

Washington, D.C. – Today Congressman Earl Blumenauer (D-Ore) joined a majority in the House of Representatives to pass landmark energy independence legislation that will help make our nation more secure, create new American jobs, reduce energy costs to consumers, and fight global warming. The Democratic Energy Independence legislation includes three of Congressman Blumenauer's initiatives: closing the hummer tax loophole; extending fringe benefits to bike commuters; and conducting a carbon audit of the tax code.

"It is rewarding to be part of a Congress that is finally passing legislation that protects our environment and combats global warming, which is our generation's greatest challenge" said Congressman Blumenauer. "Closing the hummer tax loophole fixes a perverse incentive to buy the biggest and dirtiest cars on the market. Conducting a Carbon Audit of the tax code will help us identify ways to reduce emissions and promote innovative reform. Offering cyclists a transportation fringe benefit – like those already offered to employees for parking and transit – will level the playing field for people who burn calories instead of gasoline."

The Energy Independence Initiative approved today by the House strengthens national security by reducing our dependence on foreign oil, making the largest investment in homegrown renewable energy in history and repealing giveaways to big oil companies. The legislation also supports cutting edge-research and the development of new technologies that will bring down energy costs and help create new jobs.

The legislation also works to make America a world leader in the fight to end global warming and protect our planet. The efficiency provisions in this bill alone will reduce carbon dioxide emissions by as much as 10.4 billion tons of through 2030 -- more than the annual emissions of all of the cars on the road in America today. It also calls on the U.S. to re-engage and lead the global effort on a binding global warming agreement.

In addition, the legislation repeals \$23 billion in tax subsidies and royalty relief provisions for big oil companies.

Closing the **Hummer Tax Loophole** would fix a serious mistake in the tax code that provides an additional tax incentive for business purchases of luxury SUVs weighing over 6,000 lbs. Originally intended to help businesses buy necessary heavy-duty work vehicles, the "Hummer Tax Loophole" has for years allowed write-offs of anywhere from \$100,000 to the current figure

of \$25,000 for the purchase of the largest, most gas-guzzling luxury SUVs, even as concerns over gas prices and dependence on oil have grown. This would not affect legitimate business investments in trucks or vans, such as plumber and contractor trucks, farm vehicles, construction vehicles, flatbed trucks, cement mixers, and a variety of other vehicles as designated by the IRS. The provision is based on H.R. 2715, legislation introduced by Blumenauer earlier this year.

The **Carbon Audit of the United States Tax Code by the National Academy of Sciences** would involve a review the Internal Revenue Code (26 U.S.C. § 1 et seq.) to identify those tax provisions and policies that have the greatest influence on the generation of carbon emissions and other greenhouse gases and to estimate the magnitude of those effects. The study will evaluate the potential for changes in the tax code to reduce carbon emissions. The study will examine areas where the connection between the tax code and carbon emissions are obvious (e.g., energy taxation) and will consider areas where the connection between the tax code and carbon emissions may be less obvious (e.g., tax policies affecting urban development, which affect climate through travel demand and land-use change). The study will discuss and provide examples of both direct and indirect tax code influences.

The **Commuter Benefit** for bikers amends section 132(f) of the IRS code to include "bicycles" in the definition of transportation covered by fringe benefits. Included in the Ways and Means energy bill is a benefit of \$20/month for those employees who bike to work, which is a clean, healthy and efficient mode of transportation. The provision is based on H.R. 1498, legislation introduced by Blumenauer earlier this year.