



NEW YORK STATE SENATOR

William Larkin

## Larkin Urges Immediate "cap" On State Gas Tax

WILLIAM J. LARKIN JR. April 25, 2006

Senator Bill Larkin (R-C, Cornwall-on-Hudson) today repeated his call for a cap on state gas taxes to immediately roll back gas prices in the Hudson Valley region.

Senator Larkin has been a strong and vocal advocate of the Senate's plan to "cap" the sales tax, which is indexed to the price of gas and rises along with prices, on just the first \$2 of the per gallon price. That would mean an immediate savings of eight cents per gallon for gas priced at \$3, or \$320 million a year for motorists statewide.

"The Senate recognized the problem of high gas prices long ago and acted to place a cap on the sales tax on gas at \$2 per gallon back in September of 2005," said Senator Larkin. "We passed our plan again in January of 2006 and included it in the Senate budget proposal. Unfortunately the Assembly did not join us in supporting the cap on gas taxes. We cannot control the world oil market, but we can control State taxes and can act to provide help to hardworking New Yorkers. I have called on the State Attorney General to do his part and investigate the record profits of oil companies. Exxon Mobil, for example, earned more than \$10 Billion in just the fourth quarter of last year alone, breaking its own record. Any reduction in these costs, even eight cents a gallon, will make a real difference in people's wallets."

Gas prices across New York State are already breaking the \$3 a gallon barrier, and experts predict that summer prices could outpace last year's local record of \$3.33 a gallon, reached

last September, by mid-summer.