

## House Republican Press Release

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### **REP. FREY DECRIES DEMOCRATS LACK OF RELIEF FOR RIDGEFIELDERS ON GAS PRICES**



HARTFORD – State Representative John Frey of Ridgefield today announced the state budget will not include a gas tax holiday or any suspension of the gas tax holiday and will in fact go ahead with the planned July 1<sup>st</sup> increase in the petroleum products gross receipts tax.

The petroleum products gross receipts tax applies to wholesale fuel transactions - such as when a distributor delivers gasoline to a local station - the tax is set to rise from 6.72 to 7.53 percent July 1. The current tax adds 17.1 cents to a gallon of gas and the July 1 increase will add another four cents to the price at the pump.

“With gas prices at \$3.20 to \$3.40 a gallon, it is unconscionable that the Democratic supermajority would not work with the Republicans at the negotiating table to provide relief to Connecticut commuters. A gas tax suspension during the summer months is more than reasonable when Connecticut has an almost one billion dollar surplus. Instead, the tax on gas will be going up”, said Rep. Frey. "I am extremely disappointed, to say the least."

House Republicans proposed in May to suspend the 25 cent a gallon tax on gasoline from Memorial Day to Labor Day. This proposal was voted down by the Democratic supermajority on four different occasions and then they only voted for the gas tax holiday on legislation that was destined to die as legislative session came to an end on June 6<sup>th</sup>.

“Not only have the Governor and Republican efforts to cap the gross receipts tax failed, but the Democratic supermajority is willing to spend the excess revenue on non-transportation projects instead of returning the overtaxed revenue to the taxpayers of Connecticut. This is extra revenue – additional taxpayers’ dollars – that we do not need,” added Rep. Frey.

According to the Governor’s Budget Office, less than half of the \$304.8 million the gross receipts tax collects this year will pay for the debt service on a \$3.6 billion capital rebuilding program for the state transportation network with the rest of the revenue classified as surplus put into the General Fund. The General Fund's share of the tax continues to grow as every month goes by. A Senate Republican amendment to cancel all

future gross receipts tax increases was defeated along party lines during the waning days of the regular session.

Rep. Frey noted that capping the gross receipts tax at \$1.75 per gallon guarantees the continued income the state needs to fund the transportation improvements approved over the last two legislative sessions while providing real savings to consumers.

“The overwhelming majority of the public has voiced their support for some kind of relief at the gas pump and the Democratic supermajority’s refusal for respite, as these taxes are about to increase July 1<sup>st</sup> gives Ridgefielders more cause for frustration each time they fill their tanks,” concluded Rep. Frey.