

Visual	Audio	Backup
<p>Opening on stream in Colorado Rockies. Paint smears on a TV that plays AFP ad.</p> <p>Super: “Misleading” -9News Truth Test, 3/25/14</p> <p>“False” -PolitiFact, 3/20/14</p>	<p>There’s a smear campaign going on in Colorado.</p>	<p>PolitiFact: AFP attack ad against Udall is “False.”</p> <p>According to Politifact, “Americans for Prosperity has been active on the airwaves already this election cycle. The group, which opposes Obamacare, has run a handful of ads featuring people telling health care “horror stories” meant to tug on the heartstrings. We’ve looked at a couple and explained how they can be misleading. But a pair of new ads take an entirely different tack to undercut support from Democratic Sens. Mary Landrieu of Louisiana and Mark Udall of Colorado. ... Americans for Prosperity said “millions are paying more and getting less” under Obamacare. We found their explanation of “less” rather dubious. Most people on the individual market are getting more benefits under the law. At worst, they’re paying more to get more, though in many cases they’re actually paying less. We rate this claim False.”</p> <p>[PolitiFact, 3/20/14]</p> <p>9NEWS Truth Test: “Misleading” AFP attack ad “puffs up Obamacare problems.” According to 9News in Colorado, the Americans for Prosperity ad attacking Sen. Mark Udall (D-CO) on the Affordable Care Act “is attempting to puff up the problems” with the health care law. 9News’ “Truth Test” also ruled that certain aspects of the ad were “misleading” and “unprovable.” [9News Truth Test, 3/25/14]</p>
<p>Transition with another oil-smudged smear, revealing photos of Charles and David Koch.</p> <p>Super: Oil Billionaire Koch Brothers. Steering a Million into Attack ads.</p> <p>Source: Associated Press, 3/17/14; Wall Street Journal, 4/8/14; Denver Post, 3/14/14</p>	<p>Backed by the out of state oil billionaire Koch brothers -- steering a million dollars into attack ads.</p> <p>Why?</p>	<p>Koch Brothers are oil industry billionaires who are not based in Colorado. The New Yorker reported, “With his brother Charles, who is seventy-four, David Koch owns virtually all of Koch Industries, a conglomerate, headquartered in Wichita, Kansas, whose annual revenues are estimated to be a hundred billion dollars. The company has grown spectacularly since their father, Fred, died, in 1967, and the brothers took charge. The Kochs operate oil refineries in Alaska, Texas, and Minnesota, and control some four thousand miles of pipeline.” [The New Yorker, 8/30/10]</p> <p><u>Two Koch Brothers Front Groups have together spent over \$1 million against Udall:</u></p> <p>Koch-backed Americans for Prosperity launched nearly \$1 million ad campaign against Udall. According to the Associated Press, “A national organization affiliated with billionaire brothers known</p>

		<p>as power players in conservative politics has turned its attention to U.S. Sen. Mark Udall with a political attack ad linking the Democrat to the federal health care overhaul, saying ‘Obamacare’ was ‘truly harming real Coloradans.’ The political group Americans for Prosperity, backed by Charles and David Koch, announced the nearly \$1 million campaign in a statement Monday. The ads will air for the next three weeks in the Denver and Colorado Springs markets, Colorado's main population centers.” [Associated Press, 3/17/14]</p> <p>Koch-backed Freedom Partners also made significant ad buy against Udall. The Wall Street Journal reported, “The campaign arm of the Koch-backed nonprofit Freedom Partners launched on Tuesday a nearly \$1.1 million ad campaign against two Democratic Senate candidates: Rep. Bruce Braley of Iowa and Sen. Mark Udall of Colorado. The campaign, which will be broadcast in both states for the next three weeks, targets the candidates’ support of the Affordable Care Act.” According to the Daily Caller, “[t]he buy is \$1.1 million split between the two states.” [Wall Street Journal, 4/8/14; Daily Caller, 4/7/14]</p> <p>Denver Post: “Koch brothers come to Colorado: ads targeting Mark Udall will go up Monday.” [DenverPost.com, 3/14/14]</p>
<p>Transition with another smear into Congressman Gardner talking on the House floor or in committee. Super: Congressman Gardner.</p>	<p>Congressman Gardner supports their agenda.</p>	<p>Gardner has a lifetime score of 85% on the Americans for Prosperity Scorecard. [AFP Scorecard]</p>
<p>Transition with another smear, oil spill in river. Super: Congressman Gardner. Billions in Taxpayer Subsidies to Big Oil. Source: Center for Public Integrity, “Koch’s Web of Influence,” 4/6/11; House Vote 153, 3/1/11; House Vote 277, 4/15/11; House Vote 293, 5/5/11; House Vote 68, 2/16/12</p>	<p>Gardner voted to keep giving billions in special taxpayer-funded subsidies to oil companies.</p>	<p><u>The Koch Brothers claim that they oppose oil subsidies...</u></p> <p>Koch Brothers spokesmen have repeatedly claimed Koch consistently “opposes subsidies of any kind.” [Politico, 4/22/14; KochFacts.com, 6/6/13; KochFacts.com, 7/11/12; KochFacts.com, 4/11/12; WashingtonPost.com, 5/20/11]</p> <p><u>But in reality, the Koch Brothers have fought to protect taxpayer-funded subsidies for oil companies:</u></p> <p>Center for Public Integrity: Koch lobbyists “have</p>

		<p>successfully fought to preserve the [oil] industry’s tax breaks and credits.” According to the Center for Public Integrity, “Oil is the core of the Koch business empire, and the company’s lobbyists and officials have successfully fought to preserve the industry’s tax breaks and credits. ... Koch’s decision to pour millions into lobbying Washington has put them high on the list of corporations whose lobbyists work the corridors of the nation’s capital. Last year, Koch Industries ranked in the top five — roughly on a par with BP and Royal Dutch Shell — in lobbying expenses among oil and gas companies, according to the Center for Responsive Politics.” [Center for Public Integrity, 4/6/11]</p> <p>CPI: Koch lobbyists “have worked to preserve the [Section 199 manufacturing] deduction” for oil companies. According to the Center for Public Integrity, “Meanwhile, Koch has lobbied to preserve some of the oil industry’s coveted tax breaks and credits. One benefit is known as the Section 199 deduction, approved by Congress several years ago to help the hard-pressed U.S. manufacturing sector. In light of the oil and gas industry’s hearty profits, the Obama administration and members of Congress have sought to end the Section 199 subsidy for energy firms and save the U.S. Treasury \$14 billion over 10 years. But Koch lobbyists and trade associations have worked to preserve the deduction.” [Center for Public Integrity, 4/6/11]</p> <p>CPI: Koch representatives have also supported the “last-in, first-out” tax break for the oil industry. According to the Center for Public Integrity, “Another industry tax break that drew the support of Koch representatives is the venerable ‘LIFO’ (last-in, first-out) accounting rule. It allows energy companies effectively to raise the value of their existing inventory (and thus pay lower taxes on profits from sales) when the price of oil soars. Under LIFO, the oil in a company’s inventory, no matter what it actually cost, is valued at the cost of the last-acquired (usually highest-cost) barrel. The LIFO rule has been a target in recent years for both Democrats and Republicans in Washington, who would like to raise revenue without raising taxes.” [Center for Public Integrity, 4/6/11]</p> <p>CAP: Koch Industries make billions from oil</p>
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		<p>subsidies, spend millions to keep them in place. According to the Center for American Progress, “Koch Industries reaps billions in these century-old tax breaks, and spends millions lobbying specifically to ensure they stay in place.” [Think Progress, 9/10/12]</p> <p>Americans for Prosperity opposed the Close Big Oil Tax Loopholes Act. Americans for Prosperity opposed S.940, which it described as a bill that “would increase taxes on oil and gas companies,” and included that vote in its Key Vote Scorecard for the 112th Congress. [Americans for Prosperity, Key Vote Scorecard, 112th Congress]</p> <p>Americans for Prosperity defended the industry-specific deduction for intangible drillings costs, which it falsely claimed is “not a subsidy.” On their website, Americans for Prosperity wrote, “The domestic oil industry is being singled out and attacked because some people don't like the product they sell or the profits they make. Senator Max Baucus along with many others wants to increase taxes on oil and gas producers, claiming they don't need government subsidies. ... Americans for Prosperity opposes any changes in the tax code that target specific industries for tax increases because some people don't like their product or profit.” One such tax credit AFP pointed to is the deduction for intangible drilling costs, which AFP claimed is “the equivalent” of tax credits for research and development by non-energy companies, and therefore “not a subsidy as critics claim.” [Americans for Prosperity, 5/11/11]</p> <ul style="list-style-type: none">• The nonpartisan Joint Committee on Taxation listed “expensing of intangible drilling costs” among “industry specific incentives” for the oil and gas sector. In a May 11, 2011 report, the nonpartisan Joint Committee on Taxation noted that oil companies benefit from a number of “industry specific incentives.” The report stated: “The Internal Revenue Code includes a number of tax provisions that provide favorable treatment to investment in oil and gas production projects. These incentives include the enhanced oil recovery credit, the marginal wells credit, the expensing of intangible drilling costs, the deduction for using tertiary injectants, the passive loss exemption for working interests in oil
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- **Prominent Republicans recognize that tax expenditures are subsidies.** In a March 28 article, Think Progress documented that “Numerous Republican leaders have noted that a tax break is the same as a direct government [payment] or subsidy, in a different form. This includes President Ronald Reagan’s chief economic advisor, Martin Feldstein, former Senate Budget Committee Chair Pete Domenici (R-NM), House Ways and Means Committee Chair Dave Camp (R-MI), and Speaker of the House John Boehner (R-OH).” Think Progress included quotes for each of these Republicans in the article. [[Think Progress](#), 3/28/12].

- **The deduction for intangible drilling costs is the single-biggest oil industry subsidy.** According to a White House budget analysis, if the United States “Repeal[s] expensing of intangible drilling costs,” it would save the government \$2.3 billion in fiscal year 2015 and \$14.35 billion over the next 10 years. Both figures are greater than the revenue effects of eliminating any other subsidy for the oil and gas industry. [[Federal Receipts](#), WhiteHouse.gov]

AFP-Virginia: “AFP opposes using the tax code to attack oil and natural gas producers.” In a post on their website, the Virginia chapter of Americans for Prosperity stated: “AFP opposes using the tax code to attack oil and natural gas producers that are simply using the same tax deductions that are broadly available to everyone else, just because these energy producers are politically unpopular.” [[AFP-VA](#), 5/13/11]

And Cory Gardner has sided with Koch by repeatedly voting to protect taxpayer-funded subsidies for oil companies:

Gardner voted to protect oil subsidies. Gardner voted against a measure that would have prohibited the use of funds in a stopgap continuing appropriations bill for the tax benefit or relief of any major integrated oil company. He also voted to bypass consideration of the Big Oil Welfare Repeal Act of 2011, which would repeal key taxpayer funded

		<p>subsidies for oil and gas companies. [HJ Res 44, House Vote 153, 3/1/11; H Res 245, House Vote 293, 5/5/11; The Hill, 5/4/11; CBS News, 5/4/11]</p> <p>Gardner voted to protect up to \$53 billion in taxpayer subsidies for oil companies operating offshore. [House Vote 68, 2/16/12; LCV, 2012 National Environmental Scorecard]</p> <p>Gardner voted for extreme Ryan budget, which would retain \$40 billion in oil subsidies. Gardner voted for the fiscal year 2012 Ryan budget proposal. In April 2011, the Center for American Progress reported, “House Budget Committee Chair Paul Ryan’s (R-WI) proposed FY 2012 budget resolution is a backward-looking plan that would benefit big oil companies at the expense of middle-class Americans. It retains \$40 billion in Big Oil tax loopholes while completely eliminating investments in the clean energy technologies of the future that are essential for long-term economic growth.” [H Con Res 34, House Vote 277, 4/15/11; Center for American Progress, 4/6/2011]</p> <p>Gardner Signed The Americans for Tax Reform Pledge. According to a release issued by Americans for Tax Reform, “Cory Gardner, a Republican running in Colorado’s 4th Congressional seat, recently signed the Taxpayer Protection Pledge sponsored by Americans for Tax Reform (ATR). The Pledge commits signers to ‘oppose any and all efforts to increase the marginal income tax rates for individuals and/or businesses ... and oppose any net reduction or elimination of deductions and credits, unless matched dollar for dollar by further reducing tax rates.’” [Americans for Tax Reform, Taxpayer Protection Pledge, 6/4/2009]</p> <ul style="list-style-type: none">• Pledge protects billions in oil subsidies. According to Americans for Tax Reform, “The Obama budget proposes a full repeal of Sec. 199 – but only for energy companies. ... Repealing the Section 199 deduction IS A CORPORATE INCOME TAX INCREASE and is therefore a PLEDGE VIOLATION unless the increase is offset completely with other income tax cuts.” Similarly, ATR noted, “The Obama FY 2010 budget proposal will increase the amortization period to seven years for only energy producing companies. ...
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<p>Transition with another smear, Gardner alongside Koch brothers, TV attack ad. Super: Congressman Gardner. Too Extreme for Colorado.</p>	<p>A million dollar smear campaign. Billions for big oil. Cory Gardner’s just too extreme for Colorado.</p>	
<p>Paid for by the League of Conservation Voters, www.lcv.org, and not authorized by any candidate or candidate’s committee. The League of Conservation Voters is responsible for the content of this advertising.</p>	<p>The League of Conservation Voters is responsible for the content of this advertising.</p>	