

## House Republican Press Release

May 14, 2007  
Press Office: 860-240-8700

### **REP. FREY SUPPORTS HOUSE REPUBLICAN GAS TAX HOLIDAY**



#### **“Suspends 25 Cent Gas Tax for the Summer”**

**HARTFORD-**With another looming spike in gas prices this spring, House Republican Whip Rep. John Frey (R-111) and the House Republican caucus today called for a Memorial Day state tax holiday for the summer peak driving season to give motorists relief at the pumps.

The state of Connecticut currently has the appalling distinction of having the third highest gasoline tax in the nation and 7<sup>th</sup> highest gas prices in the country. Ridgefield drivers at present are paying anywhere from \$3.19 to \$3.32 for a gallon of unleaded gasoline.

Amid, the announcement last week of new higher revenue projections and the pain drivers continue to feel from the ever-increasing gas prices, Connecticut should stop collecting the 25 cents per gallon now levied for the summer driving season. Frey said the savings would be significant and Connecticut can afford it.

It is estimated that the tax cuts would save drivers about \$40 million per month, or a little more than \$120 million for the duration of the summer driving period. Last week, the non-partisan Office of Fiscal Analysis revised revenue projections to show that, Connecticut now has a surplus this year of \$846 million which would easily cover the lost revenue. The gas tax moratorium would not divert any funds from any current or future transportation program.

“Connecticut motorists are painfully reminded of the price of gas every time they fill up their tanks,” said Rep. Frey. “The time to cut this tax is long overdue. Let’s cut it now. We can afford it, the taxpayers deserve it, and it makes sense.”

Currently, gas prices are at or near record levels in Connecticut, forcing taxpayers to cross state borders in search of cheaper prices.

Rep. Frey and the House Republicans are particularly concerned about the effect the gas tax has on the state’s economy and our economic competitiveness with other states. For instance, the Connecticut Business and Industry Association recently reported that the

rising cost of gasoline prices is having a negative effect on small businesses.

“From the state’s point of view, if consumers in bordering towns are seeking lower gas prices in neighboring states, then they are most likely purchasing other goods and services there as well. In turn, this adversely affects the economic growth of our small businesses and takes more money out of the state’s economy,” said Rep. Frey.

The legislature has until June 6 to finalize the two-year budget and Frey said the timing of this proposal is ideal. “If we move forward now we can show Connecticut motorists we have their best interests in mind,” Frey said.