

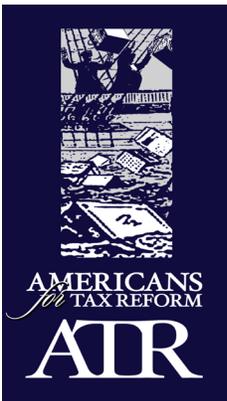
# An Open Letter to the United States Congress: *No Special Tax Treatment for Natural Gas Vehicles!*

January 30, 2012

Dear Members of Congress:



AMERICANS FOR PROSPERITY®



C O U N C I L F O R



We are writing to renew our objections to the New Alternative Transportation to Give Americans Solutions (NAT GAS) Act (S. 1863, H.R.1380), or any other effort to create or expand special tax treatment for the production, conversion or sale of vehicles that run on natural gas. Several members of this coalition expressed similar concern in a letter dated May 24, 2011. Given President Obama's recent public pronouncements that he wants to expand his portfolio of politically advantaged vehicles from electric cars to include natural gas vehicles, we feel the need to remind Congress about the perils of government attempting to conduct industrial policy by picking winners and losers in the country's automobile fleet.

The NAT GAS Act would provide preferential treatment for nearly every aspect of the natural gas-fueled vehicle industry, from production to purchase and the infrastructure needed to fuel such vehicles. Tax incentives like these allow government to decide which energy sources thrive or fail—and thereby distort the market. America's experience with a number of similar energy policy preferences dating back to the 1970s has shown that businesses benefiting from these incentives become reliant on government in order to stay in business. As a result, an entire industry of lobbyists is spawned to protect a benefit without which many businesses could not succeed in the free market.

We believe that evenly applying low taxation across the board allows market participants to make choices that are not manipulated by Washington policymakers. By targeting tax preferences toward one type of transportation fuel—natural gas—the NAT GAS Act does the exact opposite. America's tax code is already overburdened with too many carveouts for special interests that raise compliance costs, distort decision making and advantage the politically well connected. The last thing Congress should be doing is making the tax code more complex.

The millions of Americans represented by the undersigned groups urge you not to support any effort to perpetuate the Washington-insider business model where the well connected use the tax code to gain a market advantage over their competitors.

We urge you to reject special tax treatment for natural gas vehicles.

Sincerely,



Thomas J. Pyle  
President  
American Energy Alliance

Michael A. Needham  
Chief Executive Officer  
Heritage Action for America



Donald Ferguson  
Executive Director  
American Tradition Partnership

Heather Higgins  
President  
Independent Women's Voice



Tim Phillips  
President  
Americans for Prosperity

Seton Motley  
President  
Less Government

Grover Norquist  
President  
Americans for Tax Reform

Colin A. Hanna  
President  
Let Freedom Ring

Chris Chocola  
President  
The Club for Growth

Amy Ridenour  
President  
National Center for Public Policy  
Research



Tom Schatz  
President  
Council for Citizens Against  
Government Waste

Duane Parde  
President  
National Taxpayers Union



Matthew Brouillette  
President & CEO  
Commonwealth Foundation

Jim Martin  
Chairman  
60 Plus Association



Myron Ebell  
President  
Freedom Action

Ryan Alexander  
President  
Taxpayers for Common Sense

