

July 7, 2015

The Honorable Orrin Hatch
Chairman, Senate Finance Committee
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Hatch,

In light of current discussions within the Finance Committee on extending the currently expired tax provisions, I want to express my strong support for including a fair and equitable extension of the wind production tax credit in the Chairman's Mark.

As you know, I've been an outspoken supporter of renewable energy for many years. Iowa ranks third in the nation in terms of installed wind capacity, providing more than 28 percent of Iowa's electricity, while supporting more than 6,000 jobs. Nationally, the wind energy industry supports more than 73,000 jobs. With jobs and the economy at the top of Americans' concerns, it would be a travesty for our new majority to put these jobs at risk.

I've worked to provide as much certainty as possible to grow the domestic wind industry. I know firsthand the boom and bust cycle that exists for renewable energy producers when Congress fails to extend these critically important tax incentives.

But, I also know this credit won't go on forever. It was never meant to, and it shouldn't. In 2012, the wind industry was the only industry to put forward a phase out plan. I have expressed support in the past for a responsible, multi-year phase out of the wind tax credit. But, I believe any phase out should be done in the context of comprehensive tax reform, where all energy tax provisions are on the table.

Just because we haven't achieved the goal of comprehensive tax reform doesn't mean that we should pull the rug out from under domestic renewable energy producers. Opponents of the renewable energy provisions want to have this debate in a vacuum. They disregard the many incentives and subsidies that exist for other sources of energy, and are permanent law. It's for this reason that I strongly urge you to include an extension of the wind production tax credit equal to the extension provided to other expiring tax provisions in the Chairman's Mark.

Good tax policy requires certainty that can only come from long-term predictable tax laws. Businesses need certainty in the tax code so they can plan and invest accordingly. And, while I look forward to working with my colleagues in the future to enact tax reform and put an end to

the headaches and uncertainty created by the regular expiration of tax provisions, right now our focus must be on extending current expired or expiring provisions to give us room to work toward that goal.

I look forward to working with you on this matter.

Sincerely,

Charles E. Grassley
United States Senator