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Budget Watch: Over \$60 Billion in American Energy Tax and Fee Increases

In his Fiscal Year 2012 budget, President Obama doubles down on his Administration's anti-energy agenda by imposing over \$60 billion in tax and fee increases over ten years on American energy production. With gasoline prices steadily on the rise, this Administration should be looking to promote domestic production, not punish American-made energy that creates American jobs.

By raising billions in taxes, the President's budget picks energy winners and losers. However, the real losers will be the American people who will see energy and gasoline costs skyrocket at a time they can least afford price increases.

Specific energy tax and fee proposals in the President's budget:

- Tax on production of hardrock minerals (\$1.8 billion)
- Tax increase for offshore energy development (\$2 billion for corporations, \$290 million for individuals)
- Non-producing lease fee (\$875 million)
- Offshore inspection fees (\$650 million)
- Onshore inspection fees (\$380 million)
- Repeal Domestic Manufacturing Tax Deduction for oil and natural gas (\$18.2 billion)
- Repeal expensing for intangible drilling costs (\$12.4 billion)
- Repeal percentage depletion for oil and natural gas wells (\$11.2 billion)
- Per barrel fee (9.7 cents) for Superfund account (\$4.3 billion)
- Percentage depletion tax on oil, gas and mineral properties (\$4.9 billion for corporations, \$890 million for individuals)
- Increase geological and geophysical amortization period for independent producers to seven years (\$1.4 billion)
- Repeal percentage depletion for hard mineral fossil fuels (\$1.3 billion)
- Tax increase for Oil Spill Liability Trust Fund (\$451 million)
- Repeal expensing of exploration and development costs (\$447 million)
- Repeal domestic manufacturing deduction for hard mineral fossil fuels (\$410 million)
- Tax increase on capital gains coal royalties (\$340 million for individuals)
- Repeal exemption to passive loss limitation for working interests in oil and natural gas properties (\$203 million)
- Tax increase for oil and gas passive loss limitation (\$150 million for individuals)
- Repeal deduction for tertiary injectants (\$92 million)

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