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## Fees Out, Tax Hikes In?

### *Driver fees repealed in Virginia*

WASHINGTON, D.C. – Following an affirmative vote from the state house of representatives on Tuesday, the senate finance committee approved a similar but separate bill to repeal the much despised abusive -driver fees enacted last session, setting the stage for a repeal vote to take place on the senate floor Thursday.

If one of these bills is approved by the full legislature, taxpayers in the Commonwealth would see a full repeal of the fees which were projected to bring in \$65 million in new state revenue, though only \$15 million in fees have been assessed by the court system in the months since their inception. Gov. Tim Kaine (D) has recommended a \$440 million plan calling for application of the state's sales tax to car purchases, which are currently taxed at 3 percent. Senate leaders are also calling for a gas tax increase, which could bring in as much as \$250 million in new state revenue annually once fully implemented.

“The fees may be repealed, but taxpayers in Virginia should not pop the corks just yet,” said Grover Norquist, president of Americans for Tax Reform. “Tax and spenders in the state legislature as well as the governor, are going to throw themselves behind efforts to raise taxes to fill the supposed ‘gap’ in revenue as a result of the repeal.”

The bills presented in each chamber call for full repeal of the well-known fees, which cost Virginia residents up to \$3,000 in fines for speeding and drunk driving charges. The house bill, in contrast to its counterpart in the senate, mandates car buyers to pay the state sales tax on car purchases directly to the state, instead of through the dealer as is the current mechanism.

“Taxpayers need to keep their guard up,” continued Norquist. “If Gov. Kaine and his cronies have their way, taxpayers might find themselves on their way from the frying pan right into the fire.”

*Americans for Tax Reform (ATR) is a non-partisan coalition of taxpayers and taxpayer groups who oppose all federal, state and local tax increases. For more information or to arrange an interview, please contact John Kartch at (202) 785-0266 or at [jkartch@atr.org](mailto:jkartch@atr.org).*

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