



August 21, 2007

An Open Letter to the President and Congress: Taxpayers Oppose Hike in the Federal Gas Tax

Dear President Bush and Members of Congress:

On behalf of the millions of taxpayers represented by our respective organizations, we write in opposition to proposals that would increase the existing 18.4 cent-per-gallon federal excise tax on gasoline.

One legislative plan promoted by Representative James Oberstar would temporarily increase the federal gas tax by 5 cents per gallon to fund bridge repair around the country. We are extremely concerned that this “temporary” tax increase would turn into a permanent one. After all, President George H.W. Bush’s “temporary” gas tax increase of 5 cents per gallon in 1990 never went away as promised, while lawmakers “repurposed” President Clinton’s 4.3 cent-per-gallon hike when the budget seemed headed toward a surplus.

Proponents of a federal gas tax increase insist that few would even notice the change in their fuel bills. In reality, a 5 cent-per-gallon jump would represent a steep 27 percent tax hike over the current rate and cost American motorists an estimated \$25 billion over the next three years. Combined with state gas taxes, many motorists would pay over \$7.50 in taxes for the average fill-up. This is a substantial burden on families trying to make ends meet and only makes gas prices harder to stomach. Given high energy costs, now is the time to give taxpayers a lighter – not a heavier – gas tax burden.

We also reject the notion that there isn't enough money available for infrastructure upkeep. Both the federal and state governments have made record levels of transportation money available. The 2005 Highway Bill increased related funding by 42 percent, to a record \$286.5 billion. It also contained 6,500 earmarks totaling 9 percent of the bill's cost. The Fiscal Year 2008 Transportation, Housing & Urban Development and Related Agencies Appropriations Bill contained 1,434 earmarks worth over \$2.2 billion. This is money that could have been directed to real need-based priorities determined by transportation experts. Instead, it was handed out to politically connected allies. Congress's bad habit of earmarking has siphoned money away from core repair functions and into questionable projects. This reckless binge should be ended before lawmakers even consider raising gas taxes by a single penny.

Instead of resorting so readily to tax hikes, Congress and the Executive Branch should conduct a review to determine which transportation projects are really worth funding and which are unnecessary. Elected officials should not be feeding more revenues into the gears of an ever-faster spending machine, and we urge you to oppose any federal gas tax hike.

Sincerely,

John Berthoud
National Taxpayers Union

Pat Toomey
Club for Growth

Thomas Schatz
Council for Citizens Against Government Waste

Grover Norquist
Americans for Tax Reform

David Keene
American Conservative Union

Tim Phillips
Americans for Prosperity

Dick Patten
American Family Business Institute

Jeffrey Mazzella
Center for Individual Freedom

Tom McClusky
Family Research Council

Ryan Ellis
American Shareholders Association

Patrick Sammon
Log Cabin Republicans

William Wilson
Americans for Limited Government

Leroy Watson
National Grange

Dane vonBreichenruchardt
US Bill of Rights Foundation

Clay Barclay
Young Republican National Federation

Khaled Saffuri
Islamic Free Market Institute

William Westmiller
Republican Liberty Caucus

Chuck Muth
Citizen Outreach

Eunie Smith
Eagle Forum of Alabama

Dominic M. Calabro
Florida TaxWatch, Inc.

Richard O. Rowland
Grassroot Institute of Hawaii

Tom Hoefling
Idahoans for Tax Reform

Greg Blankenship
Illinois Policy Institute

Curt Smith
Indiana Family Institute

David M. Stanley
Iowans for Tax Relief

Kevin McLaughlin
Iowans for Discounted Taxes

Karl Peterjohn
Kansas Taxpayers Network

Richard Falknor
Maryland Taxpayers Association, Inc.

Phil Krinkie
Taxpayers League of Minnesota

Henry Kriegel
Montanans for Tax Reform

Doug Kagan
Nebraska Taxpayers for Freedom

Paul J. Gessing
Rio Grande Foundation

Matthew F. Guilbault
New York State Taxpayers Union

Bill Sizemore
Oregon Taxpayers United

Jason Williams
Taxpayer Association of Oregon

Matt Evans
Americans for Prosperity - Oregon

David Baldinger
Pennsylvania Taxpayers Cyber Coalition

Ben Cunningham
Tennessee Tax Revolt

John Taylor
Virginia Institute for Public Policy

Ray Wilson
Kalamazoo County Taxpayers Association

Douglas Bruce
Active Citizens Together

Bud Miller
Alexandria Taxpayers United

Richard Parins
Brown County Taxpayers Association

Jim Babka
DownsizeDC.org, Inc.

Keith L. Runyon
Concerned United Taxpayers

Ken Hambrick
Alliance of Contra Costa Taxpayers

Kris Hunt
Contra Costa Taxpayers Association

Kurt E. Hahn
Central Solano Citizen/Taxpayer Group

Robert L. Reed
American Spirit Enterprises Inc.

Rose Bogaert
Wayne County Taxpayers Association, Inc.

Joe Armendariz
Santa Barbara County Taxpayers Association

Tim Wise
Arlington County Taxpayers Association

Richard Rider
San Diego Tax Fighters

Matthew A. Paulsen
Bethel Action Committee

Joel Sears
York County Taxpayers Council

Rick Hendrix
Prince William Taxpayers Alliance