

Action Alert

Help us to Oppose Unfair Retroactive Taxes on Employee Compensation

Issue Summary: Amid public anger over one particular financial institution, Capitol Hill has taken up extreme legislation that legislatively violates contracts and retroactively taxes bonuses of employees for all companies that received TARP funding, regardless of a company's financial strength or actions during the financial crisis. The House passed a bill that would impose a 90% tax on bonuses already paid in 2009. The Senate is considering similar legislation. This legislation was a clear response to reports of large bonuses given out at AIG. It is unfair to paint all financial institutions with the same broad brush.

This legislation is fundamentally unfair to thousands of employees at financial institutions. It also risks undermining economic recovery efforts by:

- Threatening their ability to retain talent at a time when financial institutions need it most
- Threatening financial institutions' willingness to participate in TARP by imposing retroactive and draconian rules
- Diverting attention from the real issues

Take Action!

There is still time for you to act. The Senate version of the legislation still needs to undergo debate and amendment before coming to a vote. It is up to all of us to make our voices heard. Please let your Senators know you want them to stand up for economic recovery and basic fairness.

Call your Senators right now using JPMorgan Chase's toll free number, which will put you through directly to your Senators' offices. The telephone number is **1-877-634-7783**. When you dial-in, please follow the instructions to connect to your Senators' offices.

You can also visit www.senate.gov to find your Senators' websites, where you'll find information to send them an email to express your opposition. Suggested talking points you can use during the call or in your email:

- I am a resident of your state.
- I am opposed to legislation that would unfairly tax all TARP financial institutions' employee bonuses, even at banks that have acted responsibly.
- Like most Americans, I share a sense of frustration over bonuses distributed at AIG. But I think Congress should focus on the real economic issues, and not get caught up in extreme political fervor.
- By imposing severe, retroactive taxes on compensation paid to hardworking individuals at all financial institutions that are participating in TARP, Congress risks undermining recovery efforts at a critical moment for our economy. Banks could lose their top talent and reconsider their participation in future government recovery efforts if they think the rules may change at any time.
- This type of legislation unfairly punishes thousands of employees at all levels, not just the top executives. These people are working hard to help America get through this crisis.
- This legislation would also damage the effect of contracts between private parties.