

PATRIOTIC MILLIONAIRES

UTAH

Senator Orrin Hatch
8402 Federal Building
125 South State Street
Salt Lake City, Utah 84138

April 13th, 2016

Dear Senator Hatch,

We write to you today as members of the Utah chapter of the Patriotic Millionaires, a group of Americans dedicated to building a more prosperous, stable, and inclusive nation by advancing three core values in the public debate: fair taxes, decent wages, and political equality.

On April 20, 2011, in a letter addressed to the Patriotic Millionaires you said “picking winners and losers through the tax code is a fool’s errand.” In that letter you noted that the Senate Committee on Finance was committed to tax reform and suggested that we continue to contact you with questions and comments as the Committee “continues its consideration of reforms to the nation’s tax laws.”

As such, we write you today with a simple question:

Why have you, as Chairman of the Senate Committee on Finance, continued to “pick winners” in the tax code by refusing to hold a hearing or a vote on The Carried Interest Fairness Act (Bill S. 1686) which would end preferential tax treatment for Wall Street fund managers?

As you well know, an elite group of investment fund managers is currently reaping huge profits while paying lower tax rates than almost everyone else in the country. This is clearly an example of “picking a winner” in the tax code. Using what is known as the “carried interest loophole,” these managers are avoiding paying billions of dollars in taxes by classifying income earned in the “ordinary” course of business as capital gains. Historically, carried interest was an incentive for sea merchants to risk their boats and lives transporting cargo. The incentive has been twisted by special interest lobbyists to include investment managers who are not, we are quite certain, risking their lives to make profits.

Republican leaders from Donald Trump to Gov. Jeb Bush have called for the closure of the loophole, as have Democratic leaders from Sec. Hillary Clinton to Sen. Bernie Sanders. Despite this rare bipartisan agreement, the bill to close the loophole (S.1686) remains stalled in your committee.

As millionaires who are proud to call Utah home, we would like to know why our congressional delegation and particularly you, are supporting a loophole that lets millionaire fund managers “win” and regular Utah citizens “lose.”

As our elected official, we ask that you act on behalf of the people you represent. We recognize our duty as citizens to pay a fair share of taxes. Now it is time for our legislators to recognize their duty to enact laws that will mandate this.

Sincerely,

The Patriotic Millionaires of Utah