



October 24, 2018

Dear Member of Congress:

On behalf of Koch Companies Public Sector, I urge you to oppose H. R. 7065 (115), which would expand the credits on plug-in electric vehicles (EV) through 2022. The existing federal tax credit of \$7,500 has already been expanded from the first 200,000 vehicles produced to the first 200,000 vehicles produced by each manufacturer. This is in addition to other state-based subsidies. We do not oppose electric vehicles – they are an option for people who value this fuel source in meeting their personal transportation needs. We do oppose their subsidization by the government. I encourage you to allow innovation and consumer choice to drive this industry, not tax dollars and government subsidies.

According to a [Pacific Research Institute study](#) released earlier this year, 78.7 percent of EV credits went to households with an adjusted gross income of \$100,000 or higher, and more than half went to those with adjusted incomes of \$200,000 or higher. Subsidizing the wealthy with tax dollars is not only bad policy, it also increases our national deficit. Instead of expanding this subsidy for wealthy EV owners, Congress should eliminate it along with all other energy incentives – including eliminating any incentives given to us and our competitors where we may participate. We are focused on long-term value creation, not short-term windfalls.

Congress should not be in the business of picking winners and losers by subsidizing one form of energy over others, regardless of its source. While EV sales have steadily increased in recent years, taxpayers who don't own an EV have helped pay for those who do. In fact, EV buyers received \$4.7 billion in tax credits between 2011 and 2017, according to a recent [Manhattan Institute study](#). The same study estimates that ending the federal credits could save taxpayers around \$20 billion.

As Koch bases its government and public affairs activities on principles that bring the greatest well-being to society, we encourage you to advance legislation that helps more people improve their lives, not favor one group of people over others. We remain committed to working with anyone who is guided by the same principles, and we will continue to advocate accordingly.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Philip Ellender', written in a cursive style.

Philip Ellender  
President, Government & Public Affairs  
Koch Companies Public Sector, LLC