

News from Senator

BOB DOLE



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DOLE SPARKS DRIVE FOR RELIEF FOR ROYALTY OWNERS

WASHINGTON -- Senator Bob Dole (R-Kan.) said today that he and several other Finance Committee senators expect to address several options to provide relief from the windfall profits tax for royalty owners when the committee meets Wednesday.

Among the options being considered by Senator Dole, Senator Boren (D-Okla.) and other key senators are: 1) a complete exemption for the first 10 barrels per day of royalty interest; 2) allowing royalty owners to pay the lower tax rates available to independent producers; and 3) some form of tax credit against the windfall profits tax for royalty owners.

"Certainly, the best choice would be to get the 10-barrel-per-day exemption enacted," Dole said. "This is the approach taken in our bill, S. 2521, which now has 27 Senate cosponsors. But we have to face the current political realities, and the pressing budget situation facing the Senate Finance Committee.

"The committee is under a mandate to raise \$4.2 billion in new taxes. Any relief to royalty owners would reduce revenues, and thus would have to be coupled with some other proposal to raise additional taxes.

"So it may be necessary to scale down the immediate relief to fit within the budget framework. The relief being considered would only be for 1980, the most immediate concern. This will give us the opportunity to build support for broader relief if we must compromise now.

"I would hate to kill the chances of getting some immediate relief because we tried to get too much too fast."

Dole has consistently fought for relief for royalty owners. He and Senator Boren recently held hearings in Oklahoma City and Great Bend, Kan., where over 4,000 angry royalty owners demanded changes in the windfall bill.