

Mahoney Supports Renewable Energy Tax Breaks, Provides Florida Families with Income Tax Relief

Co-sponsors legislation to
provide tax relief to victims of natural disasters

(Washington, D.C.) – Today, Congressman Tim Mahoney (FL-16) voted to support H.R. 7060 The Renewable Energy and Job Creation Act of 2008, which extends vital tax relief to millions of families, strengthens investment opportunities for American businesses and encourages the production and use of renewable energy. The fiscally responsible legislation received bipartisan support in the House, passing by a vote of 257-166. Although the Senate has passed a version of this bill, their version was not fully paid for. The House version has identified offsets to pay for the bill and the legislation now returns to the Senate for consideration.

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(September 26, 2008)

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In addition, Congressman Mahoney voted to support H.R. 7006 Disaster Tax Relief Act of 2008, legislation that he co-sponsored, to provide relief to taxpayers affected by federally-declared disasters, like Tropical Storm Fay. The legislation passed the House by a vote of 419-4. It now moves to the Senate for consideration.

“With the economy in crisis, Florida families need all the help they can get. Relief from property taxes, as well as state and local sales taxes, will give millions of Florida families extra cash to cope with rising food, gas, and healthcare costs,” said Congressman Mahoney. “Furthermore, since we know we cannot “drill baby drill” our way out of the energy crisis, this legislation creates even more tax breaks for renewable energy, laying the foundation for Florida to be the biofuels capital of America and creating more jobs for our region.”

The legislation would help reduce America’s dependence on foreign oil by encouraging the use and production of renewable energy through:

- A six-year extension of the 30% investment tax credit (ITC) for solar energy

- Three-year extensions of the production tax credit (PTC) for energy derived from biomass, geothermal, hydropower, landfill gas and solid waste

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A one-year extension of the PTC for energy derived from wind

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Tax incentives for coal electricity plants that capture and sequester carbon dioxide

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Incentives for the production of renewable fuels such as biodiesel and renewable diesel and cellulosic biofuels

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Incentives to encourage energy efficient products, such as plug-in hybrids cars, and incentives for energy conservation in both commercial buildings and residential structures

- Tax credit bonds providing State and local government with funds to make energy conservation investments in public infrastructure and invest in research.

The legislation would also provide important tax relief for millions of families, including:

- Deduction of State and local sales tax from their income tax
- Deduction of tuition and other education expenses
- Deduction of out-of-pocket expenses by teachers
- Deduction of property taxes for non-itemizers

Last year, millions of Florida families took advantage of this critical tax relief.

Over 2.2 million Florida

families elected to take the general state sales tax deduction on \$3 million in state and local taxes. Over 204,000

families took the tuition deduction for higher education costs, totaling \$434.3 million in deductions. And 178,655 teachers took the deduction for

out-of-pocket classroom supplies, totaling \$45.2 million in deductions.

“I am also proud of the new disaster relief legislation that we passed,” said Congressman Mahoney. “The new program will help the government to provide assistance more quickly to victims of Federal-declared disasters. This critical tax relief will help families have more cash on hand to rebuild their lives and recover more quickly from the damage created by these disaster.”

The new
program will:

• Allow

Allow taxpayers who have suffered loss as a result of a federally-declared disaster to claim a deduction for casualty losses (i.e., both itemizers and non-itemizers) and would allow these taxpayers to calculate their casualty loss deduction without regard to their adjusted gross income.

- Enable businesses to immediately write-off certain expenses relating to federal

disasters.

- Give businesses a five-year carry-back period for losses relating to Federal

disasters.

- Provide mortgage revenue bond financing for individuals suffering home damage as a result of a federal disaster.

- Provides \$13 billion in tax-exempt private activity bond financing for businesses suffering damage as a result of a federal disaster

- Increases the standard mileage rate for charitable use of a vehicle to at least 27 cents a mile.