



NEW YORK STATE SENATOR

Frank Padavan

Senate Passes Summer Gas Tax Holiday

FRANK PADAVAN May 6, 2008

With gasoline prices continuing to climb to \$4 a gallon, Senator Frank Padavan (Queens) and his Senate Majority colleagues have announced that they will advance legislation that will provide much needed relief from the burden of record high prices at the pump.

“Right now, the biggest strain on all household budgets throughout Queens and New York State is the rapidly climbing price at the pump,” Padavan said. “High gas prices are at the very center of the economic struggle we are facing today. The price per gallon of gas has increased the price we pay for groceries and the other necessities and staples of everyday life. The state Legislature has the ability to provide essential relief from soaring gas prices and help millions of New Yorkers make ends meet. Ask anyone filling up at their local gas station and they will tell you they want relief and they want it now.”

Under the legislation (S.7594-A) co-sponsored by Padavan, the New York state taxes on gasoline will be eliminated from Memorial Day weekend through Labor Day. The suspension of the taxes will come at the heart of the summer travel season. The bill also provides that sufficient state resources are maintained to fund the state’s Dedicated Highway and Bridge Trust Fund.

If the state enacts this essential tax relief plan, New York commuters and families would save an estimated 32 cents per gallon in state gasoline taxes, including 16 cents from the

Petroleum Business Tax, 8 cents from the State sales tax, and 8 cents from the Motor Fuel Excise Tax. If the federal and local governments temporarily suspend their taxes on gasoline, New Yorkers would save approximately 65 cents per gallon.

“With Memorial Day and the start of the summer travel season just weeks away, swift bipartisan action on this legislation is imperative,” Padavan said. “The savings per gallon if the summer gas tax holiday is enacted will translate into real savings for families and commuters at a time when we need it the most. I hope Speaker Silver and his Assembly Majority colleagues heed the outcry from New Yorkers everywhere and work with the Senate in making this solution to high gas prices a reality.”

Two presidential contenders, Senator John McCain and Senator Hillary Clinton, have endorsed a summer gas tax holiday on the federal level. The suspension of the federal taxes on gasoline would help save New Yorkers an estimated 18.4 cents per gallon.

Padavan also called for a sharper and renewed focus on renewable and alternative energy sources. Specific state legislative initiatives addressing alternative fuels include:

- S.3497-B- Removes the State sales tax on hybrid and alternative fuel vehicles
- S.4363- Provides an EZ Pass discount for fuel efficient vehicles
- S6198- Allows a property tax exemption for farmland devoted to woody bio-mass for fuel sources production.

In addition to the state legislative initiatives, Senator Padavan supports a New York State Senate resolution calling upon the federal government, Congress and the President to immediately act to reduce high energy prices burdening Americans and launch a strong commitment to building a national energy plan based on production of renewable energy

and alternative fuels.

“Our economic future as a country lies in the establishment of a long-term and sustainable energy plan,” Padavan said. “We can make significant progress on the state level to bring about change for our future, but ultimately it’s up to our leaders in Washington to craft a long-term plan that will foster alternative fuel research, development, production and availability in all reaches of the country.”

Padavan continued, “The benefits of a national long-term energy plan that is focused on alternative fuels and renewable energy sources will not only reduce our reliance on foreign oil but it will help protect our environment and bring about the reduction of the cost increases at the pump