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**FOR IMMEDIATE RELEASE**

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**New Jersey Small Business Owners and Consumers Oppose Higher Gas Tax**

*Increased tax will hurt small businesses, burden consumers and reduce disposable income  
New Jersey taxes are high enough, we cannot afford any additional increases*

Sal Risalvato, Executive Director of the New Jersey Gasoline, C-Store and Automotive Association (**NJGCA**), released the following statement in response to the recent proposal to double the tax that New Jersey consumers pay for gasoline:

"In all of my years as a gas station owner, an association executive, and a political enthusiast, I have not heard one convincing argument that taxes in New Jersey are too low. However, year after year, New Jersey residents are burdened with increasing fees and taxes. This time, we are facing a doubling of the gas tax, from 14.5 cents to 29.5 cents per gallon. Taxes in New Jersey are too high already -- some of the highest in the nation. Our current, relatively low, gas tax is one of the only "breaks" that New Jersey citizens get, and we should be fighting to protect it."

Risalvato continued, "There are many members of my association who operate businesses at or near the Northern and Northwestern borders of the State. Our members report high volumes of consumers coming from Pennsylvania and New York to purchase their gas, since our lower tax translates to lower prices. If the gas tax increases, prices will follow. Not only can my members expect to lose this business, but the State of New Jersey can expect to lose the tax revenue that came from those out-of-state consumers."

Risalvato also expressed concern about the trickle-down effect of a higher gas tax. "Delivery costs will increase as a result of the rising gas tax. Transportation and shipping costs will go up, not only as it relates to gasoline, but across the board. These costs will all be passed on to the consumer -- not just at the pump, but whenever shipping, transportation or delivery costs are factored into the prices of goods and services in our State."

"One issue that is unique to our industry and poses a very real threat," Risalvato explained, "is the fact that station owners will now be faced with an additional \$1,275.00 burden each time they receive a delivery of gasoline. The retailer pays for the gasoline up-front, and must absorb

that cost when the gas is delivered. Then, unfortunately, the retailer is forced to make up those costs by passing them along to the consumer."

"Finally, when prices go up, people change their habits. In this particular instance, people may try to save money by driving less, or perhaps by choosing not to buy that cup or coffee or newspaper at the convenience store. When consumers have less disposable income, it hurts small businesses across the board," Risalvato concluded.

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