

# BOB DOLE



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## CRITICISM OF IMPORTED ALCOHOL TARIFF, ROYALTY OWNERS' RELIEF IRRESPONSIBLE, DOLE SAYS

WASHINGTON -- Yesterday, both the Senate and House of Representatives overwhelmingly approved the Omnibus Reconciliation Act, which included amendments by Senator Bob Dole (R-Kan.) calling for a tariff on imported alcohol fuel and providing interim relief from the windfall profit tax for small royalty owners.

"In my view, this represents a clear victory for the American farmer and those who seek to develop a viable domestic gasohol industry," Dole said.

"The most vocal opposition to these two provisions came from retiring liberal Democratic Representative Charles A. Vanik (D-Ohio). Representative Vanik attacked both the tariff on imported alcohol and the royalty amendment, and urged his colleagues to reject them. He carried on several days of dialogue with farm belt publications, presenting misleading evidence on the effects of these two pieces of legislation. This is the same Representative Vanik who has consistently supported taxing royalty owners and small independent producers over the past two years. He has refused to even listen to facts about efforts to provide relief for these people. The fact that he represents an urban area perhaps accounts for his ignorance of the impact of the windfall profit tax on oil-producing states.

"Fortunately, however, Representative Vanik's views were rejected by an overwhelming majority of both houses, whose members sided instead with the small royalty owners and farmers. The House approved the reconciliation package by a vote of 334-45, and the Senate vote was 84-3.

"The import tariff was never designed to benefit the interests of one company, as Representatives Vanik and Dan Glickman (D-Kan.) have irresponsibly charged. The aim was simply to provide an effective means of eliminating the federal subsidy granted to imported Brazilian alcohol fuel. This tariff counteracts the exemption from the four-cent-per-gallon federal excise tax on gasohol which Brazilian importers currently enjoy. The Treasury Department has projected that by the time this tariff is in full force in 1983, we will be producing over two billion gallons of alcohol fuel a year in this country. This should particularly aid the grain producing areas in the United States. If Representatives Vanik and Glickman want to subsidize the Brazilian alcohol fuel industry at the expense of American jobs and energy independence, I frankly cannot understand why. Others in this country -- the American Farm Bureau; the National Farmers Union; ~~the National Alcohol Fuels Commission of which Representative Glickman is a member and Senator Birch Bayh (D-Ind.) is chairman;~~ and President Carter -- agree with me.

"I am deeply resentful of efforts that were made by lame-duck Representative Vanik to tie this amendment to legal campaign contributions made by the political action committee of a large U.S. alcohol manufacturer. It has long been my view that the federal government should not subsidize the importation of alcohol fuel. Indeed, I wrote to the IRS in March of 1979 expressing that same view. My amendment imposing this tariff had nothing to do with campaign contributions by any party on either side of this issue."