



SMI Clients-

Yesterday, the U.S. Senate failed to get the necessary votes to proceed to the tax extenders bill, which includes the production tax credit (PTC) for renewable energy and the investment tax credit (ITC) for solar. Senate leaders were only able to marshal fifty votes in favor of moving to the bill, with forty-four opposing the motion. The measure required sixty votes to move forward.

The point of contention remains how to pay for the tax credit extensions. Republican opponents will not accept any measure that includes revenue-raising offsets, in this case closing two tax loopholes, one for hedge fund managers, and one for multinational corporations with assets offshore. Democrats, most vocally the House Democratic Leadership, insist that any extensions be paid for.

Senator Baucus (D-MT) has stated that he will bring the tax extenders bill back to the floor either late this week or early next week, with new provisions designed to garner more votes. The fifty Senators that voted in favor of extending the expiring tax provisions, including the PTC and ITC, is the lowest level of support to date. The prospect of extension of the PTC and ITC as part of the larger tax extenders package seems quite dim at this point in time.

We will keep you posted on any developments as they happen. Should your company or organization require our assistance to lobby Members of Congress in support of extending these important tax provisions, or should you have further questions, please contact me or any other member of the Helios team.

Helios Team