



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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## Grassley Welcomes Repeal of Dominican Republic High Fructose Corn Syrup Tax

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, today welcomed reports that the President of the Dominican Republic, Leonel Fernández, has signed into law legislation repealing the Dominican Republic’s 25 percent tax on soft drinks containing high fructose corn syrup (HFCS).

“With the repeal of this discriminatory tax, the Dominican Republic has demonstrated that it’s willing to take measures necessary to join the United States in a comprehensive free trade agreement,” Grassley said. “I now look forward to moving through the Senate the Central American Free Trade Agreement with the inclusion of the Dominican Republic.

“The Dominican Republic, as well as the United States, will benefit from further trade liberalization between our countries that will result from the CAFTA. Likewise, Iowa corn producers will benefit not only from the repeal of the HFCS tax, but also from increased sales to the Dominican Republic resulting from the CAFTA.”

The Dominican Republic imposed a 25 percent tax on beverages containing HFCS in October 2004. In the weeks preceding the imposition of this tax, Grassley wrote to President Fernández and Andrés Bautista García, President of the Senate of the Dominican Republic, warning them that a tax on beverages containing HFCS would seriously threaten support in the U.S. Senate for a free trade agreement between the United States and the Dominican Republic.