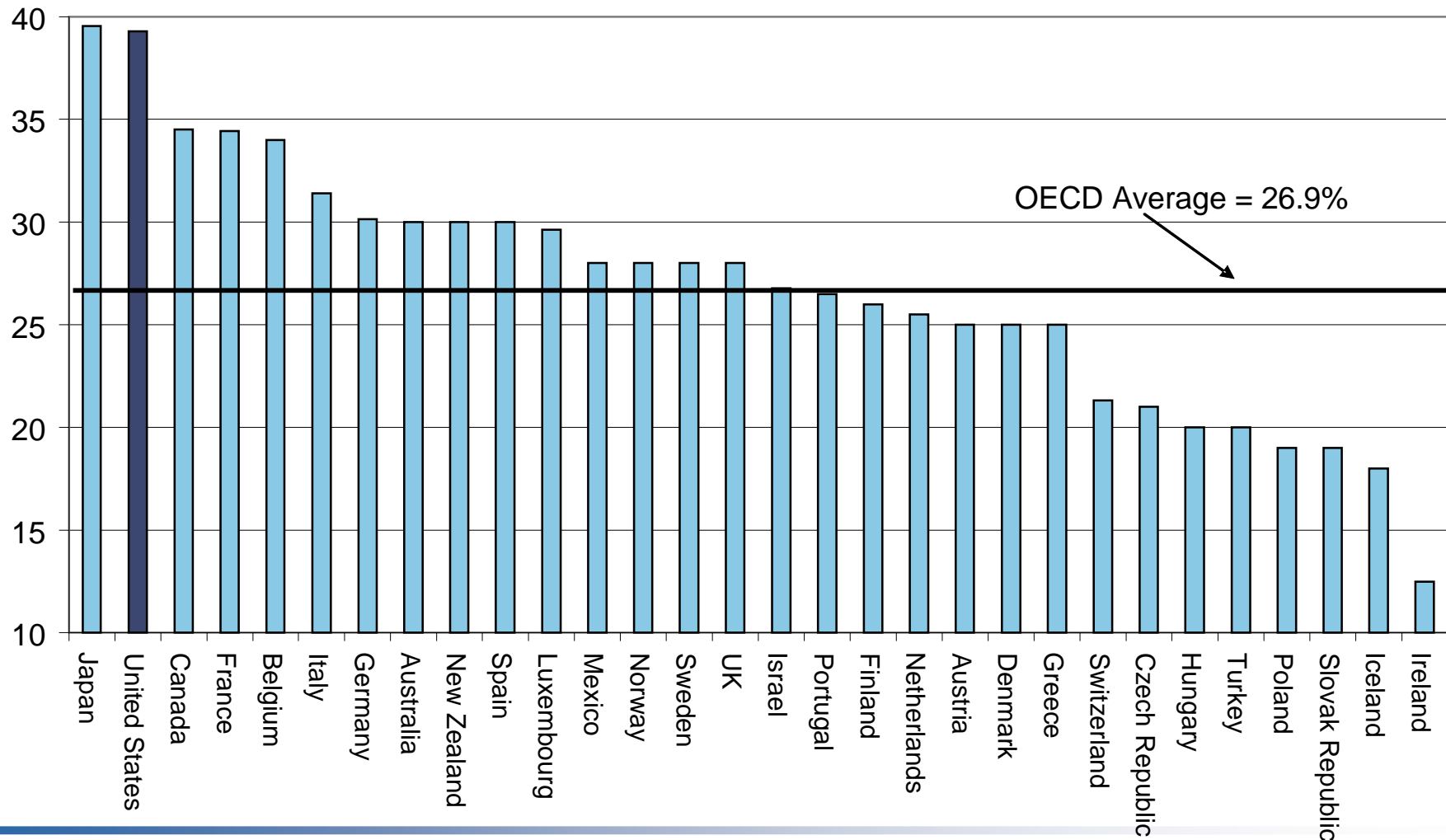


The information contained in this presentation is for general guidance on matters of interest only. As such, it should not be used as a substitute for consultation with professional tax advisers.

# US Tax Competitiveness

# US International Competitiveness

## Combined Corporate Tax Rates for OECD Countries, Tax Year 2008



# US International Competitiveness

## Combined Tax Revenue as Percent of Total Taxation, OECD, 2006

Country	Income & Profits	Social Security	Payroll	Property	Goods & Services	Other
United States	46.5%	24.7%	0.0%	11.4%	17.4%	0.0%
OECD	35.2%	25.6%	0.8%	5.6%	31.9%	0.7%
Difference	11.3%	-0.9%	-0.8%	5.8%	-14.5%	-0.7%

OECD, Revenue Statistics, 1965-2006

# US International Competitiveness

Dominance of US in global economy has declined

## US Share of World Economy, 1960-2005

	1960-9	2000-5
GDP	<b>37.3%</b>	<b>30.1%</b>
	1960	2005
Population	<b>6.0%</b>	<b>4.6%</b>
	1960-9	2000-5
Exports	<b>15.2%</b>	<b>10.4%</b>
	1970-9	2000-5
Direct investment abroad (flow)	<b>45.1%</b>	<b>16.9%</b>
	1960	2005
World's 20 largest corporations	<b>18</b>	<b>9</b>

International Tax Policy Forum, [www.itpf.org](http://www.itpf.org)

# Thank you

**THIS DOCUMENT WAS NOT INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, FOR THE PURPOSE OF AVOIDING TAX PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER.**