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Senate Finance Chairman Hatch urges shift to territorial tax system

U.S. Senate Finance Chairman Orrin Hatch (R-UT) discussed moving the United States from a worldwide tax system, to a territorial tax system in a speech that he delivered on the Senate floor.

According to Senator Hatch, a shift to a territorial tax system would:

- Modernize the U.S. tax system and help make U.S. companies more competitive in the vast global marketplace
- Incentivize U.S. companies to bring overseas earnings back to invest in their domestic operations
- Eliminate incentives to keep money abroad

Senator Hatch said:

“By clinging to its worldwide tax system and a punitively high corporate tax rate, the U.S. has severely diminished the ability of its multinationals to compete in the world marketplace.”

Read text of Hatch's remarks, posted on the Finance Committee's [website](#).

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