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### Dole Saves Tax Break For Oil Men

From The Washington Bureau  
WASHINGTON — Independent oil producers received a tax break Wednesday when the Senate voted to allow continuation of the oil industry's accounting procedure of expensing intangible drilling costs in the year in which they are incurred.

The amendment providing for the continuation was proposed by Sen. Bob Dole, R-Kan. THE KANSAN accepted an amendment limiting the tax break to independent producers with a gross income of less than \$3 million.

The modified amendment was accepted by the Senate on a final vote of 58 to 34. A parliamentary hassle in the Senate required seven roll call votes before the chamber got around to taking the final vote.

Dole's legislation was accepted as an amendment to the Tax Reform Act of 1969 already passed by the House.

"THERE IS NO logical reason why we should subject ordinary business expenses of any taxpayer engaged in the exploration for and development of oil and natural gas reserves to the 5 per cent tax," Dole told the Senate.

"Intangible drilling and development costs are the oil man's ordinary business expenses. This did not stop opponents of the amendment from waging a bitter fight through use of parliamentary obstacles while both friends and foes scoured the corridors and Senate offices for support.

Calling his amendment a "reinvestment incentive," Dole said it is necessary in order for the oil industry to meet the rapidly growing demand for oil and natural gas that substantially increased funds to be invested in the exploration and development of these resources.

WICHITA EAGLE 12-21-69

### Dole Agrees to Month For Hunger Committee

By JOHN SPARKS  
Of The Washington Bureau

WASHINGTON — Sen. Bob Dole, R-Kan., will not contest extending the life of the Senate Select Committee on Hunger and Nutrition if the extension will serve a useful purpose and not as a springboard for the political ambitions of some of its members, he said.

Dole battled against giving new life to the committee but consented to a plea by Senate Majority Leader Mike Mansfield, D-Mont., who urged an extension of a month until the next session of Congress could take another look at the situation.

"My opposition was based on my concern about the politics that were being played in the committee," Dole said in an interview.

THE FIRST YEAR of operation of the committee cost about \$25,000 with more than one-half of this paying staff salaries and expenses of the committee, the Kansan said.

"That amount of money would buy a whole lot of food," he added.

Dole said the committee was used by its chairman, Sen. George McGovern, D-S.D., to highlight his presidential ambitions.

"I feel that the committee did accomplish some good in alerting Americans to the serious hunger and malnutrition problem in America," Dole said.

"At the same time, with the use of television, I feel that the problem was over dramatized without arriving at a realistic solution of the problem. In addition, I believe the committee was being used to undermine President Nixon's efforts to arrive at a solution of the hunger problem."

committee but then started a movement to prolong its life.

"So far as I am concerned," Dole said, "his work is done. We have the committee on agriculture, of which I am a member, and those of labor and welfare, both of which have become concerned with the same problems. We just don't need the duplication of committees at the taxpayers' expense."

"The nation just has seen action by Agriculture Secretary Clifford Hardin in expanding the food stamp program." Dole said he felt that all the power necessary to solve the problem is available to Congress.

### Dole, Percy Co-Authored Boost in Tax Exemption

Special to The Eagle

WASHINGTON — Sen. Bob Dole, R-Kan., expressed pleasure Saturday over the House Senate Conference Committee's approval of a personal tax exemption plan he co-authored.

"I am gratified that the conference committee on the 1969 tax reform bill has accepted the substance of an amendment offered by myself and Sen. Charles Percy, R-Ill., to increase the personal tax exemption to \$750."

THE DOLE-PERCY amendment would have increased the exemption \$50 each year for three years beginning in 1970.

As accepted by the House and Senate Conference Committee the current \$600 exemption would rise to \$650 on July 1, 1970, increase to \$700 for 1971, and move up to \$750 in 1973.

"OUR AMENDMENT provided substantial relief to taxpayers and at the same time maintained a responsible attitude towards the revenue consequences of increasing the exemptions," Dole said when contacted here Saturday afternoon.

In a statement on the Senate floor, Senate minority leader Robert Griffin, R-Mich., said he was pleased that the conferees "saw the wisdom of the Percy-Dole approach."

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### Is Dole having fun swinging the meataxe?

Senator Bob Dole is either a shrewd politician or a brave man.

The other night at a political dinner at Independence, he threw away his prepared speech and proceeded to entertain the boys with a bear-baiting show.

He out-Agnewed Agnew by pitching into his Senate colleagues, smearing the liberals, cocksnooting at the Kansas press, telling Nixon's critics where they can go. It was a virtuoso performance undoubtedly delivered with that Doleish smile that so warms the hearts of the Senator's numerous female admirers. The point, however, is that it warmed the cockles of Montgomery county Republicans.

Now such speeches will not enhance Dole's standing in the Senate where in his freshman year he already has acquired enemies. In the past 45 days, our junior Senator has lost much of the newspaper support his friends ardently earned for him; some of those friends now must eat their endorsement. Even a few of the movers and shakers of Kansas Republicanism now shake their heads.

If all this matters to Dole and his future, he is a brave man to take the Agnew line. His verbal courage should entitle him to at least a presidential citation.

If, however, this is a calculated assault, intended to win him financial support from the right people and political support from

Kansans of the Right, his shrewdness will bring its own reward.

The question is further complicated by the fact Dole is not up for re-election until 1974. Why does he peel off supporters so early? Does he believe both Senators and Kansans have short memories? Does he think the favors he perhaps can distribute will keep them all in line?

Or, then again, is Bob just having fun doing his thing with a bloody axe?

The Editor's Opinion

#### No fans?

Although Kansas Wesleyan had a championship football team and is now fielding a winning basketball team, relatively few spectators have enjoyed the triumphs. This disturbs Mr. Ken Cochran, the basketball coach, who sees in the small gate a failure of Salina to exercise its civic enthusiasm.

Quite possibly, however, Salina is as loyal to KW as it ever was but merely has become surfeited with football and basketball because of the televised offerings. And, frankly, pro ball is somewhat more exciting even when seen only on the tube.

Should fans continue to stay away from small college games, the schools may stop them in favor of intramural contests. The spectator sports are hard on the small institution's budget and if they cease to generate town and alumni support there is no good reason to subsidize them.

SALINA JOURNAL 12-28-69  
Letters To The Editor

### Dole says oil industry needs protection

SIR: I have received a copy of your editorial entitled "Poor Oil Men" which appeared in a recent edition of The Journal.

The editorial is misleading and questions my integrity because I offered an amendment to eliminate an injustice in the so-called "tax reform bill".

The "tax reform bill" considered in the Senate contained an unprecedented provision which would have required individuals or companies who explore for oil and gas to pay an additional tax on intangible drilling costs. Income tax laws are designed to tax income — not expenditures.

Expenditures have never been taxed in the oil industry, agriculture, the newspaper publishing business, or any business or profession I know of. My amendment — simply stated — provided for the elimination, in part, of a tax on intangible drilling costs by permitting a producer to deduct the drilling costs from

allowable depletion and paying the tax on the difference.

As the editor may know, the oil and gas industry is at the economic crossroads because of increased oil imports, oil drilling costs, and various other problems. The practical effect of my amendment was to protect independent oil and gas producers and to encourage more exploration and drilling in gas and oil producing states. The greater the expenditures the less the tax because the incentive provided by the amendment was to "plow back" profits to further exploration or to pay more in taxes. The result would be more employment and a number of other benefits.

In my opinion, a disservice is done to the entire industry by inferring editorially that the amendment would permit rich oil men to escape taxation. This is not a fact, but more importantly, some 30,000 Kansans are employed by the oil and gas in-

dustry and nearly 100,000 depend on it for a livelihood. The industry adds more than a half billion dollars annually to the Kansas economy and the independent Kansas producer is responsible for nearly all our new discoveries and exploration. In addition, each oil and gas producing county receives a substantial amount in local taxes.

Undoubtedly, some have made money in the oil business, just as some have in medicine, agriculture, the publishing business, and numerous other pursuits, but the amendment was not a gimmick to aid rich oil men.

By impugnig my motive you have acknowledged a basic lack of understanding of a vital Kansas industry. I have no oil or gas income whatsoever, but know that thousands of Kansans are employed, directly or indirectly, as a result of this industry. A study of the records of the past 10 years will show very

quickly that this industry is declining in Kansas and this decline is reflected in fewer jobs, less local taxes being paid and an overall loss to our economy.

It is my responsibility, where proper, to preserve and strengthen Kansas and its economy. This I shall do for any group or individual who seeks my assistance. It does little good to have a U.S. Senator if he is not alert to the needs of his state and if he is not working to promote his state's interests. I only wish I could succeed more often, in more ways, for more Kansans. — BOB DOLE, U. S. Senator, Washington, D.C.

SIR: Because of my long time interest in the independent oil men, your Senator Bob Dole sent me a clipping from The Salina Journal, which had the heading of "Poor Oil Men". Your article makes one wonder if Salina is in Kansas or if the person who wrote it realizes that the independent oil men of Kansas create jobs and payrolls, pay taxes to the State of Kansas and that as of today, there are very few, if any, major oil companies operating or planning to explore in the State of Kansas. You sound as if you were totally ignorant of the situation both in Kansas and in maintaining a healthy, domestic oil industry.

You would do well to give serious consideration to the contribution that the independent oil men make to the general welfare of the State of Kansas and to the United States, and if you find that you were taking the wrong attitude in your article, you should apologize to Senator Dole. — R. L. FOREE, First National Bank Building, Dallas, Tex.

Editor's note: Mr. Foree is a prominent Texas oil producer and industrialist.

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### Hail, Sen. Bob Dole, "Fidei Defensor"!

Senator Bob Dole is a most unusual freshman. He is making a point to be both heard and seen.

Monday, for example, Bob stood on the Senate floor and put sharp questions to Senator Ted Kennedy. In reporting that exchange, the Associated Press said that Dole is one of the most persistent defenders of the Nixon administration.

Last week, in discussing the troubles of the Republicans at Washington, The National Observer said: "The kind of pettiness that makes the conservatives exult in Senator Scott's difficulties and has liberals blaming the Administration is widespread among Senate Republicans. Sen. Bob Dole, the freshman Kansas Republican, has not

The Editor's Opinion

joined in. He is on the Senate floor every day, shamelessly defending the Nixon Administration against all comers from the other side of the aisle. And when Senator Scott and Sen. Charles Percy of Illinois got into a bind in tackling the Gore amendment, it was Mr. Dole who offered a modification to the Scott-Percy strategy that prevented a complete rout of the GOP on the bill."

Also last week, in commenting upon Bob's reckless attacks on Kansans who do not toe the Nixon line, I suggested he deserved a presidential citation. The form of that citation now is clear:

His title is "Fidei Defensor"—Defender of the Faith.

Certainly Bob deserves it as much as Henry VIII, the first politician to be so designated. Otherwise, I hasten to add, they have little in common.

There are, of course, two risks in being

Mr. Nixon's white knight. One is that Mr. Nixon might charge off in an unpopular direction. The other is that out of political strategy Mr. Nixon might require a sacrificial lamb.

Neither of these dire possibilities seem to bother true blue Bob.

For his loyalty, this eagerness for the fray, we Kansans should be proud of our compatriot. You may disagree with him. You may detest his colon, in fact. But you have to admit he is outstanding in his galvanized fortitude. What other Kansan has stood four-square against a Kennedy? What other Kansan has stood like Horatio at the Pentagon's bridge? What other Kansan has taken up arms against a sea of Nixon's troubles?

Only our Bob Dole, Fidei Defensor.