

Dear Senator Ernst

I'm sure all Iowans, especially Iowa women, were proud to see you giving the main GOP response to the President's State of the Union speech Tuesday night. You got the country's attention in a positive way, especially in your decision to take a look at fundamental priorities for America rather than refute the President point by point. You and the President did express shared concern on the vital issue of tax reform. Unfortunately, the administration's actions do not match the President's rhetoric.

Instead of making the difficult but clearly needed effort to achieve comprehensive tax reform, the President and his Congressional allies (some from both parties) have chosen to demonize and punish America's domestic energy producers. For the six years since he took office President Obama has promoted the myth that U.S. oil and gas producers are enjoying fat federal subsidies and do not pay their fair share of taxes.

That myth has been forcefully and publicly shattered in reporting by the New York Times and the Progressive Policy Institute --- neither one a mouthpiece for big business or conservative politics. Yet the White House continues to press a punitive and discriminatory tax attack on America's domestic oil and natural gas producers. The President's budget message to Congress will likely once again include provisions to deny oil and gas producers legitimate tax deductions for business expenses --- but leave them in place for all other industries. .

This amounts to a massive stealth energy tax that will inevitably raise energy prices, just as the economy and average families are feeling the benefits of lower energy prices. It is also an unconscionable mistreatment of an industry that did more than any other to create jobs and invest in the economy during the recession and continuing recovery.

From 2007 to 2012, the job creation rate in the U.S. energy industry was 40%, compared to one percent in the overall private economy. And in a major irony, the energy companies targeted by this tax hike are some of the highest taxpayers in corporate America, paying an average of 37 percent compared to 29 percent for the rest of the S&P 500. As a college student hoping to build a career, I would hope this kind of corporate behavior would be encouraged, not punished.

I hope you will apply your fresh and articulate voice in the Senate to stopping this unfair tax attack and re-focusing Congress on the job of comprehensive tax reform.

Best Wishes,

Kyle Pedersen

A handwritten signature in black ink, appearing to read "Kyle Pedersen", with a long horizontal flourish extending to the right.

Dear Senator Grassley:

I'm sure you were proud and pleased to see your new junior colleague from Iowa giving the main GOP response to the President's State of the Union speech Tuesday night. It was a refreshing change to hear Sen. Ernst look at fundamental priorities for America rather than refute the President point by point. She and the President did express shared concern on the vital issue of tax reform. Unfortunately, the administration's actions do not match the President's rhetoric.

Instead of making the difficult but clearly needed effort to achieve comprehensive tax reform, the President and his Congressional allies (some from both parties) have chosen to demonize and punish America's domestic energy producers. As you know well from your leadership of the Senate Finance Committee, for the six years since he took office President Obama has promoted the myth that U.S. oil and gas producers enjoy fat federal subsidies and do not pay their fair share of taxes.

That myth has been forcefully and publicly shattered in reporting by the New York Times and the Progressive Policy Institute --- neither one a mouthpiece for big business or conservative politics. Yet the White House continues to press a punitive and discriminatory tax attack on America's domestic oil and natural gas producers. The President's budget message to Congress will likely once again include provisions to deny oil and gas producers legitimate tax deductions for business expenses --- but leave them in place for all other industries. .

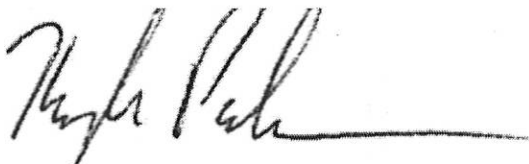
This amounts to a massive stealth energy tax that will inevitably raise energy prices, just as the economy and average families are feeling the benefits of lower energy prices. It is also an unconscionable mistreatment of an industry that did more than any other to create jobs and invest in the economy during the recession and continuing recovery.

From 2007 to 2012, the job creation rate in the U.S. energy industry was 40%, compared to one percent in the overall private economy. And in a major irony, the energy companies targeted by this tax hike tax are some of the highest taxpayers in corporate America, paying an average of 37 percent compared to 29 percent for the rest of the S&P 500. As a recent college graduate hoping to build a career, I would hope this kind of corporate behavior would be encouraged, not punished.

As a respected leader in the Senate and in your party, you can help America by stopping this unfair tax attack and re-focusing Congress on the job of comprehensive tax reform.

Best Wishes,

Kyle Pedersen

A handwritten signature in black ink, appearing to read "Kyle Pedersen", with a long horizontal flourish extending to the right.