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Grassley Continues Push for Job Creation With Bill to Extend Renewable Energy,
Key Business Tax Incentives

WASHINGTON – Sen. Chuck Grassley today continued his push for job creation, introducing legislation to extend a key tax incentive for businesses of all sizes and key tax incentives for renewable energy. He said any congressional or White House job creation effort should include these measures.

“Green energy is a real bright spot in our economic future,” Grassley said. “We need to keep up the momentum for job creation, a clean environment, and energy independence. Getting these tax incentives extended is important to help businesses secure the loans they need to make the investments necessary to create jobs.”

Grassley introduced the *Clean Renewable Energy Advancement Tax Extension Jobs (CREATE Jobs) Act of 2009*, the day of the White House’s jobs summit. Grassley’s bill extends the tax credit for the production of electricity from wind and open-loop biomass through December 31, 2016.

The Grassley legislation also increases the amount of bond authority for new clean renewable energy bonds. These bonds are used to finance facilities that generate electricity from wind, closed-loop biomass, open-loop biomass, geothermal, small irrigation, hydropower, landfill gas, marine renewable, and municipal trash combustion facilities. Grassley created clean renewable energy bonds via the 2005 energy bill.

For all businesses, the Grassley bill extends bonus depreciation for one year, so that businesses are able to deduct half of the value of any property placed in service in 2010. The 50 percent first-year bonus depreciation allowance in current law expires at the end of this year. The provision is helpful to wind energy businesses for investment in turbines and related equipment, Grassley said.

“This tax relief for businesses that invest in 2010 will spur investment, and that will create badly needed jobs,” Grassley said. “Businesses need cash flow and bank loans to expand operations and hire people. With the credit market so tight, the more

assurances lenders have that they'll get repaid, the more willing they are to lend money to businesses.”

Grassley is the father of the wind energy tax credit, having sponsored the first-ever provision enacted in 1992. As chairman of the Senate Finance Committee in 2001 and 2005, his legislation significantly expanded and extended the production tax credit for wind energy. In addition to his work to extend and expand the wind energy production tax credit, Grassley also has successfully fought to keep the tax credit from being cut. Last year and the year before, he was able to restore the wind energy tax credit after it had been substantially diminished in tax legislation passed by the House of Representatives.

Grassley's green energy push today is his third step this week urging job creation in light of the White House jobs summit. Earlier, Grassley urged Congress and the President to enact tax relief for small businesses, which create 70 percent of all net new jobs, and to implement pending trade agreements, which would expand export markets for U.S. products and help create jobs in the United States.