

THE SECRETARY OF STATE
WASHINGTON

July 5, 2017

Mr. David J. Berteau
President and CEO
Professional Services Council
4401 Wilson Boulevard, Suite 1110
Arlington, Virginia 22203


Dear Mr. Berteau:

Thank you for your letter regarding Iraqi taxes on U.S. companies supporting U.S. efforts to defeat ISIS in Iraq. We recognize the challenging operating environment your member companies face in Iraq, and we are grateful that these companies regularly meet the demanding requirements of the defeat-ISIS mission.

As you noted in your letter, the June 2014 agreement in place between Iraq and the United States does not cover the activities of contractors supporting U.S. military personnel in country. The agreement focuses on establishing the conditions for the presence of DoD uniformed and civilian personnel by providing for status protections equivalent to those provided to personnel who were in the country before the crisis. Our overall mission in Iraq and our relationship with its government have evolved since the expiration of the 2008 security agreement. It is always important that U.S. companies follow local laws. In Iraq, that includes the payment of local taxes.

The U.S. Embassy in Baghdad routinely engages the Government of Iraq to advocate on behalf of U.S. companies supporting the U.S. government in Iraq to ensure fair treatment and appropriate application of Iraqi domestic law and relevant international agreements between our two governments. We will continue to offer our assistance whenever and wherever feasible so that U.S. companies can continue their critical contributions to the campaign against ISIS and our diplomatic presence in Iraq.

Sincerely,



Rex W. Tillerson