

Price at the pump stays the same in New Jersey after review

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Motorists will not face a gasoline tax increase in New Jersey next month.

The petroleum products gross receipts tax rate schedule indicates Republican Gov. Chris Christie's administration is not seeking an increase on Oct. 1, NJ.com reported. It's a sign the 23 cents a gallon increase that took effect nearly a year ago is working.

State lawmakers opted to increase the tax for the first time in nearly three decades. The increase, which took effect in November, requires the state to re-examine the tax rate to ensure it is generating enough revenue for transportation projects.

The treasurer can adjust the rate each year. If tax revenue falls short, drivers are taxed more the following year to make up the difference. Conversely, the tax is lowered if the state collects too much.

The increase is projected to generate about \$1.23 billion annually to finance a \$16 billion transportation program.

New Jersey Gasoline-Convenience-Automotive Association executive director Sal Risalvato previously predicted New Jersey would not change the tax rate because fuel consumption levels stayed consistent.

"And if that stayed constant, then the revenues should meet what the expectations were," said Risalvato.

A spokesman for the Treasury Department did not immediately respond to a request for comment.