



News Release

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WILL VIRGINIA GAS PRICES DROP AFTER JULY FIRST? THEORETICALLY YES - SAYS AAA

Historic Change to State Gas Tax Could Make Virginia one of the Most Affordable to Fill Up

VIRGINIA BEACH, VA (Tuesday, June 25, 2013) – As of July 1st when Governor McDonnell's transportation funding plan takes effect, Virginia retail gas prices should begin to drop by about six cents per gallon as the commonwealth's retail gas tax is replaced with a lower tax at the wholesale level. In contrast to the current 17.5 cents per gallon gas tax, *The Virginia Petroleum, Convenience and Grocery Association (VPCGA)* is estimating Virginia motorists will end up paying a total of 11.7 cents in taxes and fees for a gallon of gasoline through the end of the year (that figure includes the Virginia Petroleum Storage Tank Fee of six tenths of a cent).

Will the difference be noticeable to motorists? "Well, most likely not immediately" states Georjeane Blumling, Vice President of Public Affairs at AAA Tidewater Virginia, "Drivers should not expect an immediate impact or an exact six cents reduction per gallon because the gas in the station tanks on July first was paid for under the current gas tax structure and fluctuations in the daily price of gas should be taken into consideration. But, over time, Virginia's historic elimination of the retail gas tax should leave consumers just shy of a dollar more in their pocket with each fill up."

Just how low will gas prices go? Soon Virginia motorists may find themselves in one of the coveted five most affordable states in which to fill up. The average for a gallon of self-serve regular gas in Virginia today is \$3.40. Theoretically, if that price dropped by six cents, today's adjusted price would be \$3.34 making Virginia the fourth most affordable state in the nation to purchase gas. Only Mississippi, Alabama and South Carolina would come in lower in that scenario. Today, Virginia sits in the number seven spot, with six states boasting lower gas prices.

As part of North America's largest motoring and leisure travel organization, AAA Tidewater Virginia provides its more than 325,000 members with travel, insurance, financial and automotive-related services. Since its founding AAA Tidewater Virginia has been a leader and advocate for the safety and security of all travelers. For more information, visit AAA.com and follow us on Twitter at [Twitter.com/AAATidewaterVA](https://twitter.com/AAATidewaterVA).

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