

Thursday, May 15th, 2014

Rt. Hon. Stephen Harper, PC, MP
Prime Minister of Canada
80 Wellington Street
Ottawa, Canada K1A 0A2

Dear Prime Minister Harper:

If Canadians agree on anything it's that they pay too much at the pump, and you can do something about that. With gas tax making up 27 per cent of the pump price, there's definitely room for tax relief.

The most obvious place to start is to axe the "temporary" deficit elimination gas tax. In 1995 when the Liberal government was trying to tame the deficit, they brought in this 1.5 cent excise tax as a temporary measure. But when the deficit disappeared in 1997, the 'deficit elimination tax' didn't.

This not-so-temporary tax will cost Canadians \$606 million in 2014, and has cost them over \$11 billion since 1995. With the prospect of a balanced budget in the very near future, it's time to make this temporary tax truly temporary, and get rid of it once and for all.

It's also time to eliminate the tax-on-tax, the practice of calculating HST or GST on top of per-litre excise taxes. Canadians will pay an extra \$1.5 billion in gas and diesel tax-on-tax in 2014. Hiding the per-litre excise taxes and then taxing them HST is unfair. Canadians deserve better.

With the summer driving season beginning it's time for fairness at the pumps. Can taxpayers count on you to eliminate the 'deficit elimination tax' once you balance the budget and stop the unfair practice of the tax-on-tax?

Sincerely,

Canadian Taxpayers Federation



Gregory Thomas
Federal Director