

The Committee on Ways and Means
Working Toward Comprehensive Tax Reform
The 112th Congress

Since Republicans took back the majority in the House for the 112th Congress, the Committee on Ways and Means has embarked upon an active agenda in pursuit of comprehensive tax reform. Over the past two years, the Committee has:

- [Established](#) that comprehensive tax reform should include top corporate and individual tax rates of 25 percent.
- Secured inclusion of comprehensive tax reform with a top rate of 25 percent in the [House Republican Budget Resolution for FY 2012](#).
- Released a draft [proposal](#) for moving from a “worldwide” system of taxation to a “territorial” system of taxation.
- Secured, with [unanimous](#) Ways and Means Republican support, inclusion of additional steps toward job-creating, comprehensive tax reform in the House Republican Budget for FY 2013 that:
 - Consolidates the current six individual income tax brackets into just two brackets of 10 and 25 percent;
 - Fully repeals the Alternative Minimum Tax, which currently threatens 31 million middle-class families with higher taxes;
 - Reduces the corporate rate to 25 percent, moving it from the highest corporate rate in the industrialized world to roughly the average rate of our international trading partners; and
 - Moves the United States from a “worldwide” to a “territorial” tax system that puts American companies and their workers on a level playing field with foreign competitors and encourages investment and hiring here at home.
- Held the following eleven tax reform hearings at the Full Committee level:
 - [Hearing on Fundamental Tax Reform](#) (the very first hearing of the 112th Congress for the Committee)
 - [Hearing on How the Tax Code’s Burdens on Individuals and Families Demonstrate the Need for Comprehensive Tax Reform](#)
 - [Hearing on the Need for Comprehensive Tax Reform to Help American Companies Compete in the Global Market and Create Jobs for American Workers](#)
 - [Hearing on How Other Countries Have Used Tax Reform to Help Their Companies Compete in the Global Market and Create Jobs](#)
 - [Hearing on How Business Tax Reform Can Encourage Job Creation](#)
 - [Hearing on Tax Reform and Consumption-Based Tax Systems](#)
 - [Hearing on Economic Models Available to the Joint Committee on Taxation for Analyzing Tax Reform Proposals](#)
 - [Hearing on the Interaction of Tax and Financial Accounting on Tax Reform](#)

- [Hearing on the Treatment of Closely-Held Businesses in the Context of Tax Reform](#)
- [Hearing on Tax Reform and Tax-Favored Retirement Accounts](#)
- [Hearing on Tax Reform and the U.S. Manufacturing Sector;](#)
- Held the following four Subcommittee on Select Revenue Measures tax reform hearings:
 - [Hearing on Small Businesses and Tax Reform](#)
 - [Hearing on Tax Reform and Foreign Investment in the United States](#)
 - [Hearing on Energy Tax Policy and Tax Reform](#) (with the Oversight Subcommittee)
 - [Hearing on Ways and Means International Tax Reform Discussion Draft;](#)
- Held the following two Subcommittee on Oversight tax reform hearings:
 - [Hearing on Tax Exempt Organizations](#)
 - [Hearing on Public Charity Organizational Issues, Unrelated Business Income Tax, and the Revised Form 990;](#)
- Held a roundtable discussion with the Joint Committee on Taxation focused on tax reform:
 - [Ideas on Reforming the U.S. Internal Revenue Code;](#) and
- Held three joint tax reform hearings with the Senate Finance Committee, the first joint hearings on tax issues since 1940:
 - [Hearing on Tax Reform and the Tax Treatment of Debt and Equity](#)
 - [Hearing on Tax Treatment of Financial Products;](#) and
 - [Hearing on Tax Reform and the Tax Treatment of Capital Gains](#)

This is a total of 25 Committee activities focused on transforming today's tax code from one that prevents job creation to one that promotes job creation. Comprehensive tax reform is an essential step in spurring the economic growth necessary to get the almost 13 million Americans looking for jobs back to work.