

111<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. RES. 393

Expressing the sense of the House of Representatives that the Obama administration and Congress should end the assault on America's energy independence by leaving in place domestic energy tax incentives.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 30, 2009

Mr. TIAHRT (for himself, Mr. SESSIONS, Mr. FLEMING, Mrs. LUMMIS, and Mr. MORAN of Kansas) submitted the following resolution; which was referred to the Committee on Ways and Means

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## RESOLUTION

Expressing the sense of the House of Representatives that the Obama administration and Congress should end the assault on America's energy independence by leaving in place domestic energy tax incentives.

Whereas if the Obama administration is serious about helping America become more energy independent, then eliminating energy exploration and manufacturing production incentives that have been in place since the early 1900s is not the answer;

Whereas President Obama's fiscal year 2010 budget proposes to cut energy production incentives that will make America more dependent on foreign sources of oil;

Whereas the Obama administration is proposing an assault on American energy manufacturing by eliminating the Intangible Drilling and Development Costs (IDC) tax deduction for manufacturers that has been in place since 1916;

Whereas according to the Congressional Research Service, the IDC tax deduction reduced marginal effective tax rates in the oil and gas industries, reduced production costs, and increased investments in locating energy reserves;

Whereas eliminating the IDC tax deduction incentive will cripple independent oil and gas producers in America and will not lead us closer to energy independence;

Whereas the Percentage Depletion (PD) tax incentive enacted in 1926 is another economic tool that will be eliminated under President Obama's budget proposal;

Whereas the PD tax incentive enacted in 1926 is not available to integrated major oil companies—it is available only for independent producers and royalty owners;

Whereas eliminating this incentive will cripple independent oil and gas producers in America and will not lead America closer to energy independence;

Whereas the Obama administration has proposed eliminating the marginal well tax credit that acts as a resource to support American energy production;

Whereas marginal wells account for 20 percent of American oil and 12 percent of natural gas;

Whereas eliminating this energy production incentive has the potential to cripple independent oil and gas producers in America and will not lead us closer to energy independence;

Whereas there are several other pro-American energy provisions that will be eliminated in President Obama's budget, including the enhanced oil recovery tax credit, geological and geophysical amortization, manufacturing tax deduction, and the excise tax on Gulf of Mexico production;

Whereas America deserves a comprehensive, bipartisan energy plan that opens up our domestic resources, incentivizes the discovery of renewable technologies and encourages conservation;

Whereas this is the policy that will lead America into energy independence;

Whereas Congress should encourage the production of more energy using America's natural resources that utilizes our American workforce;

Whereas we currently have trillions of barrels of oil available off our shorelines and on Federal lands;

Whereas Americans are known for their great ideas and ingenuity;

Whereas we should harness that tremendous opportunity to discover new ways of producing energy that will make us more energy independent;

Whereas we should continue investing in new alternative forms of energy;

Whereas Congress needs to encourage greater energy efficiency by offering conservation tax incentives to Americans who make their home, automobile, and business more energy efficient;

Whereas we can do this by supporting technologies to help increase energy efficiency in all sectors of the American economy, including removing bureaucratic regulatory bar-

riers that prevent businesses from upgrading their facilities with newer, more efficient energy technologies;

Whereas we should not remove economic incentives for America's oil and natural gas producers and workers that will effectively raise taxes on businesses keeping them from hiring additional workers; and

Whereas higher energy tax rates on producers will be passed along to consumers and threatens our security by leaving us more dependent on foreign nations for our energy needs: Now, therefore, be it

1       *Resolved*, That it is the sense of the House of Rep-  
2       resentatives that the Obama administration and Congress  
3       should end the assault on America's energy independence  
4       by leaving in place domestic energy tax incentives.

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