

MEMO# 20856

February 9, 2007

Supplemental Institute Submission to U.S. Chamber of Commerce Regarding the GROWTH Act

[20856]

February 9, 2007

TO: BOARD OF GOVERNORS No. 7-07
SEC RULES MEMBERS No. 17-07
CLOSED-END INVESTMENT COMPANY MEMBERS No. 11-07
EQUITY MARKETS ADVISORY COMMITTEE No. 5-07
ETF ADVISORY COMMITTEE No. 4-07
COMPLIANCE MEMBERS No. 8-07
PENSION MEMBERS No. 9-07
TAX MEMBERS No. 7-07
INTERNATIONAL MEMBERS No. 3-07 RE: SUPPLEMENTAL INSTITUTE SUBMISSION TO U.S.
CHAMBER OF COMMERCE REGARDING THE GROWTH ACT

The Institute has filed an additional submission [\[1\]](#) with the U.S. Chamber of Commerce's Commission on the Regulation of U.S. Capital Markets in the 21st Century to emphasize our support for legislation that would enact the Generate Retirement Ownership Through Long-Term Holding Act of 2005 (the "GROWTH Act"). The GROWTH Act will create important tax efficiencies in the mutual fund market. It will allow Americans, particularly those with modest incomes, to save more for retirement. This enhancement to retirement security is especially important given the negative savings rate that exists in the United States today.

The GROWTH Act also will make U.S. funds more competitive in the global markets by removing certain tax disadvantages not faced by foreign funds. This change will encourage foreign investment in the U.S., which will make U.S. capital markets more efficient, grow the U.S. economy, and stimulate job growth.

For these reasons, the Institute has urged the Commission to support enactment of the GROWTH Act. The Institute's submission is attached.

Elizabeth Krentzman
General Counsel

[Attachment](#)

endnotes

[\[1\]](#) See Institute [Memorandum](#) (20838) to Board of Governors No. 6-07, SEC Rules Members No. 12-07, Closed-End Investment Company Members No. 9-07, Equity Markets Advisory Committee No. 3-07, ETF Advisory Committee No. 3-07, Compliance Members No. 5-07, Pension Members No. 4-07, Tax Members No. 5-07, and International Members No. 2-07, dated February 2, 2007.

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