

House Republican Press Release

May 14, 2007

Press Office: 860-240-8700

Rep. Stripp: Champions House Republican Gas-Tax Holiday



“Suspends 25 Cent Gas Tax for the Summer Months”

HARTFORD- In the midst of another alarming spike in gas prices this spring, Rep. John Stripp (R-135) and the House Republican caucus today called for a Memorial Day to Labor 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 7th highest gas prices in the country. Easton, Redding and Weston drivers at present are paying anywhere from \$3.20 to \$3.50 for a gallon of unleaded gasoline.

In the course of, 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. Stripp 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 high gasoline prices every time they fill up their tanks – forcing many shoppers in border towns to go to surrounding states for gasoline and other weekly purchases. Tourists pass through our state and instead spend their money in Massachusetts, New York, New Jersey and Rhode Island,” Rep. Stripp.

Rep. Stripp and the House Republicans are principally 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.

“They result in higher prices for a wide variety of goods and services and dampen economic growth. If gas prices don’t come down soon, it could take months for the economy to recover, added Rep. Stripp.

“The people of Connecticut need relief at the pump now,” Rep. Stripp said.

House Republicans have placed a gas tax holiday poll question on their website for residents to register support for the proposal. The website is www.housegop.ct.gov.