

Mahoney Continues Efforts to Transform Rural Florida

Congressman Supports Tax Cuts for Biofuels that will Decrease Dependence on Foreign Oil and Lower Gas Prices

(February 27, 2008)

(Washington, D.C.) - Congressman Tim Mahoney (FL-16) spoke in support of the Renewable Energy and Energy Conservation Tax Act today on the floor of the House of Representatives. The tax cuts contained in this legislation are important for Florida to develop its emerging biofuels industry that offers rural Florida an opportunity to create high paying jobs.

High energy prices continue to squeeze American families. Over the past 8 years, gas prices have increased 109%. Over the same time period, oil company profits are up 313%.

Congressman Mahoney is working to lower gas prices and improve national security by making us more energy independent.

[Click Here to Watch Congressman Mahoney's Speech on the Energy Conservation Tax Act](#)

The Renewable Energy and Energy Conservation Tax Act amends the Internal Revenue Code provisions relating to renewable energy sources and energy conservation:

The Bill extends:

- the tax credit for production of electricity from renewable resources through 2011;
- the energy tax credit for solar energy and fuel cell property through 2016;
- the special rule for treatment of gain from electronic transmission transactions by certain electric utilities through 2009;
- the tax credit for residential energy efficient property expenditures through 2014;
- the tax credit for alternative fuel vehicle refueling property expenditures through 2010;
- the tax credit for biodiesel and renewable diesel used as fuel through 2010;
- the tax credit for nonbusiness energy property expenditures through 2009; and
- the tax deduction for energy efficient commercial buildings through 2013.

The Bill allows new tax credits for:

cellulosic alcohol produced for use as a fuel in the United States. This new production tax credit of 50 cents per gallon is in addition to the current 51 cents per gallon ethanol credit.

investment in new clean renewable energy bonds and qualified energy conservation bonds; and the production of plug-in hybrid motor vehicles, cellulosic alcohol fuel, and electricity from marine and hydrokinetic renewable energy sources.

Since taking office, Mahoney has worked with private industry to develop a cellulosic ethanol industry in Florida. In the past year, four new businesses have been announced to build cellulosic ethanol plants in Mahoney's district.

Congressman Mahoney worked with Chairman Markey last year to ensure that as much as 100 million gallons of cellulosic ethanol will be blended into gasoline beginning in 2007-as part of the Energy Bill that passed the House last year. This will increase to 16 billion gallons of cellulosic ethanol by 2022. This accelerated mandate will ensure that private industry will begin immediately investing in the research and development necessary to accomplish this goal.

As the only Member of Congress from Florida to serve on the House Agriculture Committee, Mahoney has led the effort to promote research and investment in cellulosic ethanol in the Farm Bill. Mahoney's work in the Farm Bill related to ethanol includes:

- Creating an Ethanol Loan Guarantee Program;
- Research and development funding for Ethanol Technologies;
- Expansion federal programs to include all of Florida's biomass sources.

Congressman Tim Mahoney

Floor Statement

H.R. 5351 - Renewable Energy and Energy Conservation Tax Act

February 27, 2008

Mr. Speaker, I represent the 16th Congressional District of Florida. My district is home to a subtropical climate and rich soil. It is the largest and most varied producer of the biomass needed to produce cellulosic ethanol.

Unfortunately, some of rural areas of my district are also the poorest in Florida -- where we have high unemployment, and an almost 40% drop out rate in our high schools. Many of our rural youth don't see that getting their high school diploma will make a difference in their lives.

Thanks to this Congress, the day is coming when America can turn its back on foreign oil because we had the courage to create a biofuels industry here in America. A business that will transform rural America.

Thanks to Chairman Rangel, H.R. 5351 helps to make this vision a reality by giving gasoline companies a tax credit for

blending cellulosic ethanol.

This credit, in addition to the Energy and Farm bills we passed last year, will get Wall Street to open their wallets and invest in cellulosic ethanol businesses throughout rural America. It will give our rural youth hope and an opportunity to have a job with a future.

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