# How ‘Green’ Energy Subsidies Transfer Wea
# for the Rich and Their Corrupt Senators Th
# Dark Money Scams

Nicolas Loris / @NiconomistLoris / Bryan Cosby /

COMMENTARY BY

Portrait of Nicolas Loris

**Nicolas Loris**
@NiconomistLoris

*Nicolas Loris, an economist, focuses on energy, environmental and regulatory issues as the Herbert and Joyce Morgan fellow at The Heritage Foundation. Read his research.*

**Bryan Cosby**

*Bryan Cosby is a member of the Young Leaders Program at The Heritage Foundation.*

When the Golden State Warriors, who won three of the last four NBA championships, signed All-Star Demarcus Cousins, sports pundits across the country offered the same opinion: The rich just got richer.

In many respects, the same holds true for energy subsidies.

Federal energy programs promise ambiguous policy goals such as abating climate change, spurring innovation, or reducing dependence on foreign sources of energy. But they often lead to situations that help the rich at the expense of middle- and lower-income Americans. That’s because when the federal government gets involved in the energy business, it transfers billions of dollars to the production and consumption of politically preferred sources and technologies—and many of those involve the poor transferring money to the rich.

For instance, a recent study by the Pacific Research Institute found that more than 99 percent of subsidies for electrical vehicles go to households with incomes of $50,000 or higher, and nearly three-quarters go to households with an annual income of $100,000 or more.

Poorer Americans can’t access the $7,500 tax credits because of the high prices of electric vehicles, even after accounting for the generous subsidies, which means they help pay for the subsidies through their taxes but can’t themselves get eligible for the subsidies or other benefits, such as carpool lanes.