



## Why not target all energy tax breaks?

December 8, 2014

Once again, Congress has been debating the wind production tax credit, and once again Rep. Mike Pompeo, R-Wichita, and David Koch – via Americans for Prosperity, whose foundation he chairs – have led the campaign against it. That might be understandable if they also campaigned to end other energy tax breaks such as the oil and gas industry’s intangible drilling costs and percentage depletion, but they don’t.

Energy tax breaks – subsidies, if you prefer – are good for investors and states such as Kansas, as earnings are retained and used for additional development. The downside is that Congress estimates these tax breaks cost the U.S. Treasury \$13.8 billion for wind and \$13.4 billion for oil and gas over five years.

I hope Pompeo really isn’t practicing plain old crony capitalism given that oil and gas contributed \$356,050 to his 2014 election campaign, according to the website [OpenSecrets.org](http://OpenSecrets.org) – a number topped only by House Speaker John Boehner, R-Ohio, out of 435 members.

If Pompeo and David Koch are selecting their own energy winners and losers, they should heed the Charles Koch-founded Cato Institute’s [call for repeal](#) of the mentioned oil and gas tax breaks along with those for wind. As Cato emphasizes, “Conservatives have no business defending any of them.”

MARK RICHARDSON

Hutchinson