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Uranium Industry Tax Break Illegitimate

Despite Wyoming's budget crisis the uranium industry is proposing a tax break for itself at a meeting of the Legislature's Minerals, Business and Economic Development Committee meeting this Thursday, June 29.

"The uranium industry had a tax break from 1991 through 2009," said Sarah Gorin, a longtime specialist in Wyoming mineral tax policy. "There is no evidence whatsoever that the tax break increased production or employment."

Information provided to the legislative committee by the Wyoming Mining Association says that, "WMA believes this sliding scale [for taxation] will help Wyoming's producers conserve precious cash during the down times so they can ramp up production, and generate increased severance taxes when the market recovers."

"I'm sure we'd all like to conserve precious cash, but we all have to pay taxes," said Gorin. "Uranium producers pay property and sales tax like everyone else, but they also need to pay severance taxes, because once this resource is mined it is leaving the state forever."

"When the market recovers" has been the theme song of the uranium industry since the 1980s, and they always want some kind of deal," said Wilma Tope, board member with the Powder River Basin Resource Council. "Unfortunately the history of this industry is one of leaving behind un-reclaimed uranium mines and polluted landscapes for other taxpayers to clean up."

According to Nuclear Regulatory Commission (NRC) documents, reclamation is still not complete at Split Rock, Umetco, and the American Nuclear Corporation mill. At Split Rock and Umetco (both in Fremont County), groundwater contamination persists and the NRC has requested additional information from the operators. At the American Nuclear Corporation mill (also in Fremont County), the NRC document notes simply that there are "insufficient funds to complete reclamation and transfer [the site] to the Department of Energy."

"In other words, the American – and Wyoming – taxpayers are on the hook for reclamation costs for mostly foreign owned companies. This is corporate socialism at its best," said Tope. Powder River Basin Resource Council also questions why the proposed tax cut is before the Minerals, Business and Economic Development Committee. "This is a proposed tax break, and properly belongs in the Revenue Committee," Tope said. "Even the industry admits it is an attempt to cut expenses. It doesn't have anything to do with economic development."

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