



Just the FACTS...

... about oil prices and industry profits

Although oil prices have received considerable attention because they are so “low,” current oil prices are in line with historical averages and are expected to start climbing again. Oil at \$50 per barrel seems low because Americans are used to oil prices topping \$100 per barrel. U.S. oil and gas companies are still reporting massive profits, and they continue to spend millions on lobbying expenses and campaign contributions.

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Fact: The Energy Information Administration projects the annual average price for a barrel of imported crude oil will be \$48.81 in 2015 and \$64.46 in 2016. The median price in constant dollars (2014) from 1990 through 2014 was \$38.55 per barrel.

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Fact: The five most profitable U.S. oil and gas companies alone reported a total of \$221 billion in profits from 2012-2014, led by ExxonMobil and Chevron which generated \$110 billion and \$67 billion, respectively.

3

Fact: Last year, the oil and gas industry as a whole spent \$141.4 million, or more than \$387,000 per day, lobbying the U.S. Congress and federal agencies, according to the Center for Responsive Politics. It employed 819 lobbyists, nearly two for each member of the U.S. House of Representatives.

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Fact: Congress enacted exploration and development cost deductions into the tax code in 1918 and the Special Percentage Depletion Allowance in 1926. Eliminating these and other special tax breaks for the oil and gas industry will save taxpayers \$65 billion over the next decade.

Our Take: The oil and gas industry has been getting subsidies for almost a century. We can't afford special treatment for profitable companies. The time has come to end taxpayer subsidies for the industry.

