

Central Valley Business Times

March 22, 2012

- Would mean \$38.6 Billion in rebates to consumers
- 'Folks are already stretched to the limit in today's economy'

Legislation that would change how oil and gas companies are taxed and give the money back to taxpayers to offset high pump prices has been introduced in Congress.

"This bill (H.R. 4231) will provide relief for real people who are struggling in today's economy and end bad practices that have benefitted big oil and gas companies at the expense of the American people," says Rep. Jerry McNerney, D-Pleasanton, who has signed onto the bill.

Rep. John Yarmuth, D-Louisville, is the author of the bill.

The bill would return \$38.6 billion to the American economy and result in rebates of approximately \$160 per vehicle. The Internal Revenue Service and the Secretary of the Treasury would work with states to oversee and distribute rebates to individuals and businesses for each vehicle they own or lease for longer than one year.

Last year, the five biggest oil companies combined to earn a record \$137 billion in profits despite producing 4 percent less oil than in 2010, says Mr. McNerney. During the same time period, these companies enjoyed approximately \$4 billion due to tax loopholes, even as they laid off more than 10,000 workers, he says.

The Gas Rebate Act will undo an unfair tax practice and provide relief to people who are paying escalating gas prices. Folks are already stretched to the limit in today's economy and they just can't afford to pay even more at the pump. This is especially true in our region, where we have

some of the longest commutes in the country,” Mr. McNerney says.