

BOB DOLE



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DOLE SEES GOOD PROSPECTS FOR ROYALTY OWNERS' TAX CREDIT

WINFIELD -- Senator Bob Dole (R-Kan.), ranking Republican on the Senate Finance Committee, today said he thinks a House-Senate conference committee will favorably consider a Dole-Boren amendment to the budget reconciliation bill providing interim relief from the Windfall Profit Tax for small royalty owners.

The amendment would allow royalty owners to claim a tax credit of up to \$1,000 against their 1980 Windfall Profit Tax liability. This one year tax credit would be available to individuals, estates and family farm corporations.

The amendment provides for relief for the widest possible range of royalty owners, and is designed to protect those with modest royalty income. Since the amendment provides a tax credit against the Windfall Profit Tax, rather than against the federal income tax, relief could be extended to all royalty owners, even those whose income is so low that they do not pay federal income taxes. The amendment would enable royalty owners to get a refund of 1980 Windfall Profit Taxes already withheld by early 1981.

"The aim of Senator Boren and I is to institute some form of permanent relief for royalty owners," Dole said. "As long as there is a Windfall Profit Tax, there will be a need to counteract the pernicious effects of that tax. We are talking about people who in many instances are counting heavily on their royalty checks to supplement fixed incomes. This amendment will not pad the pockets of big oil. The Senate agrees with us that some equitable form of tax relief is appropriate.

"Ultimately, I would hope something close to my bill to exempt up to 10 barrels a day of royalty interest could be enacted. But until that time, I will use all my power to help ensure that this tax credit finds its way out of conference and into law. I think it has a good chance."