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Firms Pass Up Tax Breaks, Citing Hassles, Complexity

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For years, politicians have used targeted tax breaks to try to influence corporate behavior, offering lower tax bills as an incentive to hire more workers, boost energy efficiency and buy more equipment, among other things.

Both sides agree the code's complexity is unfair: While small and medium-size companies such as Raine forgo the headaches and the tax savings, bigger companies can more easily afford the specialized accountants and lawyers needed to claim the best breaks and gain a cost advantage.

Many critics, particularly congressional Democrats, also say U.S. multinationals often use complex tax breaks to

