

Rebuilding Pa. after the effects of the pandemic

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Rebuilding Pennsylvania after the effects of the pandemic will take time — and smart policy decisions.

As the executive director of the Keystone Contractors Association and co-host of The Building PA Podcast, I have seen and heard firsthand about the struggles that many of Pennsylvania's workers, contractors and businesses faced during the pandemic. To spur our recovery, lawmakers must foster an environment that encourages economic growth and development.

Unfortunately, some federal officials do not agree with that sentiment and are instead championing corporate tax increases that do little to help American workers and businesses. Specifically, the proposal to double the Global Intangible Low Tax Income rate from 10.5% to 21% would have devastating effects on employment and our economy.

GILTI is designed to discourage profit shifting on easily moveable items, such as intellectual properties, and ensure that the foreign profits of American companies remain here at home. At its current rate of 10.5%, it has done exactly that. However, increasing GILTI to 21% will impact companies across a variety of sectors, including those vital to Pennsylvania's economy, such as energy, that employ millions who do not offshore jobs and assets.

This undue raised tax burden would impact American businesses' ability to compete abroad and limits investment, growth and job opportunities. The National Association of Manufacturers found that the proposed GILTI increase would result in up to 1 million jobs lost and \$20 billion in economic activity gone.

Increasing GILTI is the wrong decision for Pennsylvania's workers, businesses and economy.

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