

News from Senator

# BOB DOLE



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## ADMINISTRATION AND SOME SENATORS MORE CONCERNED WITH POLITICS THAN ENERGY

WASHINGTON -- Senator Bob Dole (R-Kan.), ranking Republican on the Senate Finance Committee and a conferee on the windfall profits tax bill, said today that it appears that "President Carter, and many members of the Senate, are more concerned with dollars than barrels of oil and politics than energy."

Speaking before the start of the House-Senate conference, Dole said, "We may help ourselves briefly in the polls by attacking the industry and arbitrarily raising billions of dollars for the federal treasury. Such a course will not heat one home or produce any gasoline. It will not solve this country's energy problem, and when that becomes apparent to our citizens, any increases in our popularity will prove ephemeral. Long gas lines are not a good platform for re-election."

"The hardline, anti-domestic energy industry line, has been echoed by Senator Kennedy. I urge the conferees to take their counsel not from those who were too busy to participate in this most important debate when it was on the floor of the Senate. Rather we should consider the needs of our economy for energy and the oil that will remain undiscovered in this country as a result of this tax."

"We must remember that this bill started out as an energy bill. Unfortunately, it has degenerated into a revenue bill. I believe it is the obligation of the conference committee to reverse this trend. It should be clear to everyone that the Windfall Profits Tax Act has no relation whatever to profits. It is an excise tax, pure and simple. In this respect, this bill is the progeny of the Crude Oil Equalization Tax."

"However, I do not oppose the Senate bill. It is a careful attempt to balance production and revenue. It contains a tax on producers, tax credits for conservation and the production of alternative fuels, low-income assistance and tax relief for high Social Security taxes."

"The Senate Finance Committee spent 27 days in executive session and the Senate spent 24 days on the floor. In total we spent 84 hours in the committee and over 150 hours on the floor. The Senate believes certain categories of oil are price sensitive and therefore should not be subjected to an onerous tax. The final bill must contain a lower tax on newly discovered, tertiary and heavy oil. In addition, the tax must be phased out. The Senate also believes independent producers should not bear the burden of the tax. Independents have traditionally put more more than 100 percent of their profits back into exploration. In fact, they drill 80 percent of our domestic wells. This country can not afford to lose the production that a stiff tax on independents will cause. I shall stand firmly behind these principles."

"I am extremely pleased that the House has voted to instruct its conferees to repeal carryover basis. At last the sense of Congress has been clearly stated. Carryover basis was a mistake and should be repealed. In the judgment of both houses, those who have so long pursued this disastrous policy in the name of tax reform were wrong."