



NEWS from U.S. Senator Bob Dole

(R.-Kans.)

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DOLE CALLS FOR 5-YEAR EXTENSION OF GASOHOL GASOLINE TAX EXEMPTION

WICHITA, KANSAS-- Sen. Bob Dole (R.-Kansas) today called for a five-year extension of the gasohol federal gasoline exemption.

Dole, who was a sponsor of the original gasohol tax exemption bill, said today he will introduce a bill in the U.S. Senate to extend the 4-cent Federal gasoline tax exemption for gasohol from 1984 to 1989. "The present exemption is not long enough to allow the necessary research to be completed and private agriculturally produced alcohol plants to be constructed."

"With the sharp increase in gasoline prices, many groups are becoming interested in building plants to produce alcohol from agricultural products. This will require the commitment of huge capital expenditures. An exemption until 1989 would give more encouragement to private groups to undertake the construction," said Dole.

"If commitments were made today to build a large alcohol plant it would probably not be on line before 1984. This would be right at the time the present exemption runs out," Dole added.

"The primary source of nonpetroleum based alcohol is excess agriculture products. The United States presently has a surplus of many feed grains including wheat. The use of wheat or corn to produce the grain alcohol will result in a new market for farmers, a new industry for agricultural areas and a more efficient fuel for motorists. Gasohol produces less pollution than regular gasoline."

"Wood can also be used to produce gasohol and this would be of great benefit to forestry regions like New England, North Carolina, Georgia and the Pacific Northwest."

"Alcohol blends for use in autos will improve the U.S. economy by reducing dependence on oil imports. With this limited tax incentive until 1989 gasohol can be made more competitive, plants can be built, and a net energy saving can be realized by America," Senator Dole concluded.