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The corporate tax rate: It must be cut

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The U.S. cannot effectively compete with other industrialized nations as it shoulders the second-highest corporate tax rate of the 30 countries in the Organization for Economic Cooperation and Development. Add the average state corporate income tax and the U.S. burden is only slightly behind Japan's, at 39.5 percent. The U.S. rate is almost *15 percentage points* higher than the average OECD rate.

Worse still, 27 members of OECD have cut their general corporate income taxes since 2000 by an average of more than 7 percentage points, according to a new Cato Institute analysis.

Oh, but U.S. businesses get all those dandy tax credits, deductions and exemptions, liberals argue. Yes, and for all those tax "breaks," the effective U.S. rate is still markedly higher than the averages posted by OECD *and* G-7 nations.

And liberals scream about big businesses off-shoring U.S. jobs. What do they think is driving those jobs overseas as corporations struggle to remain competitive?

There's bipartisan agreement that the U.S. rate must be cut. But that can has been kicked down the road to a dead end. Unless the rate is reduced, on par with other industrialized nations, more jobs will be lost to foreign countries that welcome, instead of punish, new investment.