

ORGANIZATION FOR INTERNATIONAL INVESTMENT
INTERNATIONAL BUSINESS INVESTING IN AMERICA

April 25, 2007

Gary D. Rose
Chief, Office of Economic Growth
P.O. Box 001
State House, 2nd Floor
Trenton, NJ 08625-001

Dear Mr. Rose:

I am writing to request a meeting with you at your earliest convenience regarding a tax issue that will significantly impact the ability of the State of New Jersey to attract foreign investment.

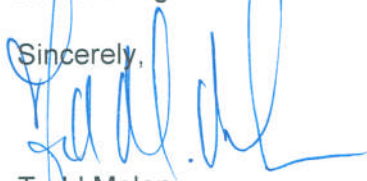
The Organization for International Investment (www.ofii.org) is a business association of over 150 of the largest foreign companies with operations in the United States. A number of our members have major operations in New Jersey; foreign investors employ over 219,000 in the state.

The issue that we want to discuss with you is the fact that a number of our members' foreign parent companies (or other affiliated firms) have received tax assessments from the State of New Jersey's Division of Taxation regarding royalty payments from their U.S. subsidiaries. This extraterritorial application of New Jersey law creates significant double taxation (between the home country and New Jersey). This extraordinary assertion of international tax authority puts New Jersey alone among the fifty states in terms of discriminatory treatment of foreign investors. As such, I am sure you understand that this will negatively impact your efforts to recruit international firms to locate or expand in the state.

Given this issue's material impact on many OFII members, we have urged all our member companies to suspend consideration of new investment and expansion in New Jersey until we have had an opportunity to discuss the issue with you and your colleagues at the Division of Taxation.

Please contact me at 202-659-1903 or tmalan@ofii.org to arrange a time to meet with me and a delegation of OFII members with operations in New Jersey.

Sincerely,



Todd Malan
President & CEO
Organization for International Investment (OFII)