is based upon miles per gallon ratings developed by uniform testing procedure to be conducted by the Environmental Protection Agency.

Basically the tax would establish a national automobile standard of 20 miles per gallon. Cars getting that mileage or better would pay no excise tax; less efficient cars would pay a tax proportional to their fuel consumption.

Because of differences in construction and operation, bicycles, motorcycles, and farm vehicles are exempt from the tax.

The tax would be imposed only once on the manufacturers or importers of new automobiles.

The tax would be enacted now but would not take effect until July 1, 1976 in order to allow the automobile industry an advance lead time to design and produce a standard size car, which, because of more efficient use of gasoline, would not be subject to the tax.

The tax applying to 1976 models would be only about one-third of the final tax, which would be phased in. Less efficient cars would be subject to the tax.

In this way, the manufacturers could observe the effect of the tax in changing consumer preference and plan their designs accordingly.

This amendment will give sufficient warning and lead time to the U.S. industry without giving any competitive advantage to foreign automobiles.

GOVERNMENTAL STUDIES SUPPORTING THE TAX A recent Department of the Treasury staff study, which recommended a fuel economy tax, stated that "(automobile) industry can produce large cars which yield close to 30 miles per gallon using existing technology, but if advance lead time to design and produce a standard size car, which, because of more efficient use of gasoline, would not be subject to the tax.

The tax applying to 1976 models would be only about one-third of the final tax, which would be phased in. Less efficient cars would be subject to the tax.

In this way, the manufacturers could observe the effect of the tax in changing consumer preference and plan their designs accordingly.

This amendment will give sufficient warning and lead time to the U.S. industry without giving any competitive advantage to foreign automobiles.

GOVERNMENTAL STUDIES SUPPORTING THE TAX A recent Department of the Treasury staff study, which recommended a fuel economy tax, stated that "(automobile) industry can produce large cars which yield close to 30 miles per gallon using existing technology, but if advance lead time to design and produce a standard size car, which, because of more efficient use of gasoline, would not be subject to the tax.

The tax applying to 1976 models would be only about one-third of the final tax, which would be phased in. Less efficient cars would be subject to the tax.

In this way, the manufacturers could observe the effect of the tax in changing consumer preference and plan their designs accordingly.

This amendment will give sufficient warning and lead time to the U.S. industry without giving any competitive advantage to foreign automobiles.

GOVERNMENTAL STUDIES SUPPORTING THE TAX A recent Department of the Treasury staff study, which recommended a fuel economy tax, stated that "(automobile) industry can produce large cars which yield close to 30 miles per gallon using existing technology, but if advance lead time to design and produce a standard size car, which, because of more efficient use of gasoline, would not be subject to the tax.

The tax applying to 1976 models would be only about one-third of the final tax, which would be phased in. Less efficient cars would be subject to the tax.

In this way, the manufacturers could observe the effect of the tax in changing consumer preference and plan their designs accordingly.

This amendment will give sufficient warning and lead time to the U.S. industry without giving any competitive advantage to foreign automobiles.

GOVERNMENTAL STUDIES SUPPORTING THE TAX A recent Department of the Treasury staff study, which recommended a fuel economy tax, stated that "(automobile) industry can produce large cars which yield close to 30 miles per gallon using existing technology, but if advance lead time to design and produce a standard size car, which, because of more efficient use of gasoline, would not be subject to the tax.

The tax applying to 1976 models would be only about one-third of the final tax, which would be phased in. Less efficient cars would be subject to the tax.

In this way, the manufacturers could observe the effect of the tax in changing consumer preference and plan their designs accordingly.

This amendment will give sufficient warning and lead time to the U.S. industry without giving any competitive advantage to foreign automobiles.