



National Venture Capital Association

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**NATIONAL VENTURE CAPITAL ASSOCIATION STATEMENT ON
BAUCUS-GRASSLEY BILL**

Washington D.C, June 14, 2007 -- The following statement is attributable to Mark Heesen, president of the National Venture Capital Association (NVCA) in response to today's introduction of legislation by Senators Max Baucus (D-MT) and Charles Grassley (R-IA) regarding publicly traded partnership taxation rules:

"The Bill proposed today by Senators Baucus and Grassley is directed at publicly-traded partnerships. As almost no venture capital firms are publicly held, this proposed legislation does not impact our business. The NVCA has met with staff members of the Senate Finance Committee, Joint Tax, and the House of Representatives Ways and Means Committee over the past several months to explain the venture capital model and that it is taxed correctly, as well as venture capital's impact on the US economy and innovation. We remain hopeful that lawmakers will continue to demonstrate an understanding that the existing venture capital tax structure is appropriate and critical to economic growth in the United States."

The National Venture Capital Association (NVCA) represents approximately 480 venture capital and private equity firms. NVCA's mission is to foster greater understanding of the importance of venture capital to the U.S. economy, and support entrepreneurial activity and innovation. According to a 2006 Global Insight study, venture-backed companies accounted for 10.4 million jobs and \$2.3 trillion in revenue in the United States in 2006. The NVCA represents the public policy interests of the venture capital community, strives to maintain high professional standards, provides reliable industry data, sponsors professional development, and facilitates interaction among its members. For more information about the NVCA, please visit www.nvca.org.