



August 9, 2022

Members of the U.S. House of Representatives,

On behalf of the membership of the Domestic Energy Producers Alliance, I am writing to urge you to oppose any final version of The Inflation Reduction Act that includes language applying the 15% corporate minimum tax to US domestic energy production. Applying this tax to American energy producers will reduce investment in US oil and gas production resulting in higher fuel and consumer gasoline prices.

It is the height of Orwellian irony that legislation entitled “The Inflation Reduction Act” would raise energy prices for American families and industry. Since taking office, the Biden Administration and Green New Deal Democrats in Congress have launched an all-out war on American energy independence. The result has been to once again place American families and industry at the mercy of OPEC. In two short years, we have gone from energy independence and low fuel prices to American families and businesses being crushed by skyrocketing fuel prices and a US President publicly begging despots and dictators from Russia, Saudi Arabia, and Venezuela for more oil and natural gas. This is an unnecessary form of self-punishment given our domestic abundance of oil and natural gas.

As the leader in estimated global oil and gas reserves, the US has the productive capacity to meet the energy needs of ourselves and our allies around the world. Instead of enabling domestic production to meet these needs, Green New Deal zealots in the Administration and Congress are set to deal another blow to American families and the industry by imposing a new 15% tax on US energy production. Under corporate minimum tax language contained in the reconciliation package, US energy producers are specifically prohibited from deducting operational expenses, including worker wages – which comprise the preponderant majority of drilling costs. This is a tax on the wages paid to energy workers and their families, and on the workers and families of all those who supply America’s energy industry. This 15% energy tax hike falls exclusively on US independent, domestic energy businesses and employees – not the big multi-national oil companies who would gain a competitive advantage over US energy producers as a result of the tax. The ultimate winner is the OPEC cartel who will hold American families and industry at their mercy and Vladimir Putin who will strengthen his captivity of Europe.



Stop this war on American energy independence and on American families and industry. As written, the corporate minimum tax will result in less US oil and gas production, job losses, and higher energy prices. Vote against any reconciliation package that includes this new tax on American energy independence and on the wages of those who work in and supply the American energy industry.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jerry R. Simmons', is written in a cursive style.

Jerry R. Simmons

President/CEO

Domestic Energy Producer's Alliance