

NJ industry group concerned about gas tax hike

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Recent poll numbers show most New Jerseyans do not support increasing the state's gas tax to pump money into the nearly depleted [Transportation Trust Fund](#), and neither does the [New Jersey Gasoline Convenience Store and Automotive Association](#).



(Tom Merton, Getty Images)

Instead of directly raising the gas tax at the pump, the group fears lawmakers will try to hide it by applying the state's 7 percent sales tax to gasoline, according to Executive Director Sal Risalvato.

"The reason that the gas tax has not been increased in 26 years is because it is a political hot potato, and there is nobody in Trenton that wants to take responsibility for raising the gas tax. That is understandable," Risalvato said.

He added it would be much easier for lawmakers to say they didn't raise the gas tax and for Gov. Chris Christie to say he didn't sign an increase in the gas tax.

"That would be bad public policy. It would be good political policy," Risalvato said.

The potential alternative to raising the gas tax could have serious repercussions, according to Risalvato. "Which would at today's prices, raise about 20 cents a gallon."

He said it would be an extremely large amount of revenue that would have to be managed by the retailer, which would create a bookkeeping nightmare.

"It would be easy for unscrupulous retailers to skim some of that and the concern of the state should be that they get cheated out of their money," Risalvato said. He pointed out another grave concern. "My concern is that the lion's share of my members are very honest and hard working people, and if there's an unscrupulous retailer who skims some of that he would be cheating the honest retailer who is competing against him."

If a tax has to be increased, Risalvato said lawmakers should just make it the gas tax, and not apply the sales tax to gas.