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House, the state Senate Thursday killed the House-passed 67 percent hike in the state's gasoline tax.

May. 25, 2013

In what a key lawmaker called “retribution” for casino gambling being killed by the House, the state Senate Thursday killed the House-passed 67 percent hike in the state’s gasoline tax.

The Senate also killed a 20 cents hike in the cigarette tax on a party line, 13-11, vote.

The 18-6 bipartisan vote on the half-billion dollar gas tax hike over three years indefinitely postponed House Bill 617, which means the “subject matter” of the bill cannot be resurrected again in the current two-year session.

Exactly what would constitute the same “subject matter” would be at the discretion of the Senate President, which means it is possible that some form of revenue raiser to fix the state’s roads and bridges could come up next year if Senate President Peter Bragdon, R-Milford, rules, for instance, that a smaller increase is not the same subject matter.

The House, however, not only passed House Bill 617, but also calls for a gasoline tax hike in its budget. The move by the Senate eliminates that proposed hike from any consideration by a House-Senate conference committee when the session draws to a close next month.

Bragdon said during a break in the debate that as a result of indefinite postponement, it would be “futile” for the House to talk about a gas tax hike in budget negotiations.

He also said the move does not “preclude consideration in the second year” of the session of legislation to address the state’s roads and bridges.

The move by the Senate was clearly a response to the House move Wednesday to not

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“The Senate majority is ignoring the fact that the voters threw out three of the last four House majorities and two of the last four Senate majorities,” said Campbell.

“They want to talk about jobs and the economy but they have reverted to extreme ideology and partisanship,” Campbell said. “The worst part of this is it makes Concord look just like Washington and its partisanship and gridlock.”

Senate Democratic Leader Sylvia Larsen, D-Concord, argued that by indefinitely postponing the bill, the Senate was forbidding any version of a gas tax to be brought up until 2015.

“You are closing the door on our being able to discuss our roads and bridges, our red-listed bridges,” Larsen said, “including Interstate 93 and the Sarah Long Bridge in Portsmouth. It’s a huge parliamentary mistake.”

Bragdon, as well as Senate gambling supporters of both political parties, disagreed.

Senate Majority Leader Jeb Bradley, R-Wolfeboro, had initially moved that the bill be found inexpedient to legislate, which not have precluded the same subject from being resurrected in other forms.

But Sen. Andy Sanborn, R-Bedford, moved for indefinite postponement, and after lengthy debate, the Senate agreed.

“I supported the gaming bill, which had 45 percent (of gambling tax revenue) for roads and bridges,” said Sen. Jim Rausch, R-Derry. “But the House had other ideas. It failed.”

He said he backed indefinite postponement “because I have assurances that next year we can have legislation that’s different but addresses our infrastructure needs. I believe we will solve this issue next year.

“If we can’t do that,” said Rausch, “then none of us should run again.”

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The bill as passed by the House sought to counter a 10 cents cut in the cigarette tax enacted in the last legislative session. That law says that if certain revenue projections are not met, the cut would be reversed on July 1.

Gov. Maggie Hassan wanted to add a 20 cents hike on top of that, for a total of 30 cents, but the House cut the increase to a total of 20 cents, from \$1.68 to \$1.88-a-pack.

In debate on the gas tax hike, Sen. David Pierce, D-Etna, said the Senate was turning its back on effort to support business “and create jobs and enhance the growth of our economy or whether it will allow New Hampshire to continue to fall behind and become a backwater state regarding infrastructure.”

But Bradley said that in talking to constituents, including small business he has found that they are opposed to a higher gasoline tax.

In a statement after the vote Bradley blamed Gov. Maggie Hassan for not rallying enough Democrats to back casino gambling.

“Republicans ran on a platform of protecting taxpayers and encouraging job growth and today took a clear and decisive stand in that regard by opposing millions of dollars in new taxes on New Hampshire consumers, families, and businesses,” Bradley said.

“A number of Republicans supported Governor Hassan’s nontax revenue source: a single casino. However, the governor failed to convince members of her party in the House to support this voluntary revenue source despite her exhaustive lobbying effort,” Bradley said.

Republicans in the House voted by a 2-1 margin against the casino, however. And when gambling passed the Senate 16-8 in March, Bradley voted against it.

“Republicans will not now abandon their steadfast commitment to that state’s

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invest in its roads and bridges.

In a recent newsletter, he wrote, “We are clearly not keeping up with the transportation needs of this state. We are, in fact, facing our own “fiscal cliff” hamstrung by a growing disparity of 2013 transportation challenges and demands at a funding level that has not changed since 1991, the last time the state gasoline tax was increased, to 18 cents a gallon.”

House Republican Leader Gene Chandler commended the House for killing the tobacco tax, saying it is a regressive tax that makes businesses less competitive to begin with.

“Raising the tax by 20 cents would cause our state to lose revenue in many areas. Not only will it hurt revenue, but considering the state of our economy, the last thing businesses on the borders need is a tax increase that drives consumers away,” said Chandler.

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