



New Jersey Gasoline, C-Store, Automotive Association (NJGCA)  
(Formerly New Jersey Gasoline Retailers Association)  
4900 Route 33 West, Suite 100  
Wall Township, NJ 07753

**FOR IMMEDIATE RELEASE**

Contact: Sal Risalvato  
Executive Director  
732-256-9646 office  
201-745-1914 cell

September 1, 2020

**Huge Fuel Tax Increase a Huge Mistake: Edition II**

***New Jersey Raises Gas Tax – New York Receives a Windfall of Revenue***

Raising the gas tax will not only negatively impact the motorists of New Jersey, but small businesses that rely on the competitive nature of gas prices in this state in comparison to neighboring states.

Sal Risalvato, Executive Director of the New Jersey Gasoline, Convenience, Automotive Association (NJGCA) issued the following statement regarding last week's announcement that the tax on gasoline and diesel motor fuel will be increased by 9.3¢ a gallon starting on October 1<sup>st</sup>:

“The decision by Governor Murphy to raise the gas tax will not have the effect he is hoping for in helping to recover funds lost during the COVID crisis. This sharp increase in the tax on motor fuels means that our tax rate will surpass New York's and will even decrease our advantage over Pennsylvania to just a few cents per gallon. Motorists will no longer see the benefit in filling up in New Jersey and will make their fuel purchases out of state. This will hurt those small businesses and cut state revenues further, which will lead to even more tax increases in the future.”

With this increase New Jersey will have the 4<sup>th</sup> highest gas tax in the nation; over 7¢ a gallon higher than New York and 27.7¢ more than Delaware. New Jersey will also have

the 4<sup>th</sup> highest diesel tax, more than 14¢ a gallon higher than New York and 35.8¢ a gallon more than Delaware.

Further, since the 2016 gas tax increase New Jersey has lost over 450 million gallons of fuel sales to New York and Delaware alone. New York and Delaware have increased their gas tax revenues in what amounts to a windfall without raising their tax rates, allowing them and other neighboring states to acquire fuel sales that could have been had in New Jersey.

Risalvato ended by saying, “We can prove the exact amount of gallons that New York and Delaware are stealing from New Jersey. Out-of-state drivers that used to fill up in New Jersey have changed their habits and now fill up elsewhere. With this tax increase New York will now see New Jersey drivers crossing the border to make their gas purchases there. Another windfall for New York and another loss for New Jersey.”

Other options must be considered to lower the price motorists pay for gasoline or else we will have paved roads that no one can afford to drive on. Most gas stations are owned and operated by small business owners that have already been struggling to survive these huge drops in sales. Additionally, the governor’s proposal to dramatically increase the cigarette tax to a rate far higher than Pennsylvania and Delaware will provide yet another incentive for people to shop out of state. This increase may prove to be the death knell for several stations near the border.

####