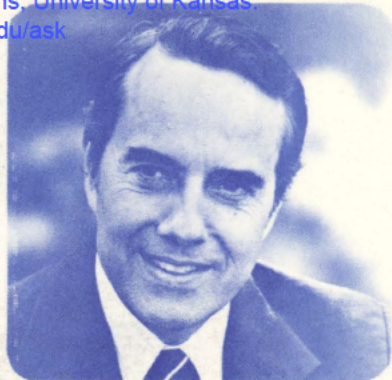


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BROAD INCENTIVES FOR GASOHOL PRODUCTION INCLUDED IN WINDFALL PROFITS BILL

WASHINGTON -- Senator Bob Dole (R-Kan.), ranking Republican on the Senate Finance Committee and Republican leader on the windfall profits tax bill, today stated that "the windfall profits tax bill will be a windfall for the gasohol industry."

Senate-House conferees meeting on the bill today agreed to include broad incentives for gasohol production and use, modeled after a sweeping gasohol program introduced by Senator Dole. Conferees today agreed to add the Dole gasohol program to the windfall bill, adopting it nearly point by point.

Provisions adopted by the windfall conference are:

1. Extension of the 4-cent-per-gallon federal excise tax exemption for gasohol until 1992.
2. Non-refundable tax credits for blenders and users not eligible for the excise tax exemption. The amount of this credit would be:
 - 40 cents per gallon for alcohol fuel above 190 proof;
 - 30 cents per gallon for alcohol fuel between 150 and 190 proof;
 - 10 cents per gallon for alcohol made from coal.
3. A provision providing persons who buy tax-paid gasoline used in the production of gasohol with a payment equivalent to the amount of the excise tax paid.
4. Streamlining of Division of Alcohol, Tobacco and Firearms regulations, removing stumbling blocks for alcohol fuel manufacturers.
5. A requirement that the treasury secretary make recommendations within 180 days of enactment as to what methods, if any, may be used to limit the importation of alcohol for fuel purposes.

"This action represents the culmination of a long battle to develop a system of tax credits to encourage the production and marketing of gasohol," Dole said. "Gasohol is a legitimate alternative to costly imported oil," added the Kansas Senator.