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Nebraska Gas Tax: If At First You Don't Succeed, Try Try Again

*Nebraskans don't need the extra burden of Sen. Stuthman's
\$60 million tax hike proposal*

WASHINGTON, D.C. —State Senator Arnie Stuthman of Platte Center, Nebraska recently proposed raising the gasoline tax from 27 cents per gallon to 32 cents per gallon. The \$60 million proposal, LB 796, if passed would be the third gas tax increase in three years. If this tax hike passes, it will have raised the gas tax by almost 7 cents per gallon since 2007.

Americans for Tax Reform strongly opposes this gas tax increase and encourages the legislature to prioritize its spending to reflect transportation as a priority. Proposing this gas tax increase shows that with the revenue they will be bringing in, transportation funding falls far enough down the list of priorities that they want to ask for more from the taxpayers.

“Despite the hardship of the taxpayers of Nebraska during these economic times, Senator Stuthman is proposing higher taxes. Taking more from the taxpayer is always the wrong approach to growing an economy and fixing a budget,” said Grover Norquist, president of Americans for Tax Reform. **“This \$60 million tax hike may see minimal to some of these Senators, but it is not. They are proposing to pull dollars from the private sector to fuel more government spending. This proposal would rob from family grocery budgets and obviously would work to chip away at dollars that would be fueling the Nebraska economy.”**

According to a January 3 article by Paul Hammel in the Omaha World-Herald, “The state gas tax- 19th highest in the nation at 27 cents per gallon- brought in \$315 million in 2008-09, \$17 million less than two years earlier.....That reflects the decline in gas sales, which were 50 million gallons fewer than four years earlier.” Raising taxes does not always increase revenue; this is a good example of taxes contributing to decreased consumption.

“The legislators need to learn that lowering taxes makes business more affordable and attractive in Nebraska. They are swimming upstream by proposing tax increases. They need to be looking to cutting wasteful spending and reprioritizing in order to find more room for transportation in the budget. The families and businesses of Nebraska needs leadership looking to solve problems, not Senators looking to take more from taxpayers.”

Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all tax increases. For more information or to arrange an interview please contact John Kartch at (202) 785-0266 or by email at jkartch@atr.org

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