

President Obama’s Budget Eliminates Federal Giveaways to Big Oil and Gas

A State-By-State Breakdown

As part of his 2010 budget, President Obama has proposed eliminating billions of dollars in federal subsidies and giveaways to oil and gas companies. The money saved by eliminating these subsidies would be used to encourage clean and renewable sources of energy and to cut taxes for American families. These giveaways, if continued, would cost taxpayers in every state more than \$30 billion over 10 years. This table shows how much taxpayers in each state will pay to finance giveaways to oil and gas companies unless President Obama is able to eliminate them in his budget.

The giveaways and tax breaks that stand to be eliminated include the oil and gas depletion allowance, which lets oil companies deduct 15 percent of their sales revenue; the “manufacturing” tax deduction, which allows oil companies to treat extracted oil as a “manufactured” good; the “intangible drilling costs” deduction; the deduction for the “geological and geophysical expenditures;” and allowing oil and gas companies to drill on public lands in the Gulf of Mexico without paying a fee.*

Taxpayers Dollars From Every State Currently Financing Oil & Gas Company Tax Breaks And Loopholes

Value Of Eliminated Giveaways and Loopholes For Oil & Gas Companies	
United States	\$32 Billion
Alabama	\$340 million
Alaska	\$70 million
Arizona	\$560 million
Arkansas	\$170 million
California	\$4.3 billion
Colorado	\$570 million
Connecticut	\$730 million
Delaware	\$90 million
DC	\$100 million
Florida	\$2.2 billion
Georgia	\$810 million
Hawaii	\$120 million
Idaho	\$110 million
Illinois	\$1.5 billion
Indiana	\$500 million
Iowa	\$230 million
Kansas	\$250 million
Kentucky	\$280 million
Louisiana	\$330 million
Maine	\$100 million
Maryland	\$730 million
Massachusetts	\$1 billion
Michigan	\$840 million
Minnesota	\$570 million
Mississippi	\$150 million
Missouri	\$480 million
Montana	\$70 million
Nebraska	\$150 million
Nevada	\$320 million
New Hampshire	\$160 million
New Jersey	\$1.4 billion
New Mexico	\$140 million
New York	\$2.8 billion
North Carolina	\$730 million
North Dakota	\$50 million
Ohio	\$950 million
Oklahoma	\$280 million
Oregon	\$310 million
Pennsylvania	\$1.3 billion
Rhode Island	\$110 million
South Carolina	\$320 million
South Dakota	\$70 million
Tennessee	\$510 million
Texas	\$2.4 billion
Utah	\$200 million
Vermont	\$60 million
Virginia	\$920 million
Washington	\$760 million
West Virginia	\$100 million
Wisconsin	\$520 million
Wyoming	\$80 million

* Friends of the Earth, "President Obama's Budget Calls for Repeal of Oil and Gas Giveaways," February, 2009.

Note: Dollar values over ten years; Figures may not add due to rounding.
Source: Center for American Progress Action Fund analysis of Friends of the Earth analysis of the President's 2010 budget proposal. State-by-state breakdown based on each state's share of federal income taxes using the most recent IRS data.