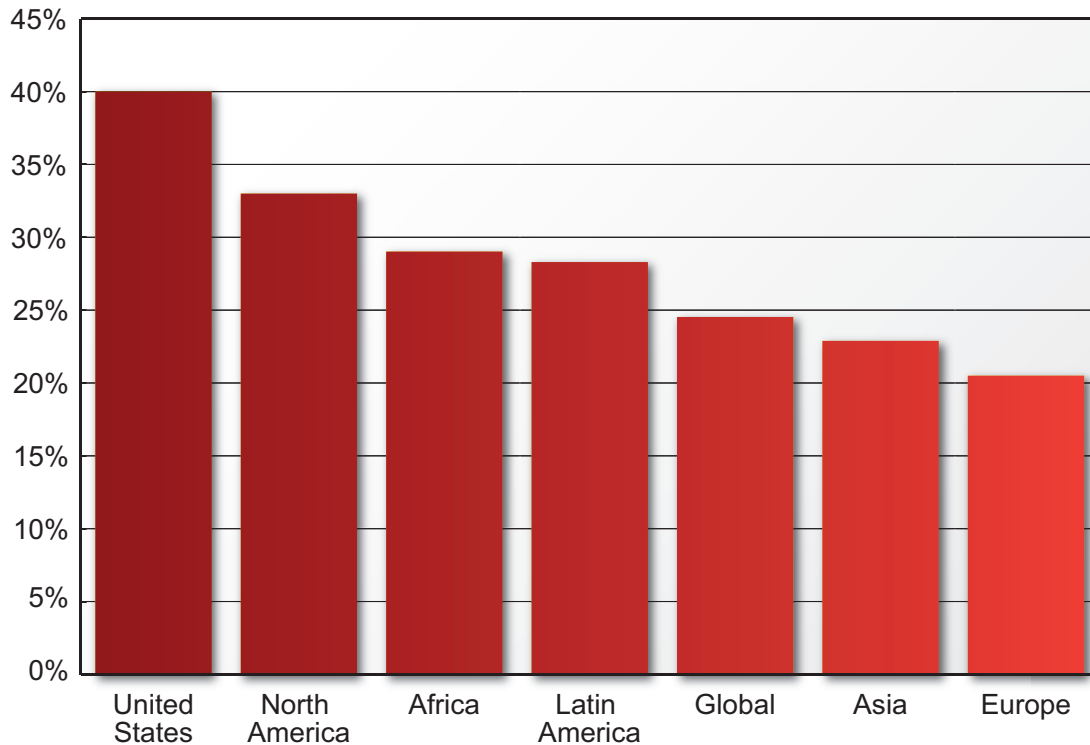


When Being First Isn't Best

2013 Global Corporate Tax Rates



Source: KPMG. Note: Tax rates are averages (except United States).

View from the Observation Deck

1. The U.S. supplanted Japan as the country with the highest total corporate tax rate in April 2012 at 40%.
2. The marginal federal corporate tax rate is 35% in the U.S., but the total corporate tax rate includes an estimate for state and local taxes as well.
3. As displayed in the chart, the average total corporate tax rate globally is 24.39%.
4. This puts the U.S. at a competitive disadvantage in the world marketplace.
5. U.S.-based corporations have a reported \$1 trillion-plus sitting in cash holdings parked outside of the U.S., which would be subject to tax if repatriated to the U.S.
6. CEOs are waiting for policy makers in Washington, D.C. to either reform the tax code or extend an olive branch via a special repatriation rate.
7. We expect President Obama and Congress to address this issue at some point in 2013. Stay tuned.