

National proposal to raise gas tax draws mixed response in Florida

By Larry Hannan

The average price of gas hasn't reached \$3 a gallon this year in Jacksonville.

But if a proposal by a bipartisan deficit commission in Washington is adopted, the price will go up by 15 cents a gallon throughout the country, likely bringing the cost past \$3 a gallon across Sunshine State.

The average price of unleaded gas in Jacksonville was \$2.94 Friday, according to Jacksonvilleprices.com and its parent company, Gasbuddy.com.

The federal tax is now 18.4 cents for a gallon, with Florida charging another extra 14.5 cents. That tax is passed onto the consumer and without it, the price of gas would have been around \$2.60 a gallon on Friday.

This deficit commission, formed by President Barack Obama and populated by both Republicans and Democrats, recommended increasing the gas tax to help balance the budget. The overall plan would slash \$4 trillion from the budget over the coming decade through a combination of tax increases and spending cuts, including an increase in the Social Security retirement age and lower cost-of-living increases for seniors.

Raising the gas tax would give the federal government a sustainable revenue source that would fund construction projects for the next decade. The gas tax is supposed to fund transportation, but the existing tax hasn't been enough because people are driving less and purchasing less gas, forcing Congress to raid its general revenue fund for the last few years.

May not pass committee talk

The commission's proposal has been criticized by liberals who are angry about cuts to social services, and conservatives unhappy that tax breaks would be scaled back.

One person unimpressed is U.S. Rep. John Mica, R-Fla., who will become chairman of the House Transportation and Infrastructure Committee in January.

"There is no way the Congress will raise the gas tax after the election we just had," Mica said.

Republicans regained House majority by promising to cut taxes and spending, and raising the gas tax would be a violation of that promise, Mica said.

There is no specific time frame for what will happen next. Congress had agreed to vote on the proposal if 14 of the 18 commission members approved the final report, but only 11 supported it.

Stephen Baker, chairman of Jacksonville University's Political Science Department, said the commission's recommendations are likely to be discussed for years.

"It promotes talk about cutting the deficit," Baker said. "Even if it's not something that will be done immediately."

Ideas like raising the retirement age and increasing the gas tax are politically unpalatable to lot of people, but a bipartisan commission allows the issues to be discussed with less political risk. And once it becomes acceptable to talk about, the issue is more likely to be embraced by lawmakers over time, Baker said.

Builders and transportation advocates indicated a willingness to consider a gas tax increase.

"Right now, the only way to get a self-sustaining revenue stream for transportation is by raising the gas tax," said Bob Burleson, president of the Florida Transportation Builders Association.

Road and infrastructure projects require years of planning before actual construction begins, and it's hard to plan ahead when you don't know how much money will be available, he said.

AAA also expressed support for raising the gas tax.

"The trend of growing general fund support for the highway trust fund is not sustainable and only adds to the nation's deficit woes," said AAA President Bob Darbelnet.

But Ned Bowman, executive director of the Florida Petroleum Marketers and Convenience Store Association, said raising the gas tax would be catastrophic to its members.

"It would cripple consumers and really hurt small businesses," Bowman said.

While big cities would benefit, rural areas would not see a lot of projects, and people who live there on fixed incomes would struggle to buy gas.

Bowman said he didn't know what would happen next. "In some ways, the uncertainty is the hardest thing," he said. "We don't really know what's going to happen with this proposal."

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