

NEWS RELEASE!

Senator Bob Dole

FOR IMMEDIATE RELEASE
WEDNESDAY, OCTOBER 22, 1980

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DOLE PRAISES REAGAN SUPPORT ON RELIEF FOR ROYALTY OWNERS

LIBERAL, Kan. -- Senator Bob Dole (R-Kan.) today praised GOP Presidential candidate Ronald Reagan's statement of support for Dole's effort to provide windfall profits tax relief for small royalty owners. Reagan issued the statement last night in Shreveport, La.

"I am pleased with this explicit support for my efforts to correct a serious injustice caused by the Carter windfall profits tax," Dole said. "In my judgment, this statement reinforces my conviction that Gov. Reagan has a deep concern for the elderly, farmers and other low-income Americans who depend on small royalty checks to supplement their income.

"By contrast, President Carter has strongly opposed efforts to correct this injustice every step of the way. Last week, however, in a cynical election year reversal, the Carter Administration agreed to offer its support for limited interim relief for royalty owners. Unlike Gov. Reagan, President Carter still opposes permanent relief."

Under the so-called windfall profits tax, small oil royalty owners are subjected to the same 30 to 70 percent windfall tax rates as apply to major oil companies. This has worked a hardship on most of these royalty owners, who hardly qualify as oil profiteers. Rather, the vast majority of royalty owners seem to be struggling farmers and retired persons who depend on royalty checks to supplement their Social Security income. A stripper royalty owner might lose 36 percent of his income to this tax.

"In my judgment, it is impossible to justify taxing away 36 percent of the modest royalty income of an 80-year-old person who uses the money to pay nursing home expenses," Dole said.

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