



## Increasing The Federal Gas Tax To Fund New Infrastructure Projects Would Undermine The Benefits Of Historic Tax Reform

January 23, 2018

The President  
The White House  
Washington, DC 20500

Dear Mr. President,

We write to you today on behalf of millions of hardworking Americans to urge your opposition to recent calls to increase the federal gas tax to pay for infrastructure spending, including a proposal by the U.S. Chamber of Commerce that would raise the gas tax from 18.4 cents per gallon to 43.4 cents – which would be the largest increase in the history of the tax.

Our organizations worked hard over the past year to support your efforts and the efforts of tax-cutters in Congress to provide American families much-needed and long-overdue tax relief. The Tax Cuts and Jobs Act of 2017 was a historic achievement, the benefits of which are already being realized. But increasing the gas tax would effectively undermine recent tax cuts by clawing back hundreds of billions of dollars—roughly 25 percent of the total benefit from tax reform—from low- and middle-income Americans at a time when they thought they were finally getting some relief. In 2016, the U.S. consumed 1,140 gallons of gas per household. Based on that average, American households would spend an extra \$285 on gas each year under this proposal.

Maintaining core infrastructure is an important function of government that should be carried out in the most efficient and effective manner possible. Efforts to improve our nation's infrastructure should focus on maximizing taxpayer dollars by targeting priorities such as roads and bridges, eliminating wasteful spending, removing regulatory barriers that delay projects and drive up costs, and ensuring there is proper oversight and accountability.

Increasing the federal gas tax to fund new infrastructure projects would be the wrong approach. Not only would it undermine the benefits of recent tax-cut legislation, it would disproportionately hurt the least fortunate—who pay a higher percentage of their income in energy costs—and lead to higher prices on goods and services throughout the economy.

We are encouraged by media reports indicating that the administration's transportation and infrastructure plan does not call for an increase in the gas tax. We hope you will continue to resist calls for higher taxes on those who can least afford them, and remain focused on spending existing tax dollars more effectively and efficiently.

Sincerely,

A handwritten signature in black ink that reads "Nathan Nascimento".

Nathan Nascimento  
Executive Vice President  
Freedom Partners Chamber of Commerce

A handwritten signature in black ink that reads "Brent Gardner".

Brent Gardner  
Chief Government Affairs Officer  
Americans for Prosperity

*Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. Freedom Partners is a non-profit, non-partisan chamber of commerce dedicated to protecting freedom and expanding opportunity for every American—no matter where they live, what they do or how much money they have.*