A Resolution Urging Congress to Reject “Windfall Profits” Taxes on Energy Companies

Summary

The United States cannot afford to impose additional taxes on companies that are responsible for producing energy to American consumers. This resolution encourages Congress to abstain from passing any legislation which would impose “windfall profits” taxes or other discriminatory taxes on energy companies.

WHEREAS, it is the mission of the American Legislative Exchange Council to advance Jeffersonian principles of free markets, limited government, federalism, and individual liberty.

WHEREAS, any additional tax on energy companies will hurt energy exploration and will do nothing but increase the price of gasoline for American consumers.

WHEREAS, our experiment with a windfall profits tax on oil companies in the 1980s proved to be economically devastating. Furthermore, the tax crippled the domestic oil industry and failed to raise even a fraction of the revenue forecasted.

NOW THEREFORE BE IT RESOLVED, that ALEC urges Congress to reject all proposals that impose a “windfall profits tax” or any other discriminatory tax on our country’s energy industry.

BE IT FURTHER RESOLVED, copies of this resolution will be distributed to all Governors and members of the U.S. Senate and the U.S. House of Representatives.
Adopted by the Tax and Fiscal Policy Task Force on July 31, 2008.
Approved by the ALEC Board of Directors on September 11, 2008.

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