

US House Of Reps Passes Energy Tax Incentives

The United States House of Representatives has passed 263 to 160 a major tax incentives bill that would authorise US\$20 billion in credits for the energy industry, including extensions of incentives for wind, solar, and other renewable energy resources and \$1.5 billion to develop carbon-control technologies. The bill also includes numerous credits unrelated to energy. President George W Bush had promised to veto the Bill unless the House made major revisions before passing it. While House Democrat's spoke of the Bill's importance in improving environmental measures and bringing down the price of gasoline, some acknowledged it would be a challenge to have the Bill passed in the Senate after meeting controversy in the House due to concerns over the Bill's revenue raisers. Increased taxes for employees of offshore corporations, including hedge funds, will be forced to pay for the energy credits. Additionally, Bush says the renewable energy provisions could be improved by creating one "single, expanded program with the following features: the incentive should be carbon weighted; technology-neutral; long lasting; and should take into account our nation's energy security needs." Bush also expressed "concern" about the "expensive and highly inefficient" Clean Renewable Energy Bonds program, which provides an incentive for public power entities. It would receive a \$2 billion authorisation under the House bill, which would help fund projects that generate electricity from wind, biomass, marine, geothermal and other qualifying resources.

[Source essa news]