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House Bill -7247 ***AN ACT ESTABLISHING A CARBON PRICE FOR FOSSIL FUELS SOLD IN CONNECTICUT.*** This bill in its current form will be a disaster for both consumers and business owners, both large and small. Highlights of the bill are as follows:

This legislation would add 13.27 cents/gall tax carbon on gasoline in addition to the 8.81% gross earnings tax and the 25 CT excise tax. It will cost CT motorists over \$211 million in the first year of the tax, and is scheduled to increase ever year forever (or until no one uses gasoline anymore).

- **Half the homes in the state heat with fuel oil. A 16.55 cents/gall tax on home heating oil would cost homeowners \$166 per year individually, or over \$72 million per year in aggregate. And that's just in year one. By year 5, the tax goes to 38.61 cents/gall costing the homeowner \$386 on a thousand gallons; and by year ten, the tax grows to 66.18 cents/gall, costing the homeowner \$661 on a thousand gallons. Likewise for propane, the 9.55 cents/gall. tax in the first year will cost \$10.5 million in aggregate (for all propane use - fireplace, cooking, heating, grills, etc.).**
- **A 13.27 cents/gall tax on gasoline will cost CT motorists over \$211 million in the first year of the tax, growing thereafter, and this doesn't even apply the 8.81% gross receipts tax on top of that added cost.**
- **Truckers who use diesel fuel will pay \$44 million dollars more in the first year of the tax, which will be passed on to consumers as increased prices on every product sold in the state.**
- **Total CO2 emissions in CT, according to latest figures from the Energy Information Administration are 35.1 million metric tons or 38.6 US tons. In year one of the tax, the total tax at \$15/ton will be \$579 million; and since the tax increases by \$5 per year forever, by year five it will be \$1.35 billion and by year ten it will be \$2.3 billion and so on, ad infinitum.**
- **Governor Malloy has complained that Connecticut is already one of the highest cost energy states in the country. This tax just "doubles down" on those**

costs to consumers and businesses, and will result in more people, capital and business fleeing the state.

- **Fuel dealers in New York will have a price advantage that will hurt local oil and propane dealers when they attempt to sell their untaxed fuel by crossing state lines to steal your customers (presumably this tax will only go into effect if both Massachusetts and Rhode Island adopt something similar, so no threat from them!).**
- **This tax is regressive, and impacts low-income residents disproportionately since they have less discretionary funds and lack opportunity to change their energy consumption. Approximately 320,000 households in Connecticut face "crushing financial burden" regarding their energy bills, according to Operation Fuel, and all of them will be impacted by the tax, whether they heat with oil, gas, electricity, or propane. Though the proposed legislation allows consumers to receive a partial rebate, low-income consumers will not likely receive back their full cost associated with the tax, and so will be harmed by it.**
- **Regarding the rebate, all consumers will receive an equal share of 40% of the proceeds of the tax. That means you get the same amount, rich or poor. You get the same amount of rebate, whether you try to conserve energy or not. There is no incentive to save energy through the rebate program. And while businesses will also receive a small, flat rebate, they're likely just to pass on the costs of the tax to their customers during the year, and then just pocket their rebate at the end when they get it.**
- **The tax is a "feel good" tax that won't affect climate change. According to a U.S. News & World Report article, even if the U.S. completely stopped emitting all CO2, it would reduce world temperatures by only 0.08 degrees C by the year 2015. That's because China and India will dominate global carbon emissions for the next century, and there's little the U.S., let alone Connecticut, can do to affect this. Besides CT is already doing its job in reducing its carbon footprint. Its carbon emissions of 35 million metric tons is actually a decrease of 18.4% from a decade earlier. We're already reducing our CO2 even without a carbon tax.**
- **Oppose H.B. No. 7247, AN ACT ESTABLISHING A CARBON PRICE FOR FOSSIL FUELS SOLD IN CONNECTICUT.**

Please use this link to OPPOSE HB-7247 <http://www.senatedems.ct.gov/kennedy-contact> or Call his office Legislative Aide Aurora D'Angona 800-842-1420.

Any Carbon Tax should be done on a Federal Level so as not to create Connecticut AGAIN becoming a higher cost State than those States that surround us. Gasoline and

Diesel Fuel Consumers outside the State have proved they can purchase in States that DO NOT have this carbon tax, putting Connecticut Retailers at a minimum of approximately \$.14 cents per gallon higher than surrounding States and that is just the FIRST YEAR as each year the Carbon Tax goes up. YOU MUST ACT TODAY TO KILL THIS BILL!!! As you can see above this bill will increase more than just the Gas and Diesel Tax which will hit you in your pocket. This tax will again be raided and go to the general fund and we have zero assurance that it will NOT! Show me the facts in the BILL that the money/Tax will go and stay where this bill says it will. History has taught us a valuable lesson that we all should have learned by now.

Michael J. Fox

Michael J. Fox
Executive Director