

February 8,2023

Chair: Guy Guzzone Members of the Budget and Taxation Committee

RE:SB 261 Motor Fuel Tax Rate CPI Adjustment Repeal

Position: Favorable

With the rate of inflation going vertical, Consumer Price Index Repeal For motor fuel would be a good thing for consumer.

Motor Fuel Tax or sales and use tax will go up this year. Formular is average retail sales price, less taxes, multiplied by 3% and capped at 8% increase. I imagine we will bump up against that 8% this year. Consumers will have an increase in gas taxes, CPI would only add to that.

Please give SB261 a favorable report

WMDA/CAR is a trade association that has represented service stations, convenience stores and independent repair shops since 1937. Any questions can be addressed to Kirk McCauley, 301-775-0221 or kmccauley@wmda.net