



Gas Taxes Going Up Again In New Jersey

Steve Burns, WCBS 880/AP, August 31, 2018

TRENTON, N.J. (WCBS 880/AP) -- The days of getting cheap gas in the Garden State are long gone.

New Jersey drivers will be paying more for gas starting in October. It's all because of a law passed in 2016 to extend the life of the state's transportation trust fund.

Gov. Phil Murphy's administration says it's hiking the state's gas tax by 4.3 cents a gallon -- over 10 percent -- under a bipartisan law enacted under his predecessor, Chris Christie.

The Democratic administration says the 41.4 cent-per-gallon rate is the result of a requirement under the 2016 law. It calls for a steady revenue stream to support the \$2 billion a year fund for road and bridge work.

It's the second time since 2016 the gas tax has gone up.

Before that the rate hadn't escalated in three decades.

Figures from the conservative-leaning Tax Foundation show that the change means New Jersey will go from the eighth-highest gas tax in the country to the fifth.

Murphy's Treasury Department says Christie overestimated fuel consumption last year, failing to raise the rate 1.7 cents.

Most states peg their gas tax rate on the price of gas. It's a bit different in New Jersey where the gas tax is linked to how much gas you are buying and according to the Murphy administration drivers have been buying less of it and that mean revenues are falling short and the gas tax needs to go up.

Some groups are sounding the alarm. New Jersey Gasoline, Convenience Store and Automotive Association is declaring in a statement New Jersey can no longer compete with New York. The gas tax will still be 4 cents lower in New Jersey than in New York, but it says the Garden State is already at a competitive disadvantage after the gas tax went way up two years ago under the Christie administration.

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