

NEWS FROM Legislator

Lou D'Amaro



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For Immediate Release

Digital photo of L. D'Amaro attached

Suffolk Preserves Tax Cap on Gasoline

Consumers Projected to Save Between \$3 million and \$12 million

At the Pump Next Year

(Huntington Station, NY... November 28, 2011) – Reaffirming the County's commitment to give much needed relief to the pockets of frustrated motorists, the Suffolk Legislature has rejected a proposal that would have lifted the cap on the amount of sales tax the County can collect on gasoline purchases.

Specifically, County Executive Steve Levy's veto of a resolution to eliminate the County's sales tax cap on motor fuel priced at \$3.00 per gallon or more was overwhelmingly sustained at the November 22nd General Legislature Meeting. Upholding the veto ensures that motorists will save an estimated \$3-\$12 million at the pump in 2012, depending on how the average retail price of gasoline fluctuates throughout the year.

"I applaud my colleagues for rejecting an effort to repeal a measure that provides relief for all County residents that are truly feeling the squeeze at the pump," said Legislator Lou D'Amaro (D-North Babylon), a strong supporter and co-sponsor of the original gas tax cap legislation enacted in 2010.

"During these difficult economic times, the County should not be balancing its budget on the backs of our hard-working residents via a regressive tax that disproportionately affects the middle-class," D'Amaro added.

According to figures provided by the County Legislature's independent Office of Budget Review, if the retail price of regular gasoline averages \$3.50 per gallon next year, consumers will save \$3.1 million as a result of the cap. If the average price spikes to \$3.75 per gallon, the savings doubles to \$6.5 million. Should prices rise to \$4.00 per gallon, the savings will jump to \$12.3 million.

The original proposal to rescind the gas tax cap was put forth at a previous legislative meeting when several legislators made the argument that the resulting influx of revenue to the County should be used to offset the chargeback of out-of-county community college tuition to Suffolk's ten towns. According to New York State Education Law, a community college may charge and collect from the non-resident student's home county an allocable portion of the college cost. Traditionally, Suffolk has picked up these costs. However, during this year's budget cycle, County Executive Levy recommended deferring the costs to Town governments.

"I was a vocal opponent of coupling the community college chargeback issue with rescinding the gas tax cap," said D'Amaro. "Although this State-required tuition chargeback is another example of an unfunded Albany mandate, I do not believe we should pay for this mandate by punishing people at the pump. In fact, our own budget analysts even testified that lifting the gas tax cap would not provide sufficient revenue to cover the tuition chargebacks, thereby blowing a hole in our budget and possibly resulting in a General Fund property tax hike in order to legally balance the budget. I am adamantly opposed to raising property taxes to pay for this mandate so I could not in good conscience support the proposal. However, I remain committed to working cooperatively with my colleagues to find a fiscally responsible solution to the community college chargeback issue."

Consumer relief has become a hot button issue with the onset of escalating energy prices during the past several years. "High energy prices coupled with the already burdensome cost of living crisis on Long Island have left residents looking to their elected officials for relief," said D'Amaro. "I am proud to fight on the side of taxpayers in supporting this gas tax cap and past proposals, such as countywide sales tax free weeks on clothing purchases under \$110, which help the local economy and put more money directly into the pockets of consumers. As a public official entrusted to 'watch over the store,' I'm much more comfortable cutting bloated government spending than barraging residents with higher property taxes."

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Suffolk County Legislator Lou D'Amaro (D-North Babylon) represents the 17th Legislative District, which includes parts of North Babylon, Deer Park, Dix Hills, Melville, West Hills, Huntington, South Huntington, and Huntington Station. He is Vice-Chairman of the Environment, Planning & Agriculture committee and a member of both the Budget & Finance and Veteran & Seniors committees of the Suffolk County Legislature.