cial banks to meet internationally competitive interest rates on both domestic and foreign time deposits.

18. U.S-based international corporations should consider the advantages of increased local ownership of their parent company shares in countries in which they have affiliates.

19. Where consideration under recommendation No. 18 above is favorable, corporations should collaborate with the U.S. financial community in encouraging greater foreign ownership of their shares.

20. U.S. securities exchanges should submit a plan acceptable to the Securities and Exchange Commission permitting U.S.-based international corporations to encourage foreign ownership of their stock.

21. The Treasury Department should issue a ruling that would establish the tax deductibility of costs incurred by U.S. corporations in arranging for securities firms to place their securities outside the United States as part of programs to improve their oversea relationships.

22. Corporations should collaborate with U.S. investment bankers in the utilization by the latter of techniques for distribution abroad of new or secondary issues of their stock.

23. U.S. corporations should offer their shares to employees in foreign countries where stock purchase, supplemental compensation, or other incentive plans are feasible and desirable.

24. U.S.-based international corporations should consider the advantages of listing their shares on foreign stock exchanges.

25. U.S.-based international corporations should instruct their senior officers and policy groups to keep foreign financial operations under constant review, examining as standard procedure all proposals for new financing from the standpoint of the effect of their actions on the U.S. balance of payments.

26. U.S.-based international corporations should, where feasible, finance their foreign operations in a manner which minimizes the outlay of cash.

27. In cases where new capital is required, U.S.-based international corporations should consider, in appropriate cases, broadening local ownership by offering in foreign capital markets bonds or preferred stock of their local affiliates convertible into common shares of the U.S. parent corporation.

28. U.S.-based international corporations should be encouraged to make available, through trade or banking channels, specific case studies of foreign financing operations to small- or medium-sized U.S. firms interested in foreign operations but less aware of foreign financing opportunities.

29. Eliminate U.S. estate taxes on all intangible personal property of nonresident alien decedents.

30. Eliminate (with respect to income not connected with the conduct of a trade or business) the provisions for progressive taxation of U.S. source income of nonresident alien individuals in excess of $19,000 and provide that no nonresident alien whose tax liability is fully satisfied by withholding shall be required to file returns.

31. Eliminate the provision for taxation of capital gains realized by a nonresident alien individual when he is physically present in the United States; extend from 90 to 180 days during a taxable year the time that a nonresident alien individual may spend in the United States before becoming subject to tax on all capital gains realized by him during such year.

32. Provide that a nonresident alien individual engaged in trade or business within the United States be taxed at regular rates only on income connected with such trade or business.

33. Amend the definition of personal holding companies appearing in the Internal Revenue Code so that foreign corporations owned entirely by nonresident alien individuals are excluded from the definition.

34. Clarify the definitions of engaging in trade or business to make it clear: (i) that a nonresident alien individual or foreign corporation investing in the United States will not be deemed engaged in trade or business because of activity in an investment account or by granting a discretionary investment power to a U.S. banker, broker, or adviser; and (ii) that a nonresident alien individual or