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## **BAUCUS SAYS TAX REFORM SHOULD DIVERSIFY, SECURE U.S. ENERGY SOURCES**

*Finance Chairman: We Are Still too Reliant on Foreign Oil*

**Washington, DC** – In a Senate Finance Committee hearing today, Chairman Max Baucus (D-Mont.) said tax reform can improve U.S. energy policy to ensure the United States has a more diverse, secure and clean energy supply in the future. Baucus talked about the importance of moving away from foreign oil and taking advantage of domestic energy resources to vary the U.S.'s energy portfolio.

**“We’re already making progress diversifying our energy portfolio, but there’s more we can do. We are still too reliant on foreign oil,”** Baucus said. **“Tax reform is an opportunity for the energy sector to make real progress moving toward diverse, clean and secure American-made energy sources.”**

A full 85 percent of the federal government’s support for the energy sector comes from the tax code. And those provisions cover a wide variety of energy sources, including nuclear, oil, gas, coal, wind, solar and geothermal. There are also provisions covering a range of energy applications, like powering common household appliances and running massive factories.

The structure and level of tax incentives varies for different technologies, however, and while some are permanent, others are temporary and require frequent extensions. Baucus said the result is inefficient, and provisions that are not proven to increase jobs or advance energy policy should expire or be repealed. Baucus also raised the possibility of adopting a technology-neutral approach to energy tax incentives that would still help businesses develop new technologies, but let the market decide which ones stick.

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