

*Protecting
Communities
and the
Environment*

GOLD MINE WITH ALL THE TOPPINGS, PLEASE

1872 Mining Law Fact #6:



Multinational mining companies are enjoying a triple-dip treat at the expense of U.S. taxpayers.

- **A tax break is given to companies that extract precious metals like gold, silver and copper from public lands. This tax write-off, based on a mineral deposit's estimated decline in value due to mining, costs U.S. taxpayers about \$487 million every five years.**
- **This tax break—called the percentage depletion allowance—makes it possible for a company to deduct more from its corporate taxes over a mine's lifetime than the actual worth of the mineral deposit.**
- **The hot fudge on this subsidy sundae is that the mining industry gets this tax break on minerals that they didn't buy in the first place. Under the 1872 Mining Law, hardrock mining companies pay no royalty whatsoever to U.S. taxpayers for taking minerals from public lands.**

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Part of a series on the 1872 Mining Law, highlighting impacts on taxpayers, community health, and water resources—and the need for meaningful reform.

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