

# LEE IACocca: MITT WILL MAKE IT EASIER FOR AUTO COMPANIES TO EVADE TAXES ON CARS BUILT IN CHINA

As part of its effort to pretend that Mitt would be good for the auto industry, the campaign had Lee Iacocca sum up why Mitt would be good for the auto industry.

The first paragraph of specifics reads:

When Mitt Romney is president, he will reduce our nation's corporate tax rate to 25 percent from 35 percent – currently the highest combined tax rate in the industrial world – so that American car companies can compete on a level playing field at home and abroad. He will also stop the extra tax automakers are forced to pay when they want to bring home their profits to reinvest in the United States. President Obama could have done this the day he took office since his party controlled both houses of Congress, but he chose not to. [my emphasis]

Obama, of course, has a tax credit specifically for manufacturing companies, meaning under Obama the auto companies would pay less than under Mitt.

But the other part—particularly against Mitt's egregious claims that the auto bailout has helped Chrysler and GM move production overseas—is even more ridiculous.

Iacocca says Mitt would be better for the auto companies because he'd allow the auto companies to repatriate profits from overseas without paying taxes.

But that assumes, of course, they're making profits overseas. It would mean they were doing precisely the thing Mitt is attacking—moving into new markets, like China.

So on the same day Mitt attacks Chrysler and GM for making and selling cars in China, generating greater profit it can use to support workers here, his campaign sends out a post boasting that Mitt would require Chrysler and GM to contribute less domestically on the profits they made by making and selling cars in China.