

# Gas prices



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Why the Era of High Gas Prices Is Supposedly Ending) In some cases, drivers won't benefit from the decline in wholesale gas prices because consumer prices will be flat or even higher thanks to rising gas taxes imposed at the state level. Essentially,

As of January 1, the gas tax in Pennsylvania increases by 9.¢ per gallon of regular and 1.¢ per gallon on diesel fuel, at the wholesale level. Over the course of five years, the state gas tax will rise 1.0¢ per gallon, according to the Pennsylvania Department of Transportation.

It's unclear the extent to which the wholesale tax hike will be passed along to customers, but as a spokesperson for one fuel supply chain told the Associated Press, "Our margins are extremely minimal with gasoline and any increase in cost, like any other product, ultimately gets passed on in the retail price." West Virginia is another state where gas taxes are being hiked as of January 1, though only by 1.¢.

Other states increased gas taxes in the recent past, such as Wyoming, which raised the fuel tax from 1.0¢ to 1.5¢ in 2013, the largest increase of any state last year.

Still other states, including South Carolina, New Hampshire, and beyond, have gas tax hike proposals in the works. There are also active discussions about gas tax increases at the federal level; Atlantic City summed up a couple proposals getting attention: a flat 1.0¢ per gallon hike, and a new per-mile-driven tax.

In all cases, taxes are being increased or perhaps introduced in order to upgrade, build, or simply maintain roads and infrastructure. (MORE: Congress Is Screwing Public Transit users ? And We'll All Pay the Price) The result would seem to be that even as predictions call for the era of constantly escalating gas prices to end, because of increases in gas taxes and other marketplace factors, drivers shouldn't drivers will surely pay more.