

**Aric Newhouse**

Senior Vice President  
Policy and Government Relations

May 18, 2011

U.S. Senate  
Washington, DC 20510

Dear Senators:

The National Association of Manufacturers (NAM), the largest manufacturing association in the United States representing manufacturers in every industrial sector and in all 50 states, urges you to oppose the Close Big Oil Tax Loopholes Act (S. 940).

S. 940 would impose more than \$20 B in discriminatory taxes on the oil and gas industry under the guise of “eliminating subsidies.” In particular, the bill would increase taxes on the income from U.S. oil and natural gas production, refining and processing and discourage new oil and gas investments in the United States by making domestic energy investments less competitive economically with foreign opportunities. The bill also would guarantee that income from certain overseas investments by U.S. energy companies would face double taxation, reducing the ability of U.S. energy companies to compete for global natural resources that are critical to U.S. energy security.

Manufacturers consume one-third of our nation’s energy and the NAM has long supported the development of new and affordable sources of energy. Increased taxes for energy companies will increase the costs of fuel to American manufacturers and other energy consumers. The debate over energy policy should not be about imposing new taxes or new costs on the U.S. energy industry. Rather, the debate should focus on enhancing America’s energy security through increased production of all types of energy, improved conservation and energy efficiency, more research on technology and alternative energy, increased access to domestic sources with continued environmental protections, and improved distribution.

The NAM's Key Vote Advisory Committee has indicated that votes on S. 940, including procedural motions, may be considered for designation as Key Manufacturing Votes in the 112th Congress.

Thank you for your consideration.

Sincerely,



Aric Newhouse

Key Manufacturing Vote