

The oil industry gets about \$4 billion in tax subsidies. Ethanol is not subsidized.

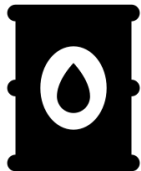


Three main tax preferences for oil



Intangible drilling costs

Account for roughly 70-85% of the cost of extracting natural resources and the value of IDCs can be expensed immediately to offset taxable income



Percentage depletion

Allows oil producers to automatically deduct 15% of gross income



Manufacturing deduction

Oil companies can reduce their taxable income by up to 6% of manufacturing deductions, limited to 50% of the firms' wages that it pays employees

OIL SUBSIDY	2016 subsidy total (millions USD)
Expensing of intangible drilling costs	\$1,629
Deduction of tertiary injectants	\$10
Exception to passive loss limitation for working interests in oil and natural gas	\$19
Percentage depletion for oil and natural gas cut	\$966
Domestic manufacturing deduction for fossil fuels, annual	\$1,049
Two year amortization period for geological & geophysical expenditures, annual cost	\$288
Total	\$3,961

ETHANOL SUBSIDY	
Total	\$0

EPA and Congress have yet to allow the year-round sale of E15 in the U.S., yet look at all the favors that have been done for oil refiners:

Oil To-dos	Ethanol To-dos
<input checked="" type="checkbox"/> Overturn ban on oil exports	<input type="checkbox"/> Allow the year-round sale of E15 (Reid vapor pressure relief)
<input checked="" type="checkbox"/> Approve the Keystone XL Pipeline	
<input checked="" type="checkbox"/> Approve the Dakota Access Pipeline	
<input checked="" type="checkbox"/> Back out of the Paris Climate Agreement	
<input checked="" type="checkbox"/> Open portions of ANWR	
<input checked="" type="checkbox"/> Lift offshore oil bans	
<input checked="" type="checkbox"/> Grant certain small refiners exemptions from RFS compliance	
<input checked="" type="checkbox"/> Waive approximately half of the RFS compliance obligations for Philadelphia Energy Solutions refinery	