

Obama Slams Oil In State-Of-The-Union Address

President Obama's State of the Union speech on January 25, 2011, left a lot of people confused about his energy policy.

However, one thing was clear: he still dislikes oil and the "oil industry."

Obama said he wants to repeal billions of dollars in subsidies to the oil industry. He pledged to use that money to pay for R & D for "wind, solar, nuclear, clean coal and natural gas.

The tax code does distinguish between "oil companies" and natural gas companies regarding the two tax items we assume Obama is talking about: percentage depletion and expensing of intangible drilling costs (IDC).

This is not the first time Obama has singled out the industry. In his 2010 and 2011 budgets, Obama made similar proposals. Obviously, neither passed, but he plans to put them back into his 2012 budget that will come out soon.

The difference this time around is that he singled out oil, and redefined natural gas as "clean energy", sort of.

We will be watching the tax issues very closely through our Washington representative, former Congressman **Charlie Stenholm**.