

June 23, 2025

The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear President Trump:

As part of your commitment to achieving American energy dominance, you promised to eliminate burdensome regulations and put an end to the Inflation Reduction Act (IRA),¹ which you aptly identified as the “Green New Scam.” While your administration has made significant progress toward this goal,² much of the work necessary to fulfill your campaign promise involves eliminating ALL of the Biden-era energy subsidies in the One Big Beautiful Bill.

The House of Representatives has gone a long way. While not completely phasing out the entire IRA, the recently passed [H.R. 1](#) significantly amends most of the credits by accelerating the phase-outs to completely expire before you leave office, places tighter restrictions on prohibited foreign entities, and repeals the transferability of many of the credits.

Unfortunately, the [working draft](#) of the Senate bill falls considerably short. While the overall structure aligns with the House, several energy-related provisions represent notable setbacks. Unlike the House version – which imposed strict deadlines for green energy projects – the Senate draft extends eligibility. Projects that commence construction by 2027 now benefit from a four-year “safe harbor,” making them eligible for tax credits through 2031. Because the Production Tax Credit (PTC) lasts for 10 years, wind and solar projects could receive federal subsidies through 2040 – well beyond your term in office. It also alters the House's strong definition of prohibited foreign entities, essentially allowing for more foreign ownership by those involved in projects. Finally, it retains the electric vehicle tax credit for certain manufacturers.

More troublesome, we have seen reports that some senators would like to weaken the House provisions even further than what is already in the working draft.

History shows long phase-outs are really extensions of bad policies that raise electricity prices and threaten to destabilize the grid.³ Take the wind production tax credit (PTC), for example. Originally set to expire in 1999, it has been extended repeatedly—in 1999, 2002, 2004, 2005, 2006, 2008, 2009, 2012, 2014, 2015, 2016, 2019, and again in 2021. A phase-down was introduced in 2016, reducing the credit's value gradually over five years, yet the IRA revived and expanded the PTC once more. This clearly demonstrates that phasing down subsidies often leads to repeated extensions rather than true elimination.

We urge you to call on your Republican colleagues in Congress, particularly in the Senate, to repeal all of the IRA's energy tax credits immediately—not rely on slow and uncertain phase-outs that history shows are unlikely to succeed. At the very least, the Senate should not weaken the strong language that has already passed the House of Representatives. It's time for

¹“I’ll Scrap IRA Tax Credits on Day 1, Trump Says: Tax Notes,” Tax News, Tax Articles and Information - Tax Notes, September 29, 2023

²Thomas Pyle. “75 Actions the Trump Admin & Congressional Republicans Have Taken to Unleash Our Energy Potential.” AEA, April 29, 2025.

³Thomas Pyle, Kenny Stein, and Alex Stevens “Don’t Fall for the Phase-out Fallacy,” IER, May 7, 2025.

Congress to pass the One Big Beautiful bill to create jobs and grow the economy for American families and deliver on your promise to end former President Biden's Green New Scam.

Sincerely,

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