

News from Senator

BOB DOLE



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'WINDFALL PROFITS TAX' IS NOT A TAX ON PROFITS AT ALL

TULSA -- Senator Bob Dole (R.-Kansas) today charged that the administration's Windfall Profits Tax "violates any standard of truth in labeling."

Dole, ranking Republican member of the Senate Finance Committee, added that "the tax is not a tax on profits at all. Rather it is an extremely complex excise tax imposed at the well-head on the additional revenue generated by decontrol and on future increases in the price of oil."

Senator Dole did predict there will be some sort of so-called Windfall Profit Tax enacted by Congress this year, however.

"We must recognize the political facts of life. Such a tax will be enacted. But it need not be the kind of tax the Administration has proposed-- nor should it be, if we are to have any hope of increasing production in this nation."

Dole added that he has his own proposals.

Called the Dole Energy Development Surtax, it is an income tax that would raise between \$3-4 billion. It would include:

- 80 percent tax rate
- incentives for increasing production from existing lines
- small producers exemption
- production incentive credit for increased exploration
- improved cash flow for investment
- reduced paperwork
- definite termination date of tax