

# Vehicle Fuel Taxes - By Jurisdiction

## Executive Summary

### VEHICLE FUEL TAXES

#### EXECUTIVE SUMMARY

November 2015

#### *Overview*

All surveyed jurisdictions assess fuel taxes on gasoline, diesel, and most alternative fuels used to propel a vehicle on state highways. Because many states are facing declining transportation revenues and increasing infrastructure needs, vehicle fuel taxes are a fertile area for legislative action. Accordingly, 35 jurisdictions revised their relevant laws in 2015.

#### *Fuel tax rates*

Fuel tax rates vary greatly among the surveyed states and territories. The American Petroleum Institute monitors gasoline and diesel taxes on a regular basis. As of October 1, 2015, the average base state excise tax on gasoline in the 50 states and the District of Columbia was \$0.2091 per gallon, and the average total state tax, including additional taxes and fees, was \$0.3029 per gallon. After adding in the federal excise tax of \$0.1840 per gallon, the average total gasoline tax was \$0.4869 per gallon.

The state average rates for diesel were generally very similar to the gasoline averages, but the federal tax is six cents higher. Therefore, although the state averages for diesel were slightly lower than for gasoline (an average of \$0.2017 per gallon base rate and \$0.3001 per gallon including additional taxes and fees), the average total federal and state tax on diesel was \$0.5441 per gallon.

However, looking at average rates does not tell the entire story. State fuel taxes vary significantly from state to state. For example, the basic state excise tax on gasoline ranges from \$0.04 in Florida to \$0.4450 in Washington. Other state taxes and fees that are added to the base rate range from nothing in seven states to \$0.5530 in Pennsylvania. The state with the lowest total state and federal

excise tax on gasoline is Alaska at \$0.3065 per gallon; the state with the highest total rate is Pennsylvania at \$0.7370. Alaska and Pennsylvania also have the lowest (\$0.3715 per gallon) and highest (\$0.9340 per gallon) total state and federal excise tax on diesel.

Methods used to calculate the base tax also vary. Thirteen jurisdictions levy a variable or percentage-based fuel tax that tracks economic trends. Numerous states tie their additional taxes to the Consumer Price Index or other variable amount.

A vast majority of the surveyed jurisdictions also address taxes on alternative or special vehicle fuels. The definitions of alternative or special fuels vary from state to state, but they generally include methanol, ethanol, compressed natural gas, liquefied natural gas, liquefied petroleum gas, hydrogen, electricity, and biodiesel.

In 2015, 26 states revised their laws related to fuel tax rates. The most significant changes were as follows:

- Alabama and Alaska levied additional taxes on gasoline;
- Georgia and Kentucky significantly revised their fuel tax rates;
- Iowa modified its motor fuel tax rate and established a fuel distribution percentage formula for certain special vehicle fuels;
- Louisiana revised its special fuel tax;
- Nebraska and Washington phased in increases in their base fuel tax over the upcoming years;
- North Carolina revised its fixed and variable fuel tax rates;

- Utah revised its gas tax to vary according to the average rack price of a gallon of gasoline; and
- Wyoming added a tax on alternative fuels.

### *Programs funded*

Proceeds from vehicle fuel taxes are primarily dedicated to transportation-related purposes. In 31 states, the state constitution establishes the use of state revenues from fuel taxes. The permitted uses are generally limited to transportation-related costs, such as constructing and maintaining roads and bridges, enforcing traffic laws, and paying off transportation debts. The remaining states limit the uses of fuel tax proceeds by statute.

In most states, fuel tax proceeds are credited to a transportation fund that includes other transportation-related revenues, such as registration and license fees. Typically, part of the transportation fund is allocated to state projects and part is allocated to counties, towns, and municipalities using statutory formulas based on various factors, including equal distribution, population, road mileage, fuel purchases, and vehicle registrations, among others.

During the past year, 24 jurisdictions amended their laws related to dedicating fuel tax revenues. The most significant change was in Connecticut, which made numerous changes to its distributions and allocations.

### *Tolls and other relevant fees*

Tolls are common in many parts of the country. Several states and, in some cases, private entities may assess tolls on bridges, tunnels, and roads. However, 28 surveyed jurisdictions do not assess tolls on major highways, although some of those jurisdictions have private toll roads or toll bridges or tunnels, including some that cross state lines.

A recent trend has been to adopt high-occupancy toll lanes. These lanes generally allow vehicles that do not meet the required minimum occupancy requirement for high-occupancy vehicles to use those lanes upon paying a toll. Several states, including California, Colorado, Georgia, Maryland,

Minnesota, Texas, Utah, Virginia, and Washington, currently have high-occupancy toll lanes in major metropolitan areas.

The growing use of electric vehicles is reducing funding for transportation systems in many states. Eight states have adopted special fees for electric vehicles, and numerous other states have recently considered doing so.

In 17 states owners of motor vehicles powered by certain alternative fuels are required, or may choose, to pay an annual flat-rate fee instead of an excise tax on fuel. Only six states revised their laws in 2015 related to fees on vehicles that use alternative fuels, but all of the changes were significant:

- Georgia enacted a license fee for electric vehicles;
- Idaho imposed an additional registration fee for electric and hybrid vehicles;
- Louisiana discontinued its option to pay certain special fuel taxes with an annual fee;
- Oregon added a license fee for vehicles using natural gas or propane;
- Texas repealed its liquified gas advanced payment program; and
- Wyoming added a decal fee for electric plug-in vehicles.

#### *Vehicle miles traveled tax*

From 2008 to 2010, the University of Iowa conducted an extensive set of trials involving a tax based on miles traveled. The study involved several locations, including Albuquerque, Austin, Baltimore, Billings, Boise, Chicago, eastern Iowa, Miami, Portland in Maine, the Research Triangle, San Diego,

and Wichita. However, at this time, only Oregon has adopted a 5,000-vehicle opt-in program that permits drivers to pay a fee based on miles driven, rather than gallons of fuel purchased. This volunteer pilot program began July 1, 2015.

## Alabama

### Alabama, Fuel Tax Rates

#### **GAS TAX** (§ 40-17-325(a)(1))

Alabama imposes a state motor fuel tax on gasoline equal to \$0.16 per gallon (\$0.18, as of October 1, 2016), which includes the following:

- a \$0.07 excise tax;
- a supplemental \$0.05 excise tax; and
- an additional \$0.04 excise tax (\$0.06, as of October 1, 2016).

According to the American Petroleum Institute, as of October 1, 2015, after additional fees and an average of additional city and county taxes:

- the total state gas tax was \$0.2087 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3927 per gallon.

Motor fuel subject to this excise tax is not subject to any other excise tax levied by Alabama.

#### **DIESEL TAX** (§ 40-17-325(a)(2))

Alabama imposes a state motor fuel tax on diesel equal to \$0.19 per gallon, which includes the following:

- a \$0.13 excise tax; and
- an additional \$0.06 excise tax.

According to the American Petroleum Institute, as of October 1, 2015, and after additional fees and an average of additional city and county taxes:

- the total state diesel tax was \$0.2185 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4625 per gallon.

Motor fuel subject to this excise tax is not subject to any other excise tax levied by Alabama.

### **ALTERNATIVE FUEL TAXES**

No alternative fuel taxes were located.

Statutory section 40-17-325 amended 2015; API website updated 2015.

[Ala. Code § 40-17-325 \(2014\)](#) (as amended by [2015 Ala. Laws ch. 54 \(S.B. 133\)](#)); [American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

Alabama, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Alabama's constitution limits the use of state revenues from motor fuel taxes to costs or expenses related to the following:

- administrative costs, statutory refunds, and adjustments;
- constructing, reconstructing, maintaining, and repairing public highways and bridges;
- highway rights-of-way;
- highway obligations;
- traffic regulation; and
- enforcing state traffic and motor vehicle laws.

### **STATUTORY PROVISIONS**

#### *Distribution and use of proceeds (§ 40-17-359)*

Transportation funds, including the gasoline tax, are distributed to local governmental units based on statutory formulas. For example, 55 percent of net gasoline tax proceeds and a portion of the supplemental net tax proceeds on gasoline are allocated to counties and municipalities. These funds, which must be used for specified purposes related to transportation, are distributed among the counties using a statutory formula based on population. The governing body of each county may expend up to one third of the total amount to pay the debt the county incurred constructing or maintaining roads or bridges. See Ala. Code § 40-17-359 for an elaborate and detailed description of the permitted uses of those funds.

Generally, the revenue arising from the sale of gasoline, with some exceptions, may not be used for any purpose other than to construct, improve, maintain, and supervise highways, bridges, and streets. However, 0.71 percent of state-imposed taxes collected on the sale of gasoline is credited to the Game and Fish Fund of the Division of Wildlife and Freshwater Fisheries. Small amounts are also distributed to the State Water Safety Fund of the Marine Police Division and the Seafood Fund of the Marine Resources Division.

The other 45 percent of net tax proceeds are distributed as follows:

- 45 percent for state highway purposes;
- 9/21 to pay the principal and interest on specified bonds; and
- the majority of the remainder to pay principal and interest on additional specified bonds and to be allocated to certain counties.

Three-fifths of the supplemental net tax proceeds on gasoline is deposited in the Public Road and Bridge Fund, which must be used exclusively to construct, repair, maintain, and operate public roads and bridges in Alabama. The remaining two-fifths of the supplemental net tax proceeds are distributed as provided by statute (primarily to be used for transportation-related costs and expenses).

*Use of tax proceeds for highway purposes (§ 40-17-362)*

The proceeds from the portion of the tax defined by Ala. Code § 40-17-362 must be used as follows:

- the Department of Transportation must use its funds to construct and maintain public roads and bridges on the state highway system;

- a county must use its funds for "vegetation management or resurfacing, restoration, and rehabilitation of the paved county roads and bridges or bridge replacement on the county road system";
- a municipality must use its funds for "resurfacing, restoration, and rehabilitation of roads, bridges, and streets within the municipality," bridge replacement, and construction of new roads and streets.

#### *Proceeds from decals (§ 40-17-162)*

The proceeds from the flat fee for liquid petroleum decals are deposited in the Public Road and Bridge Fund, and the proceeds from the decal issuance fee are deposited in the Liquefied Petroleum Gas Board Fund.

Statutory section 40-17-162 enacted 1980; §§ 40-17-359 and 40-17-362 amended 2015; history of ratified amendment unknown.

[Amendment 93 Ratified, Ala. Code §§ 40-17-162, -359](#) (as amended by [2015 Ala. Laws ch. 54 \(S.B. 133\)](#)), [-362 \(2014\)](#) (as amended by [2015 Ala. Laws ch. 54 \(S.B. 133\)](#))

## Alabama, Tolls and Other Relevant Fees

### **TOLLS**

The tolls on readily identifiable toll roads in Alabama are as follows for passenger vehicles:

- Tuscaloosa By-Pass (\$1.50);
- Emerald Mountain Expressway (\$1.75);
- Foley Beach Express (\$3.50); and

- Montgomery Expressway (\$1.50).

Also, the Federal Highway Administration identifies three toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

Instead of an excise tax on liquefied petroleum gas and natural gas used to propel motor vehicles, Alabama charges an annual flat fee on vehicles that use liquefied petroleum gas or natural gas as fuel. For passenger automobiles, vans, and trucks and pickups under one ton, the fee is \$75. The vehicle's owner must apply for an annual decal from the Liquefied Petroleum Gas Board. The cost to issue a decal may not exceed \$5.

However, in 2014 the state legislature recognized that it was in the best interest of Alabama's citizens "to remove existing barriers to implementing natural gas distribution for motor vehicles until such time as a comprehensive approach is established for regulating and taxing natural gas for motor vehicles." This included temporarily eliminating the decals and associated fees required of owners of motor vehicles using compressed and liquefied natural gas. Therefore, the requirement to obtain a decal from the Liquefied Petroleum Gas Board has been suspended from April 9, 2014, until October 1, 2016.

Sections 40-17-160 and 40-17-161 amended 1981; § 40-17-167 enacted 2014; state website histories unknown; federal website dated 2014.

[Ala. Code § 40-17-160, -161, -167 \(2014\)](#); [Tuscaloosa By-Pass, Toll Rates \(last visited Oct. 7, 2015\)](#); [Emerald Mountain Expressway, Toll Rates \(last visited Oct. 7, 2015\)](#); [Beach Express, Beach Express Toll Rates \(last visited Oct. 7, 2015\)](#); [Montgomery Expressway, Toll Rates \(last visited Oct. 7,](#)

## Alabama, Vehicle Miles Traveled Taxes

Alabama does not assess a vehicle miles traveled tax.

## Alaska

### Alaska, Fuel Tax Rates

#### **GAS TAX** (§§ 43.40.005, .010)

Alaska imposes a state motor fuel tax on gasoline equal to \$0.08 per gallon and a surcharge of \$.0095 per gallon, for a total base fuel tax of \$0.0895 per gallon.

Adding a weighted average sales tax, the American Petroleum Institute estimates that, as of October 1, 2015:

- the total state gas tax, including other taxes and fees, was \$0.1225 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3065 per gallon.

#### **DIESEL TAX** (§§ 43.40.005, .010)

Alaska imposes a state motor fuel tax on diesel equal to \$0.08 per gallon and a surcharge of \$.0095 per gallon, for a total base fuel tax of \$0.0895 per gallon.

Adding a weighted average sales tax, the American Petroleum Institute estimates that, as of October 1, 2015:

- the total state diesel tax, including other taxes and fees, was \$0.1275 per gallon; and

- the total state diesel tax plus the applicable federal tax was \$0.3715 per gallon.

### **ALTERNATIVE FUEL TAXES** (§ 43.40.010)

The tax rate on motor fuel that is blended with alcohol is generally the same as the tax rate on other motor fuel. However, in an area and during the months in which fuel containing alcohol is required to be sold or used in an effort to attain air quality standards for carbon, the tax rate on motor fuel that is blended with alcohol is six cents per gallon less than the tax on other motor fuels.

Liquefied petroleum gas is exempt from both the motor fuel tax imposed by § 43.40.010 and the surcharge imposed by § 43.40.005.

Statutory section 43.40.010 amended 2015; § 43.40.005 enacted 2015; API website updated 2015.

Alaska Stat. §§ 43.40.005 (as enacted by [2015 Alaska Sess. Laws ch. 37](#)), [.010 \(2014\)](#) (as amended by [2015 Alaska Sess. Laws ch. 37](#)); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Alaska, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Alaska's constitution prohibits the dedication of any revenues to any special purpose, unless part of the Alaska Permanent Fund or a dedication for special purposes existed as of the date § 7 was ratified. The legislature may appropriate all state revenues.

### **STATUTORY PROVISIONS**

The proceeds of the revenue from the tax on vehicle motor fuels are deposited in a special highway fuel tax account in the state general fund. The legislature may appropriate the funds to the Department of Transportation and Public Facilities for the following:

- highway maintenance;
- construction of highway projects and certain ferries; and
- other highway costs, including surveys, administration, and related matters.

All motor fuel tax receipts are paid into the general fund and distributed to the proper accounts in the general fund.

As of July 1, 2015, the Alaska legislature may appropriate the annual estimated balance of the tax surcharge for oil and hazardous substance release prevention. However, this statutory provision explicitly does not create a dedicated fund.

Section 43.40.010 amended 2015; § 43.40.007 enacted 2015; constitutional provision amended 1976.

Alaska Stat. §§ 43.40.007 (as enacted by [2015 Alaska Sess. Laws ch. 37](#)), .010 (as amended by [2015 Alaska Sess. Laws ch. 37](#)); [Alaska Const. art. IX, § 7](#)

## Alaska, Tolls and Other Relevant Fees

### **TOLLS**

Alaska assesses a toll of \$11 to \$13 for passenger vehicles using the Anton Anderson Memorial Tunnel.

No other readily identifiable toll roads were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

State webpage dated 2015.

[Alaska Dep't of Transportation & Public Facilities, Anton Anderson Memorial Tunnel, Vehicle Classifications and Tolls \(July 1, 2015\)](#)

## Alaska, Vehicle Miles Traveled Taxes

Alaska does not assess a vehicle miles traveled tax.

## Arizona

### Arizona, Fuel Tax Rates

#### **GAS TAX** (§ 28-5606)

Arizona imposes a state motor fuel tax on gasoline equal to \$0.18 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, after adding an additional tax, was \$0.19 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3740 per gallon.

#### **DIESEL TAX** (§ 28-5606)

Generally, Arizona imposes a state use fuel tax on diesel equal to \$0.26 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, after adding an additional tax, was \$0.27 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5140 per gallon.

However, the fuel tax on diesel remains at \$0.19 per gallon for light vehicles. The increased rate applies to a vehicle *other than* a "light class motor vehicle." A "light class motor vehicle" excludes a road tractor, truck tractor, truck, or passenger-carrying vehicle with a declared gross vehicle weight of more than 26,000 pounds or more than two axles.

### **ALTERNATIVE FUEL TAXES** (§ 28-5606(B))

In its provisions regarding the state's use fuel tax, Arizona's statutes explicitly provide that "there is no use fuel tax on alternative fuels." "Alternative fuel" means:

- electricity;
- solar energy;
- liquefied petroleum gas, natural gas, hydrogen, or a blend of hydrogen with liquefied petroleum or natural gas that complies with specified requirements;
- for vehicles that use alcohol fuels before August 21, 1998, alcohol fuels that contain not less than 85 percent alcohol by volume; and
- a combination of at least 70 percent alternative fuel and no more than 30 percent petroleum based fuel that operates in an engine that meets specified requirements.

Statutory section 28-5601 amended 2001; § 28-5606 amended 2012; § 1-215 amended 2015; API website updated 2015.

[Ariz. Rev. Stat. §§ 1-215; 28-5601, -5606 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Arizona, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Arizona's constitution provides that no funds derived from the state's fuel tax may be used for anything other than highway and street purposes. Permitted uses include the following:

- administration costs;
- principal and interest payments on highway and street bonds and obligations;
- expenses of state enforcement of traffic laws and state administration of traffic safety programs;
- costs to publish and distribute the Arizona highways magazine;
- state costs to construct, reconstruct, maintain, or repair of public highways, streets. or bridges;
- costs to acquire rights-of-way;
- roadside development; and
- distributions to counties, cities, and towns to be used solely for highways and streets.

## **STATUTORY PROVISIONS**

After deducting exemptions and refunds, the fuel tax revenues must be deposited in the Arizona highway user revenue fund. These revenues may be used only for the purposes set forth in article IX, section 14 of Arizona's Constitution, as described above. Counties, cities, and towns may not spend highway user revenue funds to enforce traffic laws or administer traffic safety programs.

In certain years, the department of transportation must also allocate \$1 million from the Arizona highway user revenue fund to the economic strength project fund and the department of public safety to fund a portion of highway patrol costs "in eight installments in each of the first eight months of a fiscal year that do not exceed," for the 1999-2000 fiscal year, \$10,500,000. After these distributions, the remainder is distributed as follows:

- 50.5 percent to the state highway fund;
- 19 percent to counties;
- 27.5 percent to incorporated cities and towns; and
- three percent to incorporated cities with a population of 300,000 or more.

At least 12.6 percent of the revenues allocated each year to the state highway fund must be further distributed as follows:

- in counties with a population of 1,500,000, 75 percent for the design, right-of-way purchase, or construction of certain controlled access highways; and
- in counties with a population of more than 800,000, but less than 1,000,000, 25 percent for the design, right-of-way purchase, or construction of certain controlled access highways and

for the standard and reduced clearance grade separation, extension, and widening of arterial streets and highways.

Of the funds allocated to the state highway fund, no more than \$5 million annually may be spent to acquire, construct, or improve entry roads to, or roads in, state parks.

Arizona highway user revenue funds are distributed to counties, cities, and towns using a formula based 72 percent on the motor vehicle fuel sales and usage and 28 percent on population. Funds distributed to incorporated cities and towns are distributed based 50 percent on population and 50 percent based on the county's motor vehicle fuels sales and the city or town population.

Amounts allocated to incorporated cities with a population of 300,000 are distributed based on population. Those amounts must be used to acquire the rights-of-way or to construct streets or highways. Other restrictions apply.

Statutory section 28-6501 amended 2015; §§ 28-6533, 28-6534, and 28-6537 amended 2000; § 28-6540 amended 2002; § 28-6538 amended 2009; constitutional provision history unknown.

[Ariz. Rev. Stat. §§ 28-6501, -6533, -6534, -6537, -6538, -6540 \(2015\); Ariz. Const. art. IX, § 14](#)

## Arizona, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Arizona.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

### Arizona, Vehicle Miles Traveled Taxes

Arizona does not assess a vehicle miles traveled tax.

## Arkansas

### Arkansas, Fuel Tax Rates

#### **GAS TAX** (§§ 8-7-906; 26-55-205, -209, -210, -1002, -1006, -1201)

Arkansas imposes a state motor fuel tax on gasoline equal to \$0.2150 per gallon. This tax is composed of the following:

- \$0.085 per gallon levied pursuant to Ark. Code § 26-55-205(a);
- \$0.01 per gallon levied pursuant to Ark. Code § 26-55-205(b);
- \$0.04 per gallon levied pursuant to Ark. Code § 26-55-1002;
- \$0.03 per gallon levied pursuant to Ark. Code § 26-55-1006; and
- \$0.05 per gallon levied pursuant to Ark. Code § 26-55-1201.

According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, after adding a maximum of \$0.003 per gallon environmental assurance fee levied pursuant to Ark. Code § 8-7-906, was \$0.2180 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4020 per gallon.

Local taxes are prohibited. No local governmental unit may levy taxes on motor fuel. However, the tax on motor fuel sold in border communities generally may not be more than one cent per gallon above the rate of tax levied in the adjoining state.

**DIESEL TAX** (§§ 26-55-205, -1002, -1201; -56-202, -301, -502)

The tax on diesel and all distillate special fuels is composed of several distinct taxes, as set forth in Ark. Code §§ 26-55-205, 26-55-1002, 26-55-1201, 26-56-201, 26-56-301, and 26-56-502. According to the American Petroleum Institute, the Arkansas state fuel tax on diesel equals \$0.2250 per gallon as of October 1, 2015. Total taxes on diesel were as follows:

- the total state diesel tax, after adding a maximum of \$0.003 per gallon environmental assurance fee levied pursuant to Ark. Code § 8-7-906, was \$0.2280 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4720 per gallon.

Local taxes are prohibited. No local governmental unit may levy taxes on motor fuel.

**ALTERNATIVE FUEL TAXES** (§§ 26-62-102, -201)

The rate for each alternative fuel type varies based on the number of vehicles licensed in Arkansas that use that type of fuel. The rate ranges as follows:

- from \$0.050 per gasoline gallon equivalent, if up to 999 vehicles use that type of alternative fuel; to
- \$0.165 per gasoline gallon equivalent, if 3000 or more vehicles use that type of alternative fuel.

"Alternative fuels" means all liquids or combustion gases used in an internal combustion engine or motor to generate power for motor vehicles. It includes:

- natural gas fuels;
- methanol, denatured ethanol, and other alcohols;
- mixtures containing 85 percent or more of methanol, denatured ethanol, and other alcohols with gasoline or other fuels;
- hydrogen;
- coal-derived liquid fuels;
- fuels, other than alcohol, derived from biological materials;
- electricity, including electricity from solar energy; and

- any other fuel the United States Secretary of Energy determines to be "substantially not petroleum and would yield substantial energy security benefits and substantial environmental benefits."

"Alternative fuels" does not include fuels subject to the:

- taxes levied by the Motor Fuel Tax Law, Ark. Code § 26-55-201 *et seq.*; or
- taxes or fees levied by the Special Motor Fuels Tax Law, Ark. Code § 26-56-101 *et seq.*

Statutory section 26-55-209 amended 1947; § 26-56-301 amended 1965; §§ 26-55-205, 26-55-1002, and 26-56-502 amended 1989; § 26-55-1201 amended 1991; § 26-62-102 amended 1995; § 26-55-210 amended 1997; § 8-7-906 amended 2005; §§ 26-55-1006, 26-56-202, and 26-62-201 amended 2009; § 26-56-201 amended 2011; API website updated 2015.

Ark. Code §§ 8-7-906; 26-55-205, -209, -210, -1002; 26-55-1006, -1201; 26-56-202, -301, -502; 26-62-102, -201 (LexisNexis 2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Arkansas, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

*Motor fuel taxes (§§ 26-55-206, -1004, -1006, -1202; -56-109, -201, -221; -222)*

Arkansas statutes dedicate part of the fuel-tax revenues to transportation purposes. Although each composite part of the fuel tax is allocated differently, generally, after setting aside three percent for special uses, 70 percent of the remaining revenue is deposited in the State Highway and Transportation Department Fund.

For example, the tax assessed by subchapter 26-55-2 is generally dedicated to:

- constructing, widening, reconstructing, maintaining, resurfacing, and repairing the public highways; and
- paying off highway debts.

Taxes collected pursuant to subchapter 26-55-10 are classified as special revenues and are deposited into the State Treasury. The net amount of those funds are allocated monthly as follows:

- 15 percent to the County Aid Fund;
- 15 percent to the Municipal Aid Fund; and
- 70 percent to the State Highway and Transportation Department Fund, to be used to construct, reconstruct, and maintain rural state highways and their extensions into municipalities and industrial access roads.

The additional taxes collected pursuant to § 26-55-1006 are considered special revenues to be distributed as set forth in the Arkansas Highway Revenue Distribution Law.

Pursuant to § 26-55-1202, the additional funds collected under subchapter 26-55-12 and §§ 26-55-710, 26-56-214, and 26-56-304 are special revenues to be deposited into the State Treasury. After deducting amounts for the Constitutional Officers Fund and the State Central Services, the remainder is distributed monthly as follows:

- 15 percent to the County Aid Fund;
- 15 percent to the Municipal Aid Fund; and
- 70 percent to a special account in the State Highway and Transportation Department Fund designated the "1991 Highway Construction and Maintenance Account."

Up to 10 percent of the funds may be used to encourage disadvantaged business enterprises to enter into and perform contracts with the commission.

Generally, all revenues collected pursuant to chapter 26-56 are classified as special revenues. A net amount of those proceeds are distributed as provided by the Arkansas Highway Revenue Distribution Law. Taxes from the additional one-cent tax levied on distillate special fuel in § 26-56-201(a)(1)(A), are remitted separate from other distillate special fuel taxes. The gross amount of these taxes are distributed under the Arkansas Highway Revenue Distribution Law, without making any deduction for the Constitutional Officers Fund and the State Central Services Fund.

Funds collected under §§ 26-56-201, 26-56-214, and 27-14-601 must be deposited into the State Treasury. After deducting an amount for the Constitutional Officers Fund and the State Central Services, the funds are distributed as follows:

- 15 percent to the County Aid Fund;
- 15 percent to the Municipal Aid Fund; and
- 70 percent to the State Highway and Transportation Department Fund.

The additional taxes collected pursuant to § 26-56-201 are special revenues, distributed as set forth in the Arkansas Highway Revenue Distribution Law, subject to any requirements for the repayment

of bonds. However, in order to offset the general revenues lost by certain tax exemptions, \$4 million of specified taxes collected must be distributed as follows:

- 75 percent to the General Revenue Fund Account of the State Apportionment Fund;
- 6 percent to the Educational Adequacy Fund;
- 3 percent to the Property Tax Relief Trust Fund; and
- 1 percent to the Conservation Tax Fund.

*Alternative Fuels Taxes (§ 26-55-1006)*

The amounts collected under chapter 26-62 are deposited into the State Treasury. After deducting three percent for the Constitutional Officers Fund and the State Central Services Fund, the remainder is distributed as follows:

- 15 percent to the County Aid Fund;
- 15 percent to the Municipal Aid Fund; and
- 70 percent to the State Highway and Transportation Department Fund.

Section 26-55-206 amended 1979; § 26-55-1004 amended 1985; § 26-55-1202 amended 1991; § 26-56-222 enacted 1991; § 26-62-109 enacted 1993; § 26-56-109 amended 2007; § 26-55-1006 amended 2009; §§ 26-56-201 and 26-56-221 amended 2011.

Ark. Code §§ 26-55-206, -1004, -1006, -1202; -56-109, -201, -221; -222; -62-109 (LexisNexis 2015)

## Arkansas, Tolls and Other Relevant Fees

### **TOLLS**

Research located no tolls in Arkansas.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

Arkansas has an optional annual flat-rate fee for certain alternative fuel vehicles. Liquefied petroleum gas may be taxed on a per-vehicle basis through an annual flat-fee special fuel user's permit. The fee amount is based on the vehicle type and weight.

Section 26-56-301 amended 1965; § 26-56-304 amended 1991.

Ark. Code §§ 26-56-301, -304 (LexisNexis 2015)

## Arkansas, Vehicle Miles Traveled Taxes

Arkansas does not assess a vehicle miles traveled tax.

## California

### California, Fuel Tax Rates

**GAS TAX** (§§ 7326, 7360, 8502, 9501)

California imposes a state motor fuel tax on gasoline equal to \$0.30 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including additional taxes and fees, was \$0.4092 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5932 per gallon.

The state's base motor vehicle fuel tax on gasoline equals \$0.18 per gallon, as recalculated annually. If the federal fuel tax is reduced below \$0.09 per gallon and federal financial allocations to California for highway and mass transit guideway purposes are reduced or eliminated, the tax rate is recalculated so that the combined state and federal tax equals \$0.27.

Several other taxes and fees are included in the motor vehicle fuel tax. For example, upon meeting statutory requirements, a county may impose a motor vehicle fuel tax. Also, the commission may impose a regional motor vehicle fuel tax of up to \$0.10 per gallon.

#### **DIESEL TAX** (§ 60050)

California imposes a state motor fuel tax on diesel equal to \$0.13 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including other fees and taxes, was \$0.3728 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6168 per gallon.

As of July 1, 2011, the base rate was \$0.13 per gallon. However, this amount is adjusted annually. Also, if the federal fuel tax is reduced below \$0.15 per gallon and federal financial allocations for highway and exclusive mass transit guideway purposes are reduced or eliminated, the tax rate is increased so that the combined state and federal tax rate per gallon equals what it would have been without the federal reduction.

#### **ALTERNATIVE FUEL TAXES**

### *Overview (§§ 8604, 8651)*

California imposes an excise tax on the use of alternative fuels. "Fuel" includes any combustible gas or liquid used in an internal combustion engine to generate power to propel a motor vehicle on the highways, except fuel that is subject to the tax imposed by Part 2 (gasoline) or Part 31 (diesel). Generally, the excise tax imposed for the use of fuel is \$0.18 per gallon. However, if the federal fuel tax is reduced below \$0.15 per gallon and federal financial allocations for highway and public mass transit guideway purposes are reduced or eliminated, the tax rate is increased so that the combined state and federal tax rate per gallon equals \$0.33. Also, different rates apply to specific fuels, as set forth below.

### *Liquefied petroleum gas (§ 8651.5)*

The excise tax on liquefied petroleum gas is \$0.06 per gallon, but neither this tax nor the tax imposed by § 8651 applies to the use of liquefied petroleum gas in a vehicle if the vehicle's owner has paid the annual flat rate fuel tax provided by Cal. Rev. & Tax. Code § 8651.7. (See **Tolls and Other Relevant Fees.**)

### *Natural gas (§ 8651.6)*

As of January 1, 2015, the excise tax imposed on natural gas is as follows:

- \$0.0887 for each 126.67 cubic feet, or 5.66 pounds, of compressed natural gas; and
- \$0.1017 for each 6.06 pounds of liquid natural gas.

However, neither this tax nor the tax imposed by § 8651 applies to the use of compressed or liquid natural gas used in a vehicle if the vehicle's owner has paid the annual flat rate fuel tax provided by Cal. Rev. & Tax. Code § 8651.7. (See **Tolls and Other Relevant Fees.**)

### *Ethanol or methanol (§ 8651.8)*

The excise tax imposed on ethanol or methanol containing not more than 15 percent gasoline or diesel is one-half the rate set forth in Cal. Rev. & Tax. Code § 8651.

Statutory section 8651.5 amended 1975; § 8651 amended 1990; § 8651.8 amended 1993; § 8604 amended 1994; § 8502 amended 2000; §§ 60050 and 7360 repealed and added 2011; § 8651.6 amended 2014; API website updated 2015.

[Cal. Rev. & Tax. Code §§ 7360, 8502, 8604, 8651, 8651.5, 8651.6, 8651.8, 9501, 60050 \(2014\); American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

## California, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

California's constitution provides that revenues from the state's fuel taxes must be deposited into the Highway Users Tax Account and used as follows:

- to research, plan, construct, improve, maintain, and operate public streets and highways; and
- to research, plan, construct, and improve exclusive public mass transit guideways.

Permitted uses include the mitigation of environmental effects, payment for property taken or damaged, and necessary administrative costs. The revenues may also be used to maintain structures and the immediate right-of-way for public mass transit guideways, but they may not be used to maintain or pay the operating costs for mass transit power systems or mass transit passenger facilities, vehicles, equipment, and services.

The state's constitution also dedicates the use of fuel taxes and other vehicle-related fees and taxes to the administration and enforcement of laws regulating the use, operation, or registration of vehicles, including the enforcement of traffic laws and the mitigation of the environmental effects of motor vehicle operation.

## **STATUTORY PROVISIONS**

*Motor Vehicle Fuel Tax Proceeds (§§ 8351, 8352.1, 8352.2, 8352.4, 8352.5, 8352.6, 8352.8, 8359, 8360)*

All amounts received from the motor vehicle fuel tax are deposited in the Motor Vehicle Fuel Fund (which is the Motor Vehicle Fuel Account in the Transportation Tax Fund). This fund may be used for certain cashflow loans to the General Fund and for the following purposes:

- to pay authorized refunds;
- to carry out statutory duties of the Controller and the transportation board ; and
- to pay certain administrative expenses.

Money deposited in the Motor Vehicle Fuel Account is also transferred to the State Transportation Fund.

Until July 1, 2012, certain proceeds were transferred as follows:

- \$6,600,000 per year was transferred from the Motor Vehicle Fuel Account to the Harbors and Watercraft Revolving Fund;
- an amount representing the portion attributable to the agricultural off-highway use of motor vehicle fuel was allocated to the Department of Food and Agriculture Fund; and
- an amount attributable to taxes imposed on motor vehicle fuel used to operate motor vehicles off-highway was allocated to the Off-Highway Vehicle Trust Fund.

However, beginning July 1, 2012, these revenues are transferred to the General Fund.

The Off-Highway Vehicle Trust Fund also contains a Conservation and Enforcement Services Account, which is to be used as follows:

- up to 40 percent of the funds, for "cooperative agreements or challenge cost-sharing agreements with the United States Forest Service and the United States Bureau of Land Management, to complete necessary route designation planning work and to implement route planning decisions"; and
- up to \$1,100,000 for each grant cycle, to increase the funds available for restoration grants.

Each month, any balance remaining in the Motor Vehicle Fuel Account, after paying refunds and administration and enforcement costs, is transferred to the Highway Users Tax Account in the Transportation Tax Fund.

Specified amounts may also be withdrawn from the Motor Vehicle Fuel Account for cash advances and expenses incurred prosecuting any persons charged with the violating related laws.

*Use fuel tax proceeds (§§ 9301, 9302)*

Proceeds from the use fuel tax are transmitted to the Motor Vehicle Fuel Account. These funds are appropriated first to pay authorized refunds, with the balance allocated to the Highway Users Tax Account in the Transportation Tax Fund.

*Diesel fuel tax proceeds (§§ 60651, 60652)*

Proceeds from the diesel fuel tax are deposited in the Motor Vehicle Fuel Account. These funds are appropriated first to pay authorized refunds, with the balance allocated to the Highway Users Tax Account in the Transportation Tax Fund.

Section 8352.2 amended 1973; §§ 9301 and 9302 amended 1974; § 8353 amended 1983; §§ 8359 and 8360 amended 1987; §§ 60651 and 60652 enacted 1994; § 8352.1 amended 2000; § 8352.8 amended 2008; §§ 8351 and 8352.5 amended 2012; §§ 8352.4 and 8352.6 amended 2014; history of constitutional provisions unknown.

[Cal. Rev. & Tax Code §§ 8351, 8352.1, 8352.2, 8352.4, 8352.5, 8352.6, 8352.8, 8353, 8360, 9301, 9302, 60651, 60652 \(2014\); Cal. Const. art. XIX § 2, 3](#)

## California, Tolls and Other Relevant Fees

### **TOLLS**

California has several tollway systems. For example, the California Department of Transportation identifies the following tolls for passenger vehicles:

- SR 73/133/241/261 San Joaquin Hills and Eastern Toll Road (varies from no toll to \$7.48, depending on distance and direction traveled and time of day);
- SR 125 South Bay Expressway (varies from \$0.50 to \$3.50, depending on distance traveled and payment method); and
- State Route 91 (Orange County) Express Lanes, varies from \$1.50 to \$10.15, depending on time of day, direction traveled, and day of the week).

California also charges tolls for some high-occupancy toll lanes and on the 17-Mile Drive.

The Federal Highway Administration identifies 29 toll bridges and tunnels in California.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No relevant provisions were located.

### **OTHER FEES** (§ 8651.7)

The owner of a vehicle that uses liquefied petroleum gas, liquid natural gas, or compressed natural gas may pay, instead of a fuel tax on those fuels, an annual flat rate sticker tax based on the vehicle's weight. The tax on passenger cars and other vehicles weighing 4,000 pounds or less is \$36.

Section 8651.7 amended 1997; history of state webpages unknown; federal website dated 2014.

[Cal. Rev. & Tax. Code § 8651.7 \(2014\)](#); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#); [California Dep't of Transp., Toll Road Fact Sheet \(2009\) \(last visited Nov. 18, 2015\)](#); [California Toll Schedules \(Apr. 3, 2015\)](#) (both state websites contain links to webpages with tolls)

## California, Vehicle Miles Traveled Taxes

California does not assess a vehicle miles traveled tax. However, San Diego participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Also, legislation passed in 2014 requires a technical advisory committee to study road-usage charge alternatives to the gas tax and to make recommendations to the Secretary of the Transportation Agency regarding the design of a pilot program.

Legislation enacted 2014; website visited 2015.

[2014 Cal. Stat. ch. 835](#); [U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## Colorado

### Colorado, Fuel Tax Rates

#### **GAS TAX** (§§ 39-27-102(1)(a)(II)(A))

Colorado imposes a state fuel tax on gasoline equal to \$0.22 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.4040 per gallon.

#### **DIESEL TAX** (§§ 39-27-102(1)(a)(II)(B))

Colorado imposes a state motor fuel tax on diesel equal to \$0.2050 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.4490 per gallon.

#### **ALTERNATIVE FUEL TAXES**

##### *Compressed natural gas (§ 39-27-102(1)(a)(VI), -102.5(9))*

The excise tax imposed on compressed natural gas increases annually, ranging from:

- \$0.06 per gallon for the 2015 calendar year; to
- \$0.1830 per gallon for the 2019 calendar year and beyond.

Compressed natural gas used to propel a motor vehicle on Colorado highways that is supplied to the user at a residential home is exempt from the special fuel tax imposed by article 39.

##### *Liquefied natural gas (§ 39-27-102(1)(a)(VII))*

The excise tax imposed on liquefied natural gas increases annually, ranging from:

- \$0.05 per gallon for the 2015 calendar year; to
- \$0.12 per gallon for the 2019 calendar year and beyond.

*Liquefied petroleum gas (§ 39-27-102(1)(a)(VIII))*

The excise tax imposed on liquefied petroleum gas increases annually, ranging from:

- \$0.05 per gallon for the 2015 calendar year; to
- \$0.1350 per gallon for the 2019 calendar year and beyond.

Statutory sections 39-27-102 and 39-27-102.5 amended 2015; API website updated 2015.

Colo. Rev. Stat. §§ 39-27-102, -102.5 (LexisNexis 2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Colorado, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Colorado's constitution restricts the use of vehicle fuel taxes and other vehicle-related fees or charges to:

- administration costs; and
- costs to construct, maintain, and supervise public highways.

## **STATUTORY PROVISIONS**

The first seven cents per gallon of the excise tax imposed on gasoline and special fuel pursuant to § 39-27-102 and § 39-27-102.5 is placed in the highway users tax fund and allocated as follows:

- 65 percent is paid to the state highway fund and must be expended as provided by § 43-4-206.
- 26 percent is paid to the counties, subject to annual appropriation by the general assembly, and is allocated as set forth in § 43-4-207, which provides a statutory formula based on specified amounts, rural motor vehicle registration, countywide motor vehicle registration, lane miles, and square feet of bridge deck; and
- 9 percent is paid to cities and incorporated towns, subject to annual appropriation by the general assembly, and is allocated as set forth in § 43-4-208, which provides a statutory formula based on adjusted urban motor vehicle registrations and street miles.

The remaining revenues from the taxes (those in excess of seven cents per gallon) are placed in the highway users tax fund and are generally expended only for improvements to Colorado highways. That revenue is allocated as follows:

- 60 percent to the state highway fund to be expended as provided by § 43-4-206;
- 22 percent to the counties, subject to annual appropriation by the general assembly, to be expended as provided by § 43-4-207; and
- 18 percent to the cities and incorporated towns, subject to annual appropriation by the general assembly, to be expended as provided by § 43-4-208(2)(b) and (6)(a).

The above allocations are generally applied to numerous transportation-related costs, including the costs of the Colorado state patrol.

Generally, the highway users tax fund is appropriated "for the acquisition of rights-of-way for, and the construction, engineering, safety, reconstruction, improvement, repair, maintenance, and administration of, the state highway system, the county highway systems, the city street systems, and other public roads and highways" of Colorado.

After paying certain expenses, as provided by § 39-27-112, the general assembly may not make any annual appropriation or statutory distribution from the highway users tax fund except to:

- the office of transportation safety and the transportation development division;
- the department of labor and employment for costs related to the oil inspection program;
- the department of personnel for costs related to telecommunications support;
- the department of corrections for costs related to license-plate production;
- the department of revenue and the department of public safety for highway-related programs;
- the department of personnel for costs related to the salaries and benefits of the above departments or programs; and
- the department of local affairs to provide disaster emergency services that relate to transporting hazardous materials.

Section 43-4-204 amended 1965; § 39-27-112 amended 1991; § 43-4-201 amended 2012; §§ 43-4-205, 43-4-207, and 43-4-208 amended 2013; § 43-4-206 amended 2015; constitutional provision amended 1975.

## Colorado, Tolls and Other Relevant Fees

### **TOLLS**

The Colorado Department of Transportation identifies the following toll roads, with the tolls indicated for passenger vehicles:

- E-470 (toll ramp and toll plaza rates range from \$1.15 to \$2.75); and
- Northwest Parkway (\$1.15 for certain ramps and \$3.60 for mainline).

Single-occupancy vehicles may choose to pay a toll to use the I-25 HOV express lanes. A toll is also assessed on Pikes Peak Toll Road.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES** (§ 42-3-304)

Beginning January 1, 2014, in addition to any other fee imposed by statute, a county must annually collect a fee of \$50 when registering every plug-in electric motor vehicle. The fee is credited as follows:

- \$30 to the highway users tax fund; and
- \$20 to the electric vehicle grant fund.

### **OTHER RELEVANT FEES**

No other relevant fees were located.

Section 42-3-304 amended 2014; state websites visited 2015; federal website dated 2014.

Colo. Rev. Stat. § 42-3-304 (LexisNexis 2015); [ExpressToll, E-470's 2015 Toll Rates](#) (last visited Oct. 12, 2015); [Northwest Parkway LLC, Northwest Parkway Tolls & Fees Schedule](#) (Aug. 1, 2015); Colo. Dep't of Transportation, [Tolling in Colorado](#) (last visited Oct. 12, 2015); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Colorado, Vehicle Miles Traveled Taxes

Colorado does not assess a vehicle miles traveled tax.

## Connecticut

### Connecticut, Fuel Tax Rates

#### **GAS TAX** (§§ 12-458(a)(2)(A), -587(a)(2))

Connecticut imposes a state motor fuel tax on gasoline equal to \$0.25 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including a petroleum products gross earnings tax, was \$0.3751 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5591 per gallon.

The petroleum gross receipts earnings tax is a capped percentage-based tax.

#### **DIESEL TAX** (§§ 12-458(a)(2)(C), -458h)

Connecticut imposes a state motor fuel tax on diesel equal to \$0.5030 per gallon. The state's petroleum products gross earnings tax does not apply to diesel sales. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.5030 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.7470 per gallon.

Each June, the Commissioner of Revenue Services calculates the applicable tax rate per gallon of diesel.

### **ALTERNATIVE FUEL TAXES** (§ 12-458(a)(2)(C), (D))

Instead of the gas tax assessed pursuant to § 12-458(a)(2)(A), a distributor may pay the following taxes on alternative fuels:

- for each gallon of gasohol, 25 cents; and
- for each gallon of propane or natural gas, 26 cents.

Statutory section 12-458h amended 2011; §§ 12-458 and 12-587 amended 2014; API website updated 2015.

[Conn. Gen. Stat. §§ 12-458, -458h, -587 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Connecticut, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

Revenues received or collected on account of, or derived from, §§ 12-458 and 12-479 are generally deposited into the Special Transportation Fund.

On and after July 1, 2015, for calendar quarters ending on or after September 30, 2015, the Comptroller must also deposit into the Special Transportation Fund the funds received from the tax imposed under § 12-587 on the gross earnings from petroleum products sales.

The Special Transportation Fund is applied:

- first to debt service requirements; and
- then to pay the incremental revenues identified in approved annual financing plans for cash funding.

Subject to the Governor's approval, the remaining resources of the Special Transportation Fund are applied to the following:

- principal of and interest on general obligation bonds of the state issued for transportation purposes or related refunds;
- state budget appropriations made to or for the Department of Transportation and the Department of Motor Vehicles;
- state budget appropriations made to or for the Department of Emergency Services and Public Protection for members of the Division of State Police designated by the Commissioner of Emergency Services and Public Protection for motor patrol work;
- effective July 1, 2015, the Department of Energy and Environmental Protection to regulate and enforce chapter 268; and

- effective July 1, 2015, the Department of Social Services for the transportation for employment independence program.

Also effective July 1, 2015, the Special Transportation Fund must be used only for transportation purposes.

Sections amended 2015.

[Conn. Gen. Stat. §§ 13b-61](#) (as amended by [2015 Conn. June Sp. Sess. Pub. Acts ch. 5](#)), [-61a](#) (as amended by [2015 Conn. Pub. Acts ch. 244](#)), [-69 \(2015\)](#) (as amended by [2015 Conn. June Sp. Sess. Pub. Acts ch. 5](#))

## Connecticut, Tolls and Other Relevant Fees

### **TOLLS**

No readily identifiable toll roads were located. Statutes providing for tolls on several bridges and roads have been repealed.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER RELEVANT FEES**

No other relevant fees were located.

Sections 13a-154, 13a-155, and 13a-156 repealed 1991.

See [Conn. Rev. Stat. §§ 13a-154, -155, -156 \(repealed\) \(2015\)](#)

## Connecticut, Vehicle Miles Traveled Taxes

Connecticut does not assess a vehicle miles traveled tax.

## Delaware

### Delaware, Fuel Tax Rates

#### **GAS TAX** (§ 5110 )

Delaware imposes a state motor fuel tax on gasoline equal to \$0.23 per gallon. According to the American Petroleum Institute, as of July 1, 2015, the total state gas tax plus the applicable federal tax was \$0.4140 per gallon.

#### **DIESEL TAX** (§ 5131)

Delaware imposes a state motor fuel tax on diesel equal to \$0.22 per gallon. According to the American Petroleum Institute, as of July 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.4640 per gallon.

#### **ALTERNATIVE FUEL TAXES** (§§ 5131, 5132)

Delaware imposes a tax of \$0.22 per gallon on special fuels. "Special fuel" means all combustible gasses and liquids suitable to propul motor vehicles, except:

- gasoline; and
- combustible gases and liquids used before January 1, 1996, in a program to determine commercial feasibility of alternatively fueled vehicles.

Sections 5110 and 5132 amended 1994; § 5131 amended 1998; API website updated 2015.

[Del. Code tit. 30, §§ 5110, 5131, 5132 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Delaware, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

The Department of Transportation deposits gas tax proceeds to the credit of the Delaware Transportation Authority, to be used to finance roads, highways, and other transportation facilities. The funds may *not* be used to defray the "expenses and obligations of the general government of the State." Accordingly, Delaware statutes expressly prohibit the transfer of motor fuel tax revenues to the general fund. The tax on special fuels is also paid to the Department of Transportation.

Delaware's Transportation Trust Fund receives the revenues from tolls and motor fuel taxes, among other sources. The state treasurer annually transfers to Delaware municipalities the amount appropriated in the annual Bond and Capital Improvement Act. That amount is deposited in the Municipal Street Aid Fund and distributed to municipalities. Each municipality must keep all funds received from the state municipal aid fund in a separate account, designated the "Municipal Street Aid Fund." Up to 30 percent of the annual grant of that fund may be used:

- to construct, install, repair, maintain, or replace water and sewer systems;
- to prepare or revise comprehensive plans for urban renewal; and
- to pay principal and interest on water and sewer system bonds.

Municipalities may use the remainder for the following:

- street improvements;
- street lighting; and
- payment of principal and interest on bonds issued for street improvements.

Section 1415 amended 1990; § 5119 amended 1992; § 5132 amended 1994; § 5162 amended 1998; § 5165 amended 2001.

[Del. Code Ann. tit. 2, § 1415; tit. 30, §§ 5119, 5132, 5162, 5165 \(2015\)](#)

## Delaware, Tolls and Other Relevant Fees

### **TOLLS**

The Delaware Department of Transportation identifies the following tolls for passenger vehicles:

- I-95 Delaware Turnpike (\$4);
- SR-1 (rates vary based on entrance and exit; maximum of \$2 on weekdays and \$6 on weekends).

Delaware also shares a toll bridge, the Delaware Memorial Bridge, with New Jersey. The current one-way fare for passenger vehicles traveling from New Jersey to Delaware is \$4.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

Websites last visited 2015.

[Del. Div. of Motor Vehicles, Services: Delaware Toll Services \(last visited Oct. 12, 2015\)](#) (follow links to toll chart and calculators); [Del. River & Bay Authority, Current Tolls \(last visited Oct. 12, 2015\)](#)

## Delaware, Vehicle Miles Traveled Taxes

Delaware does not assess a vehicle miles traveled tax.

## District of Columbia

### District Of Columbia, Fuel Tax Rates

#### **GAS TAX** (§ 47-2301)

The District of Columbia imposes a motor fuel tax on gasoline equal to \$0.2350 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total District gas tax plus the applicable federal tax was \$0.4190 per gallon.

As of October 1, 2013, the District levies a tax on motor vehicle fuels equal to eight percent of the average wholesale price of a gallon of regular unleaded gasoline, which is calculated twice a year and may not be less than \$2.94. The average wholesale price used to determine the tax may not vary by more than 10 percent from the average wholesale price for the prior period.

#### **DIESEL TAX** (§ 47-2301)

The District of Columbia imposes a motor fuel tax on diesel equal to \$0.2350 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total District diesel tax plus the applicable federal tax was \$0.4790 per gallon.

The District levies a tax on motor vehicle fuel equal to eight percent of the average wholesale price of a gallon of regular unleaded gasoline, which is calculated twice a year and may not be less than \$2.94. The average wholesale price used to determine the tax may not vary by more than 10 percent from the average wholesale price for the prior period.

### **ALTERNATIVE FUEL TAXES** (§§ 47-2301, -2302)

The District's motor vehicle fuel tax of eight percent of the average wholesale price of a gallon of regular unleaded gasoline applies to "motor vehicle fuels." The term "motor vehicle fuels" includes the following:

- gasoline, diesel fuel, and other volatile and flammable liquid fuels produced or compounded to operate or propel internal combustion engines; and
- benzol, benzene, naphtha, kerosene, heating oils, all liquified petroleum gases, and all combustible gases and liquids suitable to generate power to propel motor vehicles, whether used alone or blended or compounded with other products.

Statutory section 47-2302 amended 2001; § 47-2301 amended 2013; API website updated 2015.

[D.C. Code §§ 47-2301, -2302 \(2014\); American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

District Of Columbia, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant provisions were located.

### **STATUTORY PROVISIONS**

*Fuel tax proceeds (§ 47-2301)*

Pursuant to D.C. Code § 47-2301(b), motor vehicle fuel tax proceeds are transferred annually to the District of Columbia Highway Trust Fund.

*Dedicated highway fund (§ 9-109.02)*

The District of Columbia has established a dedicated highway fund that includes, at a minimum, the amount equal to the receipts from motor fuel taxes. If necessary, motor vehicle taxes and fees collected by the District of Columbia to pay certain cost-sharing requirements and to repay the United States for increased Federal shares of eligible projects are also included.

The fund must be separate from the District's general fund. For each fiscal year, the amounts in the fund must be sufficient to pay, at a minimum, that year's cost-sharing requirements established under Title 23 of the United States Code.

*District of Columbia Highway Trust Fund (§ 9-111.01)*

Funds in the District of Columbia Highway Trust Fund generally may not be a part of, or lapse into, the General Fund. The Fund must first be used to comply with the requirements of D.C. Code § 9-109.02 (regarding the dedicated highway fund).

As of October 1, 2011, amounts in the Highway Trust Fund designated for the requirements of D.C. Code § 9-109.02 may not exceed 22 percent of the proposed annual federal-aid highway project expenditures. Any excess amounts remaining in the Highway Trust Fund after certain requirements are met are deposited into the Local Transportation Fund.

*Local Transportation Fund (§ 9-111.01a)*

Fees deposited into the Local Transportation Fund must be used exclusively to renovate, repair, and maintain local transportation infrastructure, including streets, alleys, sidewalks, curbs, gutters, and streetlights "that are not eligible for federal aid and mass transit."

Section 9-109.02 amended 2011; §§ 9-111.01 and 9-111.01a amended 2012; § 47-2301 amended 2013.

[D.C. Code §§ 9-109.02, -111.01, -111.01a; 47-2301 \(2014\)](#)

## District Of Columbia, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in the District of Columbia.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES** (§ 50-1501.03(b)(8))

The District collects an annual registration fee on motor vehicles. For class A passenger vehicles, that fee is based on the manufacturer's shipping weight and determined according to the schedule set forth in D.C. Code § 50-1501.03(b)(1). However, those fees are doubled for motor vehicles classified as "Class H," which include the following:

- motor vehicles propelled by fuel not subject to taxation under Chapter 23 of Title 47; and
- motor vehicles propelled by any means other than motor fuels, as defined in Chapter 23 of Title 47.

Section 50-1501.03 amended 2013.

[D.C. Code § 50-1501.03 \(2014\)](#)

## District Of Columbia, Vehicle Miles Traveled Taxes

The District of Columbia does not assess a vehicle miles traveled tax.

## Florida

### Florida, Fuel Tax Rates

#### **GAS TAX** (§ 206.41)

Florida imposes a state motor fuel tax on gasoline equal to \$0.04 per gallon. Gasoline sales are subject to numerous other taxes and fees. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the average total state gas tax was \$0.3642 per gallon; and
- the average total state gas tax plus the applicable federal tax was \$0.5482 per gallon.

These amounts are weighted averages. The actual amount depends on the county in which the customer purchased the fuel. Also, Florida's fuel tax is indexed to the consumer price index.

Fla. Stat. § 206.41 breaks down the state's tax on motor fuel as follows:

- the tax levied pursuant to the state's constitution, which is an excise tax of \$0.02 per gallon;
- the county fuel tax of \$0.01 per gallon;
- the municipal fuel tax of \$0.01 per gallon;
- a county ninth-cent fuel tax of \$0.01 per gallon;

- a county local option fuel tax of between \$0.01 and \$0.11;
- the State Comprehensive Enhanced Transportation System Tax, which varies per county and is adjusted by the percentage change in the consumer price index;
- the fuel sales tax, which varies in amount, but may not be lower than \$0.0690 per gallon; and
- an additional \$0.00125 per gallon to be deposited into the General Inspection Trust Fund.

No municipality may levy a fuel tax.

**DIESEL TAX** (§ 206.87)

Florida imposes a state motor fuel tax on diesel equal to \$0.04 per gallon. Diesel sales are subject to numerous other taxes and fees. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the average total state diesel tax was \$0.3367 per gallon; and
- the average total state diesel tax plus the applicable federal tax was \$0.5807 per gallon.

These amounts are weighted averages. The actual amount depends on the county in which the customer purchased the fuel.

In addition to the excise tax of \$0.04 per gallon, the following are imposed on each gallon of diesel fuel:

- a ninth-cent fuel tax of \$0.01 per gallon;
- a local option fuel tax of up to \$0.06 per gallon;
- the State Comprehensive Enhanced Transportation System Tax at a rate equal to the maximum rate provided by Fla. Stat. § 206.41(1)(f); and
- a fuel sales tax, which equals the initially established tax rate of \$0.069 per gallon, as adjusted by changes in the average consumer price index, except that the tax rate may not be lower than \$0.069 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Natural gas fuel tax (§ 206.9955)*

Natural gas fuels include compressed natural gas, liquefied natural gas, and liquefied petroleum gas. Florida statutes do not provide for a tax on these fuels until January 1, 2019, at which time the following taxes are imposed on each motor fuel equivalent gallon of natural gas fuel:

- an excise tax of \$0.04 per gallon equivalent;
- a ninth-cent fuel tax of \$0.01 per gallon equivalent;
- a local option fuel tax of \$0.01 per gallon equivalent;
- a State Comprehensive Enhanced Transportation System Tax, at a rate determined by adjusting the initially established tax rate of 5.8 cents per gallon by the percentage change in the consumer price index; and

- an additional tax calculated by adjusting the initially established tax rate of 9.2 cents per gallon by the percentage change in the consumer price index.

### *Ethanol (§ 206.626)*

An ethanol dealer who has paid the tax imposed by chapter 206 on purchases of motor fuel used for denaturing from a duly licensed terminal supplier, importer, or wholesaler is entitled to a refund.

Statutory sections 206.61 and 206.626 amended 1995; §§ 336.021 and 336.025 amended 2012; §§ 206.41, 206.87, and 206.9955 amended 2013; constitutional provision amended 1998; API website updated 2015.

[Fla. Stat. §§ 206.41, .61, .626, .87, .9955; 336.021, .025 \(2015\); Fla. Const. art. XII, § 9\(c\); \*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*](#)

## Florida, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Florida's constitution provides for a state tax of two cents per gallon on gasoline and other like products of petroleum and an equivalent tax on other energy sources used to propel motor vehicles. The state's constitution provides that proceeds from that tax must be placed monthly in the state roads distribution fund. However, a subsequent amendment provides that the proceeds of the constitutional tax is allocated among the several counties in accordance with the formula provided by the constitution, "to the extent necessary to comply with all obligations to or for the benefit of holders of bonds, revenue certificates and tax anticipation certificates or any refundings thereof" secured by any portion of the tax. The proceeds are to be used as follows:

- 80 percent to the state agency supervising the state road system; and
- 20 percent to the county's governing body.

## **STATUTORY PROVISIONS**

### *Overview (§ 206.45)*

All revenues collected pursuant to Fla. Stat. §§ 206.41(1)(a), (b), and (c) and 206.87(1)(a) are deposited in the Fuel Tax Collection Trust Fund. The department may deduct up to two percent for administration costs and must maintain a balance of at least \$50,000 in the fund after making the following transfers:

- remitting the constitutional fuel tax for distribution as provided in the state constitution;
- distributing the county fuel tax as provided by § 206.60; and
- distributing the municipal fuel tax as provided by § 206.605.

### *State Transportation Trust Fund (§§ 206.46, 339.08)*

The State Transportation Trust Fund must be used for transportation purposes, generally including the following:

- up to seven percent to the Right-of-Way Acquisition and Bridge Construction Trust Fund, as needed to meet certain debt service coverage requirements, in an amount not to exceed \$275 million; and
- 15 percent to public transportation projects.

The funds may also be applied to the costs to operate and maintain existing or future department-owned toll facilities or systems, but the amounts will be reimbursed from turnpike revenues after the payment of debts.

Numerous specific permitted uses of the fund are set forth in Fla. Stat. § 339.08. These include Florida Department of Transportation administration and specified costs for highway construction and maintenance, public transit, and grants to local governments.

#### *Constitutional fuel tax (§ 206.47)*

The constitutional fuel tax is allocated among the counties pursuant to the formula set forth in the constitution, which is based on the "taxable gallons attributable to each county" and other factors. The fuel tax funds credited to each county will be distributed first to meet certain debt service requirements. The remaining fuel tax funds credited to each county are surplus fuel tax funds to be used to acquire, construct, and maintain roads. In this context, maintaining roads includes:

- periodic and routine maintenance; and
- the installation of traffic signals, sidewalks, bicycle paths, and landscaping.

#### *County tax on motor fuel (§ 206.60)*

The proceeds of the county fuel tax imposed by Fla. Stat. § 206.41(1)(b) are appropriated for public transportation purposes. After transferring a service charge to the General Revenue Fund and after deducting administrative costs (which may not exceed two percent), the tax proceeds are distributed in the same manner as the constitutional fuel tax.

Each county's board of county commissioners must use the funds solely as follows:

- to acquire rights-of-way;

- to construct, reconstruct, operate, maintain, and repair transportation facilities, roads, bridges, bicycle paths, and pedestrian pathways; and
- to reduce bonded indebtedness incurred for road, bridge, or other transportation purposes.

*Municipal tax on motor fuel (§ 206.605)*

The municipal fuel tax imposed by Fla. Stat. § 206.41(1)(c), after deducting a service charge and administrative costs (which may not exceed two percent), is transferred to the Revenue Sharing Trust Fund for Municipalities. This fund may be used only as follows:

- to purchase transportation facilities and road and street rights-of-way;
- to construct, reconstruct, and maintain roads, streets, bicycle paths, and pedestrian pathways;
- to adjust city-owned utilities, as required by road and street construction;
- for transportation-related public safety activities; and
- to construct, reconstruct, maintain, and operate transportation facilities.

*Fuel sales tax (§ 206.606)*

The gas and diesel fuel sales tax (collected pursuant to Fla. Stat. §§ 206.41(1)(g) and 206.87(1)(e)) is deposited in the Fuel Tax Collection Trust Fund. The fund, after deducting the service charges, refunds, and administrative costs (which may not exceed two percent), are distributed to the State Transportation Trust Fund, except that:

- \$6.30 million is transferred to the Fish and Wildlife Conservation Commission and deposited in the Invasive Plant Control Trust Fund, to be used for aquatic plant management, including allocating at least \$1 million to eradicate melaleuca; and
- \$2.5 million is transferred to the State Game Trust Fund in the Fish and Wildlife Conservation Commission to be used for recreational boating activities and freshwater fisheries management and research;
- 0.65 percent of the revenue collected pursuant to § 206.41(1)(g) is transferred to the Agricultural Emergency Eradication Trust Fund; and
- \$13.4 million of the moneys attributable to the sale of motor and diesel fuel at marinas is transferred from the Fuel Tax Collection Trust Fund to the Marine Resources Conservation Trust Fund in the Fish and Wildlife Conservation Commission.

No less than 10 percent of the amounts deposited in the State Transportation Trust Fund pursuant to § 206.606 is allocated for public transit and rail capital projects, including service development projects, unless otherwise provided in the General Appropriations Act.

*State Comprehensive Enhanced Transportation System Tax (§ 206.608)*

Revenues received pursuant to Fla. Stat. §§ 206.41(1)(f) and 206.87(1)(d) are deposited in the Fuel Tax Collection Trust Fund, which, after deducting a service charge and administrative costs (which may not exceed two percent of collections), are distributed as follows:

- 0.65 percent of the proceeds of the tax levied pursuant to § 206.41(1)(f) are distributed to the Agricultural Emergency Eradication Trust Fund; and
- the remaining proceeds of the tax levied pursuant to § 206.41(1)(f) and all of the proceeds from the tax imposed by § 206.87(1)(d) are transferred to the State Transportation Trust Fund, and may be used only for projects in the district's adopted work program.

*Diesel fuel tax (§§ 206.85, .875)*

Florida's diesel fuel tax is levied "to defray in whole or in part the cost of constructing, widening, reconstructing, maintaining, resurfacing, and repairing" the state's public highways and administrative costs. It must be used for "no other purpose whatsoever."

The revenues are deposited in the Fuel Tax Collection Trust Fund. After withholding \$10,000 from the proceeds of \$0.04 of the tax to be used as a revolving cash balance, the remainder is transferred in the same manner and for the same purpose as provided for allocating the state's motor fuel gas tax, including service charges and administrative costs (which may not exceed two percent of the funds collected).

*Natural gas fuel tax (§ 206.997)*

The revenues from Florida's natural gas fuel tax are deposited into the State Alternative Fuel User Fee Clearing Trust Fund. After deducting service charges, the trust fund's proceeds are distributed as follows:

- the taxes imposed by Fla. Stat. § 206.9955(2)(d) and (e) are transferred to the State Transportation Trust Fund; and
- the tax imposed by Fla. Stat. § 206.9955(2)(a) is be distributed as follows: 50 percent is transferred to the State Board of Administration to distribution as provided by the state's constitution, 25 percent is transferred to the Revenue Sharing Trust Fund for Municipalities, and 25 percent is distributed using the formula set forth in Fla. Stat. § 206.60(1).

Revenues from the local natural gas fuel tax imposed by Fla. Stat. § 206.9955(2)(b) and (c) is deposited into the Local Alternative Fuel User Fee Clearing Trust Fund. After deducting service charges, the proceeds in this trust fund are returned to the appropriate county.

Statutory section 206.85 amended 1970; §§ 206.45, 206.47, and 206.875 amended 1995; §§ 206.60 and 206.605 amended 2003; § 206.46 amended 2010; § 206.997 amended 2013; § 206.606 amended 2014; § 339.08 amended 2015; constitutional provision amended 1998.

[Fla. Stat. §§ 206.45, .46, .47, .60, .605, .606, .85, .875, .997; 339.08 \(2015\); Fla. Const. art. XII, § 9\(c\)](#)

## Florida, Tolls and Other Relevant Fees

### **TOLLS**

Florida has numerous tollroads and bridges, including the following roadways in Florida's Turnpike system:

- Turnpike Mainline;
- Homestead Extension of Florida's Turnpike;
- Veterans Expressway/Suncoast Parkway;
- The Seminole Expressway/Central Florida GreeneWay/Southern Connector Extension;
- Beachline Expressway East and West;
- Polk Parkway;
- Sawgrass Expressway;
- Western Beltway; and

- Connector.

The Federal Highway Administration has identified 24 toll roads and 9 toll bridges. Tolls for passenger vehicles vary widely, depending on the toll road and distance traveled. Specific toll amounts are available by region on [Florida's Turnpike Enterprise website](#).

Toll rates are subject to adjustments based on the annual consumer price index.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees applied to electric vehicles used as passenger vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State websites visited 2015; federal website dated 2014.

[Florida's Turnpike Enterprise, About Us: System Description; Traveler Information: Toll Rates \(both last visited Oct. 13, 2015\); U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

### **Florida, Vehicle Miles Traveled Taxes**

Florida does not assess a vehicle miles traveled tax. However, Miami participated in a national evaluation of a mileage-based road user charges the University of Iowa conducted from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 14, 2015\)](#)

## Georgia

### Georgia, Fuel Tax Rates

#### **GAS TAX** (§ 48-9-3(a)(1))

Effective July 1, 2015, Georgia imposes a state motor fuel tax on gasoline equal to \$0.26 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.3262 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5102 per gallon.

These rates will be adjusted annually based on the consumer price index until July 1, 2018.

#### **DIESEL TAX** (§ 48-9-3(a)(1))

Georgia imposes a state motor fuel tax on diesel equal to \$0.29 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.3618 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6058 per gallon.

#### **ALTERNATIVE FUEL TAXES** (§§ 48-9-2, -3)

Georgia taxes certain alternative fuels. The state's excise tax is imposed at the rate of \$0.26 per gallon on motor fuels, other than diesel. These rates will be adjusted annually based on the consumer price index until July 1, 2018.

In this context, "motor fuel" means "any source of energy that can be used for propulsion of motor vehicles on the public highways." It includes the gasoline, fuel oils, compressed petroleum gas, and special fuel. "Special fuel" includes all energy sources other than gasoline, fuel oils, or compressed petroleum gas.

Statutory section 48-9-2 amended 2002; § 48-9-3 amended 2015; API website updated 2015.

Ga. Code §§ 48-9-2, -3 (LexisNexis 2015); [American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

## Georgia, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Georgia's constitution restricts the use of motor fuel revenues to roads and bridges, except in the case of an invasion or major catastrophe proclaimed by the governor, in which case the funds may be used for defense or relief purposes. Thus, all revenues derived from motor fuel taxes, less the amount of refunds, rebates, and authorized collection costs, is appropriated annually for

- activities "incident to providing and maintaining an adequate system of public roads and bridges" in Georgia; and
- grants to counties by law authorizing road construction and maintenance.

### **STATUTORY PROVISIONS**

*Overview*

The state's Public Transportation Fund must be used for specified transportation purposes.

*Permitted Expenditures (§ 32-5-21, -25, -26)*

Subject to the restrictions imposed by Ga. Code § 32-5-23, the department must expend the State Public Transportation Fund in the following order:

- to pay the rentals on lease contracts entered into pursuant to the constitution's authority;
- to pay into the State of Georgia Guaranteed Revenue Debt Common Reserve Fund specified amounts for public road projects;
- to pay the department's operating costs and any "emergencies or unusual situations";
- to pay the costs necessary to comply with the conditions of federal-aid apportionments for planning, surveying, constructing, paving, and improving Georgia public roads;
- as directed by appropriations Acts.

After the above requirements have been met, the remainder may be used:

- to maintain, improve, construct, and reconstruct the state highway system;
- to maintain roads within and leading to state parks; and
- to construct public roads by department forces.

The department may also use the State Public Transportation Fund for streets, driveways, and parking areas located on or serving the following property:

- public schools;
- university system colleges;
- state agencies and political subdivisions; and
- hospitals constructed with the assistance of federal financial grants.

In addition, the department may use the State Public Transportation Fund as follows:

- to acquire a right of way;
- to pay any damage awarded on account of the location of any road that is a part of the state highway system; or
- to assist a county or municipality in doing the same.

The department must reimburse counties and municipalities for amounts spent to acquire certain rights of way.

The General Assembly must appropriate between 10 and 20 percent of the state motor fuel tax to the Local Maintenance and Improvement Grant Program. Funds are distributed to local governments by a statutory formula that may take into consideration paved and unpaved lane miles, vehicle miles traveled, population, employment, and local funding matches available, as well as other factors.

### *Restrictions (§ 32-5-23)*

Except as expressly authorized, no funds from the State Public Transportation Fund may be used to construct or maintain:

- private driveways, roads, or bridges; or
- public roads that have been abandoned.

Statutory sections 32-5-22 and 32-5-25 enacted 1973; § 32-5-26 amended 1974; § 32-5-23 amended 1982; §§ 32-5-21 and 32-5-27 amended 2009; constitutional provision's history unknown.

Ga. Code §§ 32-5-21, -22, -23, -25, -26, -27 (LexisNexis 2015); [Ga. Const. art. III, § 9 \(VI\)\(b\)](#)

## Georgia, Tolls and Other Relevant Fees

### **TOLLS**

Georgia's Department of Transportation addresses only the Georgia Express Lanes that are optional toll lanes that run alongside the existing interstates in many congested corridors around metropolitan Atlanta. The lanes provide a choice for drivers to pay a toll to bypass congestion when desired. The Georgia Express Lanes rely on variable-price tolling to maintain free-flowing travel during peak travel times.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

Effective July 1, 2015, Georgia imposes:

- a \$200 annual fee on non-commercial electric vehicles; and

- a \$300 annual fee on commercial electric vehicles.

These fees are in addition to any other fees imposed on vehicles pursuant to Ga. Code § 40-2-151 and are indexed to inflation. The fee applies to alternative fueled vehicles, except the fees are not assessed on vehicles that operate primarily on compressed natural gas, liquefied natural gas, or liquefied petroleum gas. "Alternative fuel" means electricity, natural gas, and propane.

## **OTHER FEES**

No other relevant fees were located. However, note that the fee described above applies to alternative fueled vehicles, which includes those powered by electricity, natural gas, and propane.

Statutory sections 40-2-86.1 and 40-2-86.1 amended 2015; website visited 2015.

Ga. Code §§ 40-2-86.1, -151 (LexisNexis 2015); [Ga. Dep't of Transp., Georgia Express Lanes \(last visited Oct. 14, 2015\)](#)

## Georgia, Vehicle Miles Traveled Taxes

Georgia does not assess a vehicle miles traveled tax.

Note that Georgia Tech has conducted a Commute Atlanta study that, in part, focused on travel behavior using a mileage-based incentive simulation. Participants earned rebates on travel costs ranging from 5 to 15 cents per mile not driven, if they drove fewer miles than during the previous year.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 14, 2015\)](#)

Guam

## Guam, Fuel Tax Rates

### **GAS TAX** (§§ 26402, 26403, 26502, 26203)

Guam imposes:

- a liquid fuel tax on gasoline equal to \$0.11 per gallon; and
- an automotive surcharge of \$0.04 per gallon on most liquid fuels, including gasoline.

Fuel sales are exempt from Guam's business privilege tax.

### **DIESEL TAX** (§§ 26402, 26403, 26503, 26203)

Guam imposes:

- a liquid fuel tax on diesel equal to \$0.10 per gallon; and
- a Mass Transit Automotive Surcharge of \$0.04 per gallon on diesel fuel.

Fuel sales are exempt from Guam's business privilege tax.

### **ALTERNATIVE FUEL TAXES** (§§ 26401, 26402, 26403, 26504)

Guam's liquid fuel tax of \$0.11 per gallon is generally assessed on all liquid fuels, except diesel. In this context, "liquid fuel" means all liquids usable in internal combustion engines to generate power. It includes "distillates of, and condensates from petroleum, natural gas, coal, coal tar and vegetable ferments," such as gasoline, butane, naphtha, benzol, benzine, kerosene, and alcohol. The

following bio-fuels manufactured on Guam are specifically excluded from the definition of "liquid fuel":

- bio-diesel;
- ethanol;
- vegetable/microbe ferments; and
- non-petroleum-based fuels, including hydrogen fuels.

Guam also imposes an automotive surcharge of \$0.04 per gallon on most liquid fuels. However, the surcharges do not apply to liquid fuels that are exempt from the liquid fuel tax.

Statutory section 26403 amended 1984; § 26502 amended 1986; § 26402 amended 1998; § 26503 amended 2002; § 26401 amended 2013; § 26203 amended 2014.

[Guam Code tit. 11, §§ 26203, 26401, 26402, 26403, 26502 \(2015\)](#)

## Guam, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant provisions were located in the Organic Act of Guam.

### **STATUTORY PROVISIONS** (§§ 1504, 26503)

*Limited Obligation Highway Refunding Bonds (§ 1504)*

Guam's Governor is authorized to issue new government bonds in an amount of up to \$68,500,000 to refund all or a portion of the Government of Guam Limited Obligation Highway Bonds, 1985 Series A, that implement the specified Capital Improvement Highway Projects. All or any part of the revenues from the liquid fuel tax, among other funds, may be pledged to secure the repayment of these bonds and to pay costs issuing or administering the bonds.

Proceeds from the bond sales may be used solely to refund all or a portion of the Guam Limited Obligation Highway Bonds, 1985 Series A, to implement the Capital Improvement Highway Projects enumerated in Guam Code tit. 5, § 1504(j) and to pay administrative expenses. The proceeds must be used for the specified highway capital improvement projects listed in § 1504(j).

To the extent any bond proceeds are not used for the specified projects, Guam may use the proceeds for "capital improvement road and infrastructure projects."

#### *Village Streets Fund (§ 1504)*

Guam also has a Village Streets Fund that must be used exclusively to pay vendors for the following:

- village road planning, design, construction, reconstruction, improvement, repair, and maintenance services;
- supplies and equipment to be used for road repair and maintenance;
- acquiring rights of way; or
- servicing debt payments of revenue bonds that may be issued to fund the construction, repair, and maintenance of secondary and tertiary roads.

The Village Streets Fund is funded by the Guam Liquid Fuel Tax revenues, federal government grants, and government-sponsored loans and bonds. Funding is allocated to projects in proportion to each village's need.

### *Mass Transit Automotive Surcharge Proceeds (§ 26503)*

The proceeds of the Mass Transit Automotive Surcharge that are released from the pledge set forth in Guam Code tit. 5, § 1504(d) (described above), are placed in the Public Transit Fund. The Mass Transit Automotive Surcharge proceeds are deemed to be the last revenues used pursuant to the bond pledge and the first revenues released from the pledge.

A portion of the Public Transit Fund is used to operate the mass transit system.

Section 1504 amended 2005; § 26503 amended 2002.

[Guam Code tit. 5, § 1504; tit. 11, § 26503 \(2014\); Guam Transportation Program, \*Village Streets\* \(2015\); Guam Dep't of Admin., \*A Report to the Citizens of Guam\* \(Fiscal Year 2009\)](#)

## Guam, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Guam.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

## Guam, Vehicle Miles Traveled Taxes

Guam does not assess a vehicle miles traveled tax.

## Hawaii

### Hawaii, Fuel Tax Rates

#### **GAS TAX** (§§ 243-4(a), -5)

Hawaii imposes a state motor fuel tax on gasoline equal to \$0.17 per gallon. Additional taxes are imposed on gasoline. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.4315 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.6155 per gallon.

Some of the additional taxes vary by location. A county or city council may adjust the local fuel tax amounts by resolution, but the statutory amounts are as follows:

- \$0.0250 in the city and county of Honolulu;
- zero in Hawaii county;
- \$0.02 in Maui county; and
- \$0.02 in Kauai county.

#### **DIESEL TAX** (§ 243-4(a), (b))

Hawaii imposes a state motor fuel tax on diesel equal to \$0.17 per gallon. Additional taxes are imposed on diesel, including a sales tax amount based on the state's four percent general excise tax. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.4094 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6534 per gallon.

Some additional taxes vary by location. The statutory amount of the local fuel taxes on diesel are as follows:

- \$0.15 in the city and county of Honolulu;
- \$0.15 in Hawaii county;
- \$0.15 in Maui county; and
- \$0.15 in Kauai county.

#### **ALTERNATIVE FUEL TAXES** (§§ 243-1, -4(c))

A distributor of any alternative fuel for operation of an internal combustion engine must pay a license tax of \$0.0025 for each gallon of alternative fuel the distributor sells or uses. In addition, every distributor must pay a license tax for each gallon of alternative fuel it sells or uses to operate a motor vehicle on Hawaii's public highways at a rate proportional to rates applied to diesel oil, as follows:

- ethanol, .145 times the diesel rate;

- methanol, .11 times the diesel rate;
- biodiesel, .25 times the diesel rate; and
- liquefied petroleum gas, .33 times the diesel rate.

For other alternative fuels, the rate is based on the fuel's energy content as compared to diesel fuel, so that the tax rate, on an energy content basis, equals one-quarter of the diesel rate. No tax may be collected for any liquid fuel, including diesel oil and liquefied petroleum gas, sold for use in and actually delivered to, or sold in, Kalawao county.

The local tax amount for alternative fuels "may be proportional to the energy contents of the fuels, as determined by their lower heating values, times one-half." In this context, "alternative fuel" means:

- methanol, denatured ethanol, and other alcohols;
- mixtures containing 85 percent or more of methanol, denatured ethanol, and other alcohols with gasoline or other fuels;
- natural gas;
- liquefied petroleum gas;
- hydrogen;
- coal-derived liquid fuels;

- biodiesel and mixtures containing 20 percent or more of biodiesel;
- fuels (other than alcohol) derived from biological materials; and
- any other fuel "that is substantially not a petroleum product and that the governor determines would yield substantial energy security benefits or substantial environmental benefits."

Statutory section 243-5 amended 2001; § 243-4 amended 2009; § 243-1 amended 2015; API website updated 2015.

[Haw. Rev. Stat. §§ 243-1](#) (as amended by [2015 Haw. Sess. Laws ch. 185](#)), [-4](#), [-5](#) (2014); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Hawaii, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

#### *State fuel taxes*

Revenues from state fuel taxes, among others, are deposited in the State Highway Fund and are distributed to other funds as provided by statute. Permitted uses of these revenues include the following:

- to operate, maintain, and repair the state highway system;

- to acquire, plan, design, construct, and reconstruct the state highway system and bikeways;
- to reimburse the general fund for interest on and principal of general obligation bonds issued to finance highway projects, if designated to be reimbursable out of the state highway fund; and
- to construct, maintain, and repair county roads.

#### *Local fuel taxes*

All local city and county fuel taxes are ultimately distributed to the director of finance of the appropriate city or county for deposit into its highway fund. These taxes must be used for the following purposes on the island for which the tax revenue is specially indicated, or, if none, for the appropriate county:

- to pay interest on and redemption of bonds issued or sold to construct county highway tunnels, approach roads, and highways;
- for "county main and general thoroughfares, highways, and other streets, street lights, storm drains, and bridges, including costs of new land," if the project cannot be financed as a state-federal aid project;
- in Honolulu city and county, to pay the city and county's share in an improvement district for an improvement listed above;
- to construct county highway tunnels, overpasses, underpasses, and bridges, if the improvement cannot be made as a state-federal aid project;
- for county traffic control and preservation of safety on the public highways and streets;

- for mass transit; and
- for bikeways.

No expenditure may be made out of the revenues paid into the highway fund that will jeopardize federal aid for highway construction.

#### *Alternative-fuel revenues*

Alternative-fuel revenues are paid into the state treasury and deposited in special funds. No provisions were located that dedicate the revenues from alternative fuels to transportation.

Section 243-6 amended 1977; § 248-9 amended 2007; § 243-4 amended 2009.

[Haw. Rev. Stat. §§ 243-4\(c\)\(2\), -6; 248-9 \(2014\)](#)

## Hawaii, Tolls and Other Relevant Fees

### **TOLLS**

No readily identifiable tollroads for passenger vehicles were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

## Hawaii, Vehicle Miles Traveled Taxes

Hawaii does not assess a vehicle miles traveled tax.

## Idaho

### Idaho, Fuel Tax Rates

#### **GAS TAX** (§ 63-2401)

Idaho imposes a state motor fuel tax on gasoline equal to \$0.32 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.5040 per gallon. (As of July 1, 2015, the gasoline and diesel excise tax increased \$0.07 per gallon.)

This tax is in place of all other excise taxes, license fees, or property taxes imposed on motor fuels.

#### **DIESEL TAX** (§ 63-2401)

Idaho imposes a state motor fuel tax on diesel equal to \$0.32 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.5640 per gallon.

This tax is in place of all other excise taxes, license fees, or property taxes imposed on motor fuels.

#### **ALTERNATIVE FUEL TAXES** (§§ 63-2401, -2402, -2424)

The fuel tax of \$0.32 per gallon imposed by Idaho Code § 63-2402 applies to "motor fuels." The term "motor fuel" includes "gasoline, ethanol, ethanol blended fuel, gasoline blend stocks, natural gasoline, special fuels, aircraft engine fuels or any other fuels suitable for the operation or propulsion of motor vehicles, motor boats or aircraft."

Generally, special fuels are subject to the same tax rates as other motor fuels. "Special fuels" include:

- fuels suitable for diesel engines;
- a compressed or liquified gas obtained as a byproduct in petroleum refining or natural gasoline manufacture; and
- natural gas, either liquid or gas, and hydrogen, used to operate motor vehicles.

Different rules apply to gas sales related to "federally recognized Indian tribes."

In the case of gaseous special fuels, the commission determines the applicable tax rate by applying the base rate to "an amount of gaseous special fuels having energy equal to one . . . gallon of gasoline." Special measurements are also applied to determine the tax for natural gas.

Statutory section 63-2431 amended 2011; §§ 63-2401, 63-2402, and 63-2424 amended 2015; API website updated 2015.

[Idaho Code §§ 63-2401, -2402, -2424, -2431 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Idaho, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Idaho's constitution restricts the use of the proceeds from the state's motor fuel tax. Amounts in excess of necessary collection and administration costs and authorized refunds or credits must be used exclusively for:

- the construction, repair, maintenance, and traffic supervision of Idaho public highways; and
- the payment of the interest and principal on obligations incurred for those purposes.

No part of the motor fuel tax revenues may "be diverted to any other purposes whatsoever."

### **STATUTORY PROVISIONS**

#### *Gas tax (§ 63-2412)*

The revenues from 25 cents of every 32 cents of Idaho's fuel taxes are distributed as follows:

- the actual cost of collecting, administering, and enforcing the gasoline tax is retained by the commission;
- the amount needed to pay current refund claims is distributed to the state refund account;
- \$250,000 is distributed to the railroad grade crossing protection account;
- \$100,000 is distributed to the local bridge inspection account;
- seven percent is distributed to the state highway account; and
- from the balance after the above distributions, specified percentages are distributed to the waterways improvement account, the off-road motor vehicle account, the park and recreation capital improvement account, and the highway distribution account.

The remaining seven cents are distributed as follows:

- 60 percent to the state highway account; and
- 40 percent to local governmental units as provided by Idaho Code § 40-709.

*Special fuel tax (§ 63-2418)*

The revenues received for the tax on special fuels are distributed as follows:

- the actual cost of collecting, administering, and enforcing the gasoline tax is retained by the commission;
- the amount needed to pay current refund claims is distributed to the state refund account;
- seven percent is distributed to the state highway account; and
- the balance after the above distributions are deposited in the highway distribution account.

*Electric and hybrid vehicle fee (§ 49-457)*

The state's electric and hybrid vehicle fees are deposited in the highway distribution account and apportioned as provided for in Idaho Code § 40-701.

Section 63-2418 amended 2010; § 40-709 amended 2014; § 63-2412 amended 2015; § 49-457 enacted 2015; history of constitutional section unknown.

[Idaho Code §§ 40-709; 49-457; 63-2412, -2418 \(2015\); Idaho Const. art. VII, § 17](#)

## Idaho, Tolls and Other Relevant Fees

### **TOLLS**

No readily available toll roads were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

Effective July 1, 2015, Idaho imposes, in addition to all other applicable registration fees:

- an electric vehicle registration fee of \$140; and
- a hybrid vehicle registration fee of \$75.

### **OTHER FEES**

No other relevant fees were located. However, note that the fee described above applies to hybrid vehicles.

Statutory section 49-457 enacted 2015.

[Idaho Code § 49-457 \(2015\)](#)

## Idaho, Vehicle Miles Traveled Taxes

Idaho does not assess a vehicle miles traveled tax. However, Boise participated in a national evaluation of a mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 15, 2015\)](#)

## Illinois

### Illinois, Fuel Tax Rates

**GAS TAX** (35 Ill. Comp. Stat. 105/3-10; 120/2-10; 505/2(a), /2a; 70 Ill. Comp. Stat. 3615/4.03)

Illinois imposes a state motor fuel tax on gasoline equal to \$0.19 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including a sales tax, an underground storage tank fund tax, and other local sales and gasoline taxes, was \$0.3347 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5187 per gallon.

The actual total tax rate varies depending on location. Generally, it is composed of the following:

- a \$0.19 per gallon motor fuel tax assessed pursuant to 35 Ill. Comp. Stat. 505/2(a);
- until January 1, 2025, a tax of \$0.0030 per gallon assessed pursuant to 35 Ill. Comp. Stat. 505/2(a);
- the statewide general sales tax of 6.25 percent; and
- a regional public transportation tax in some regions, of up to five percent, as permitted by 70 Ill. Comp. Stat. 3615/4.03.

**DIESEL TAX** (35 Ill. Comp. Stat. 105/3-10; 505/2(b), /2a; 70 Ill. Comp. Stat. 3615/4.03)

Illinois imposes a state motor fuel tax on diesel equal to \$0.2150 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including other taxes and fees, was \$0.3496 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5936 per gallon.

The actual total tax rate varies depending on location. Generally, the diesel tax contains the same components as the tax on gas. However, the base tax rate on diesel equals the gasoline rate plus an additional \$0.0250 per gallon.

**ALTERNATIVE FUEL TAXES**

*Ethanol and gasohol (35 ILCS 105/3-10, 120/2-10)*

The Illinois sales and use tax is imposed on ethanol and gasohol at a rate that differs from other fuels. With respect to gasohol, the tax applies to:

- 80 percent of the proceeds from sales made on or before December 31, 2018; and
- 100 percent of the proceeds from sales made thereafter.

However, if, at any time, the tax on gasohol is imposed at the rate of 1.25 percent, then the tax applies to 100 percent of the proceeds from gasohol sales made during that time.

The sales and use tax imposed on majority blended ethanol fuel does not apply to sales made on or before December 31, 2018. However, it applies to 100 percent of the proceeds of sales made thereafter.

*Biodiesel (35 Ill. Comp. Stat. 105/3-10; 120/2-10)*

For biodiesel blends containing one to 10 percent biodiesel, the sales and use tax applies to:

- 80 percent of the proceeds from sales made on or before December 31, 2018; and
- 100 percent of the proceeds from sales made thereafter.

However, if, at any time, the tax on sales of such biodiesel blends is imposed at the rate of 1.25 percent, then the tax applies to 100 percent of the proceeds of sales of biodiesel blends.

For 100-percent biodiesel and biodiesel blends with 10 to 99 percent biodiesel, the tax does not apply to the proceeds of sales made on or before December 31, 2018. However, it applies to 100 percent of the proceeds of sales made thereafter.

*Alternative Fuel Rebates (415 Ill. Comp. Stat. 120/10, /30)*

The Illinois Alternate Fuels Rebate Program provides a rebate for the incremental cost of purchasing alternative fuels. Eligible alternate fuels include:

- liquid petroleum gas;
- natural gas;

- E85 blend fuel;
- fuel composed of at least 80 percent ethanol;
- 80 percent bio-based methanol;
- fuels that are at least 80 percent derived from biomass;
- hydrogen; or
- electricity.

It does not include on-board electric generation.

The maximum ethanol fuel rebate is \$450 per year (depending on miles traveled) for up to three years for a flexible fuel vehicle that uses E85 at least half the time. The biodiesel fuel rebate is 80 percent of the additional cost of biodiesel fuel, compared to conventional diesel. The program, which began on January 1, 1997, continues as long as funds are available.

Statutory section 505/2a amended 2009; § 505/2 enacted 2010; § 120/10 enacted 2010; § 120/30 amended 2011; §§ 3615/4.03, 105/3-10, and 120/2-10 amended 2015; API website updated 2015.

[35 Ill. Comp. Stat. 105/3-10; 120/2-10; 505/2, /2a; 70 Ill. Comp. Stat. 3615/4.03; 415 Ill. Comp. Stat. 120/10, /30 \(2015\); American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

Illinois, Programs Funded

**CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

## **STATUTORY PROVISIONS**

*Motor Fuel Tax Fund (35 Ill. Comp. Stat. 505/8)*

Proceeds from the motor fuel tax are deposited in the Motor Fuel Tax Fund, which is distributed as follows:

- \$0.0250 per gallon of certain taxes collected on special fuel to the State Construction Account Fund;
- \$420,000 to the State Boating Act Fund; and
- \$3,500,000 to the Grade Crossing Protection Fund.

After the above allocations, a sufficient amount is reserved to pay the various administrative costs and refunds, amounts ordered paid by the Court of Claims, and motor fuel use taxes due to pursuant to the terms of the International Fuel Tax Agreement.

The remaining amount is apportioned:

- 45.6 percent is deposited as follows: (a) 37 percent into the State Construction Account Fund; and (b) 63 percent into the Road Fund; and
- 54.4 percent is transferred to the Department of Transportation to be distributed as follows: (a) 49.10 percent to the municipalities; (b) 16.74 percent to counties with 1,000,000 or more inhabitants; (c) 18.27 percent to counties with fewer than 1,000,000 inhabitants; and (d) 15.89 percent to road districts.

The amounts are distributed to municipalities using a statutory formula based on population and to counties with fewer than 1 million inhabitants using a statutory formula based on motor vehicle license fees. Allocations to road districts are based on road mileage.

*Underground Storage Tank Fund (35 Ill. Comp. Stat. 505/8a)*

Proceeds from the tax levied by 35 Ill. Comp. Stat. 505/2a are deposited in the Underground Storage Tank Fund.

Distribution of fuel taxes (625 Ill. Comp. Stat. 5/20-101)

Fuel taxes, along with other transportation-related revenues, are distributed using statutory formula. No funds derived from motor fuels may be appropriated or expended other than for the following:

- to pay administrative costs, refunds, and adjustments;
- to pay debts and liabilities incurred to construct and reconstruct public highways and bridges;
- to acquire rights-of-way for, and to construct, reconstruct, maintain, repair, and operate public highways and bridges; and
- to patrol and police public highways to enforce traffic laws.

The separation of grades of highways with railroads and the costs associated with protection of at-grade highway and railroad crossings are also permitted.

*Road Fund appropriations (30 Ill. Comp. Stat. 105/8.3)*

The Road Fund is first used to pay debts for the construction of permanent highways and to pay administrative costs. Any surplus generally may be used as follows:

- to construct, reconstruct, improve, repair, maintain, operate, and administer highways;
- to acquire land and erect buildings for highway purposes;
- to construct and maintain flight strips and highways necessary to provide access to military and naval reservations, defense industries, and defense-industry sites;
- to operate and maintain highway garages;
- to patrol and police public highways;
- to pay operating expenses related to the administration of public transportation programs;  
or
- during fiscal year 2015 only, for a grant of up to \$3,825,000 to the Regional Transportation Authority on behalf of PACE for the purpose of ADA/Para-transit expenses.

*State Construction Account (30 Ill. Comp. Stat. 105/5d)*

Funds deposited into the State Construction Account must be used to construct, reconstruct, and maintain the state-maintained highway system.

*Regional public transportation tax (70 Ill. Comp. Stat. 3615/4.09)*

The regional public transportation tax imposed in northeastern Illinois is dedicated solely to transportation. Some proceeds are allocated directly to Chicago and surrounding counties. The remainder are allocated to the Regional Transportation Authority as provided by statute.

### *Tolls*

Illinois tolls are used for the following:

- the cost of the Illinois State Police, H.E.L.P. Truck program, and I-PASS customer service;
- snow plowing and road maintenance; and
- reconstruction of the tollway system and new roads.

Section 105/5d enacted 1986; § 505/8a enacted 1994; § 5/20-101 amended 2003; § 3615/4.09 amended 2008; §§ 505/8 and 105/8.3 amended 2014; website dated 2015.

[30 Ill. Comp. Stat. 105/5d, /8.3](#); [35 Ill. Comp. Stat. 505/8, /8a](#); [70 Ill. Comp. Stat. 3615/4.09](#); [625 Ill. Comp. Stat. 5/20-101 \(2015\)](#); [Illinois Tollway, Toll Information \(last visited Nov. 16, 2015\)](#)

## Illinois, Tolls and Other Relevant Fees

### **TOLLS**

Illinois Tollways identifies the following tolls for passenger vehicles:

- I-88 Ronald Reagan Memorial Tollway (ranges from \$0.30 to \$3.60, depending on distance traveled and payment method);

- I-355 Veterans Memorial Tollway (ranges from \$0.45 to \$3.80, depending on distance traveled and payment method);
- I-90 Jane Addams Memorial Tollway (ranges from \$0.30 to \$3.00, depending on distance traveled and payment method);
- Chicago Skyway (\$4.50); and
- I-94/I-294/I-80 Tri-State Tollway (ranges from \$0.30 to \$2.80, depending on distance traveled and payment method).

According to the Federal Highway Administration, Illinois also charges a toll on the east-west tollway (SR-56 Connector) and the following three toll bridges: the Wabash Memorial Bridge, the Frank E. Bauer Bridge, and the Fort Madison Bridge.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located. However, the owner of an electric passenger vehicle may register for a discounted registration fee of up to \$35 for a two-year registration period or \$18 for a one-year registration period.

### **OTHER FEES**

No other relevant fees were located.

Section 5/3-805 enacted 2010; state websites visited 2015; federal website dated 2014.

[625 Ill. Comp. Stat. 5/3-805 \(2015\)](#); [Illinois Tollway, Toll Information \(last visited Nov. 16, 2015\)](#) (contains links to most tolls); [Chicago Skyway, Tolls \(last visited No. 16, 2015\)](#); [U.S. Dep't of](#)

## Illinois, Vehicle Miles Traveled Taxes

Illinois does not assess a vehicle miles traveled tax. However, Chicago participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## Indiana

### Indiana, Fuel Tax Rates

#### **GAS TAX** (§ 6-6-1.1-201)

Indiana imposes basic state motor fuel tax on gasoline equal to \$0.18 per gallon. The state also assesses a monthly variable gasoline use tax and an inspection fee. As a result, according to the American Petroleum Institute, as of July 1, 2015:

- the total state gas tax was \$0.3330 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5170 per gallon.

#### **DIESEL TAX** (§ 6-6-2.5-28)

Indiana imposes a state motor fuel tax on diesel equal to \$0.16 per gallon. The state also imposes a sales tax, an inspection fee, and a surcharge on diesel. Therefore, according to the American Petroleum Institute, as of July 1, 2015:

- the total state diesel tax was \$0.4116 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6556 per gallon.

**ALTERNATIVE FUEL TAXES** (§§ 6-6-2.5-1, -22, -28, -30.5)

Indiana generally imposes a \$0.16 tax on "special fuel" sold or used to generate power for motor vehicles. The tax is applied to each:

- diesel gallon equivalent, in the case of a special fuel that is liquid natural gas; or
- gasoline gallon equivalent, in the case of a special fuel that is compressed natural gas.

However, special fuel is exempt from the special fuel tax if it has a biodiesel content of at least 20 percent.

In this context, "special fuel" means all combustible gases and liquids that are "suitable for the generation of power in an internal combustion engine or motor," among others. It includes:

- biodiesel;
- blended biodiesel; and
- natural gas products.

However, the term does *not* include:

- an alternative fuel, which means "a liquefied petroleum gas, not including a biodiesel fuel or biodiesel blend, used in an internal combustion engine or motor to propel any form of vehicle";
- gasoline; or
- ethanol for the manufacture of or blending with gasoline.

Statutory section 6-6-1.1-201 amended 2002; § 6-6-2.5-30.5 enacted 2007; §§ 6-6-2.5-22, 6-6-2.5-28, and 6-6-2.5-1 amended 2014; API website updated 2015.

[Ind. Code §§ 6-6-1.1-201; 6-6-2.5-1, -22, 28, -30.5 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Indiana, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

*Gas tax (§ 6-6-1.1-801.5)*

Fuel tax revenues are statutorily dedicated to highway and road purposes, including traffic safety. The administrator must transfer the proceeds as follows:

- 1/9 to the state highway road construction and improvement fund;
- 1/18 to the state highway fund;

- 1/18 to counties, cities, and towns to be used only for purposes that money distributed from the motor vehicle highway account may be expended; and
- the next \$25 million to be distributed as follows: (a) 30 percent to each of the local governmental units eligible to receive a distribution from the local road and street account; (b) 30 percent to each of the local governmental units eligible to receive a distribution from the motor vehicle highway account; and (c) 40 percent to the Indiana department of transportation.

After the above transfers, the remaining revenues are distributed as follows:

- taxes collected with respect to gasoline delivered to a taxable marine facility are deposited in the fish and wildlife fund;
- 25 percent of the taxes (other than those on gas delivered to a marine facility) are deposited in the highway, road, and street fund; and
- the remaining revenues are deposited in the motor fuel tax fund of the motor vehicle highway account.

The tax funds may also be used to pay authorized refunds and administration costs.

*Distribution of the motor vehicle highway fund (§ 8-14-1-3)*

After paying collection costs and deducting the amount appropriated for traffic safety, funds collected for the motor vehicle highway account fund are distributed as follows:

- 15 percent to Indiana cities and towns, which is allocated based on population;

- 32 percent for Indiana counties, subject to statutory limits and restrictions, which is allocated in-part equally and in-part based on road miles and motor vehicle registrations and which amounts must be used to construct, reconstruct, maintain, or repair county highways or bridges; and
- the remainder is credited to the state highway fund.

This fund may not be used for any toll road or toll bridge project.

*State Highway Fund (§§ 8-14-2-2, -23-9-55)*

The State Highway Fund must be used for:

- to fund department operations; or
- to construct, reconstruct, operate, maintain, and control state highways and tollways that are the department's responsibility.

*Local road and street account (§§ 8-14-2-4, -5)*

The state auditor must establish a "local road and street account." Thirty percent of the special distribution account and 45 percent of the highway road and street fund are distributed to counties by a formula based on vehicle registrations, population, and road miles.

Cities, towns, and counties may use funds from the local road and street account exclusively for:

- "engineering, land acquisition, construction, resurfacing, maintenance, restoration, or rehabilitation of both local and arterial road and street systems";

- paying principal and interest on bonds sold to finance road, street, or thoroughfare projects;
- local costs required by a recreational or reservoir road project; or
- the purchase, rental, or repair of highway equipment.

*Special fuel tax (§§ 6-6-2.5-67, -68)*

The special fuel tax may be used only for:

- highway purposes; and
- the payment of any part of the cost of traffic policing and traffic safety.

Twenty-five million dollars must be distributed as follows:

- 30 percent to eligible counties, cities, and towns in the same proportion as funds are distributed pursuant to Ind. Code § 8-14-2-4;
- 30 percent to eligible counties, cities, and towns in the same proportion as funds are distributed from the motor vehicle highway account pursuant to Ind. Code § 8-14-1; and
- 40 percent to the Indiana department of transportation.

These amounts may be used only for the purposes that money distributed from the motor vehicle highway account may be used.

Section 8-14-2-2 amended 1978; § 6-6-1.1-803 enacted 1979; § 8-14-2-5 amended 1990; § 8-23-9-55 enacted 1990; §§ 6-6-2.5-67 and 6-6-2.5-68 enacted 1993; § 6-6-1.1-802 amended 1995; § 6-6-1.1-801.5 amended 2002; § 8-14-2-4 amended 2007; § 8-14-1-3 amended 2014.

[Ind. Code §§ 6-6-1.1-801.5, -802, -803; 6-6-2.5-67, -68; 8-14-1-3; 8-14-2-2, -4, -5; 8-23-9-55 \(2015\)](#)

## Indiana, Tolls and Other Relevant Fees

### **TOLLS**

Tolls on the Indiana Toll Road (I-90) vary, depending on the type of vehicle and the distance traveled. The maximum toll for a two-axle passenger vehicle ranges from:

- \$4.65 using an E-ZPass; to
- \$10.20 using cash.

The Federal Highway Administration identifies two toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State website dated 2015; federal website dated 2014.

[Ind. Toll Road, Vehicle Rates by Class \(last visited Oct. 15, 2015\)](#); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Indiana, Vehicle Miles Traveled Taxes

Indiana does not assess a vehicle miles traveled tax.

## Iowa

### Iowa, Fuel Tax Rates

#### **GAS TAX** (§ 452A.3(1))

Iowa imposes a state motor fuel tax on gasoline equal to \$0.31 per gallon. The state also applies an additional fee on its gasoline sales. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.32 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5040 per gallon.

Iowa's gas tax is subject to change annually, based on the amount of ethanol sales compared to the total amount of motor fuel sold, expressed as a percentage.

#### **DIESEL TAX** (§ 452A.3(6))

Iowa imposes a state motor fuel tax on diesel equal to \$0.3250 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.3350 per gallon; and

- the total state diesel tax plus the applicable federal tax was \$0.5790 per gallon.

Iowa's diesel tax is subject to change annually, based on the number of gallons of biodiesel blended fuel classified as B-11 or higher sold compared to the total diesel sold, expressed as a percentage.

### **ALTERNATIVE FUEL TAXES** (§ 452A.3(3), (4), (6)–(9))

Iowa imposes the following taxes on alternative fuels:

- for E-85 gasoline, \$0.17 cents on each gallon, subject to an annual adjustment based on the number of gallons of E-85 gasoline that were distributed in the state during the previous calendar year;
- for liquefied petroleum gas, \$0.30 per gallon;
- for compressed natural gas, \$0.31 per gallon; and
- for liquefied natural gas, \$0.3150 per gallon.

Statutory section 452A.3 amended 2015; API website updated 2015.

[Iowa Code § 452A.3 \(2015\)](#) (as amended by [2015 Iowa Acts ch. 2 \(S.F. 257\)](#)); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

Iowa, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Iowa's constitution restricts the use of excise taxes on motor vehicle fuel to:

- certain administration costs; and
- the construction, maintenance, and supervision of public highways or the payment of principal and interest on bonds issued for the construction of the public highways.

### **STATUTORY PROVISIONS**

*Road use tax funds (§§ 312.2, .2A, .3, .3A, .6; 452A.79)*

Except for funds in the marine fuel tax fund and the aviation fuel tax fund, the excise taxes on diesel, motor fuel, and other special fuels are credited to the road use tax fund.

Road use tax fund is allocated as follows:

- to the primary road fund, 47.5 percent;
- to counties' secondary road fund, 24.5 percent;
- to the farm-to-market road fund, eight percent; and
- to cities' street construction fund, 20 percent.

However, before making these allocations, the state treasurer must credit the following:

- to the highway grade crossing safety fund, \$700,000;

- to the highway railroad grade crossing surface repair fund, \$900,000;
- to the primary road fund, a percentage for specified purposes; and
- to the primary road fund, \$500,000 to be used to pay specified expenses, other than those incurred for extensions of primary roads in cities.

Iowa statutes provide for other adjustable statutory allocations related to transportation.

The portion of the road use tax fund to be allocated to counties is apportioned among the counties and credited to the secondary road fund by using a statutory distribution methodology based on population and the farm-to-market extension.

The department may also set aside each year from the cities' allocations, \$200,000 for the street research fund. These funds must be used solely to finance engineering studies and research projects regarding the more efficient use of funds and materials that are available to construct and maintain city streets.

Funds received by municipal corporations from the road use tax fund must be used "for any purpose relating to the construction, maintenance, and supervision of the public streets."

Specified funds may not be used for debt service on bonds, loans, or other debt issued or incurred on or after February 25, 2015.

#### *Toll bridges (§ 313A.28)*

The Department of Transportation generally must deposit tolls into a separate trust fund established for the specific bridge.

Sections 312.6 and 313A.28 amended 1981; § 312.3A enacted 1989; § 452A.79 amended 2006; § 312.3 amended 2013; § 312.2 amended 2015; § 312.2A enacted 2015; constitutional provision added 1942.

[Iowa Code §§ 312.2](#) (as amended by [2015 Iowa Acts ch. 123 \(H.F. 635\)](#)), [.2A](#) (as enacted by [2015 Iowa Acts ch. 2 \(S.F. 257\)](#)), [.3](#), [.3A](#), [.6](#); [313A.28](#); [452A.79 \(2015\)](#); Iowa Const. art. VII, §8

## Iowa, Tolls and Other Relevant Fees

### TOLLS

The Iowa Department of Transportation identifies only one local toll bridge in 2014, but the Federal Highway Administration identifies five. Iowa statutes explicitly provide that the department is authorized to establish and construct toll bridges on any public highway. The department also sets the toll charge.

### SPECIAL FEES APPLIED TO ELECTRIC VEHICLES

No special fees on electric vehicles were located.

### OTHER FEES

No other relevant fees were located.

Statutory sections 313A.3 and 313A.22 amended 1981; state website visited 2015; federal website dated 2014.

[Iowa Code §§ 313A.3, .22 \(2015\)](#); [Iowa Dep't of Transp., \*About the DOT: Roads, streets and bridges\* \(last visited Oct. 16, 2015\)](#); [U.S. Dep't of Transp., Federal Highway Admin., \*Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table\* \(Mar. 2014\)](#)

## Iowa, Vehicle Miles Traveled Taxes

Iowa does not assess a vehicle miles traveled tax. However, eastern Iowa participated in a national evaluation of a mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## Kansas

### Kansas, Fuel Tax Rates

#### **GAS TAX** (§ 79-34,141(1))

Kansas imposes a state motor fuel tax on gasoline equal to no less than \$0.24 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.2403 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4243 per gallon.

#### **DIESEL TAX** (§ 79-34,141(2))

Kansas imposes a state motor fuel tax on special fuels equal to no less than \$0.26 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.2603 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5043 per gallon.

"Special fuels" means all combustible liquids suitable to generate power to propul motor vehicles, including diesel, alcohol, and other fuels not defined as motor-vehicle fuels.

**ALTERNATIVE FUEL TAXES** (§§ 79-34,141(2)–(6), -3401)

Kansas imposes the following minimum state motor fuel taxes:

- \$0.26 per gallon on special fuels, which includes diesel, alcohol, and other fuels not defined as motor-vehicle fuels (motor-vehicle fuels include gas);
- \$0.23 per gallon on LP-gas, other than compressed natural gas and liquefied natural gas;
- \$0.17 per gallon on E85 fuels;
- \$0.24 per gallon on compressed natural gas; and
- \$0.26 per gallon on liquefied natural gas.

Statutory section 79-3401 amended 2007; § 79-34,141 amended 2014; API website updated 2015.

[Kan. Stat. §§ 79-3401, -34,141 \(2015\); American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

Kansas, Programs Funded

**CONSTITUTIONAL RESTRICTIONS**

The Kansas constitution gives the state the "power to levy special taxes, for road and highway purposes, on motor vehicles and on motor fuels."

## **STATUTORY PROVISIONS**

### *Overview*

The Kansas state highway fund is statutorily dedicated to specified transportation purposes. Amounts are also allocated to transit, rail, and general aviation purposes.

### *Apportionment of state highway fund (§ 68-416)*

The state highway fund is apportioned first to cities on the state highway system, at the rate of \$3,000 per year per lane per mile to maintain streets and highways in cities designated as "city connecting links."

The remainder of the highway fund is used as follows:

- to construct, improve, reconstruct, and maintain the state highway system;
- to improvement transportation programs to aid elderly persons, persons with disabilities, and the general public;
- for the transportation works for Kansas program;
- to support and maintain the department of transportation;
- for the expenses of administering the motor vehicle registration and drivers' license laws; and

- to specified losses to department of transportation employees.

*Transportation works for Kansas program (§ 68-2314b)*

The transportation works for Kansas program provides for the construction, improvement, reconstruction, and maintenance of the state highway system. The program provides for select projects that "allow for the flexibility to meet emerging and economic needs," which may include the following:

- preservation projects to efficiently maintain a safe state highway system in its original or improved condition;
- expansion and economic opportunity projects, including additions to the transportation system or improving access, relieving congestion, and enhancing economic development opportunities;
- modernization projects; and
- no more than one highway demonstration project to evaluate a design-build concept.

The program provides financial assistance to cities and counties. This may include assisting cities and counties with their responsibilities for roads and bridges not on the state highway system.

The transportation works for Kansas program also provides for:

- a railroad program to preserve and revitalize rail service in Kansas;
- an aviation program to assist in the planning, constructing, reconstructing, or rehabilitating "the facilities of public use general aviation airports";

- public transit programs to aid elderly persons, persons with disabilities, and the general public; and
- a multimodal economic development program to provide transportation improvement assistance for transportation-sensitive economic opportunities on a local or regional basis.

The secretary of transportation determines the projects to be included in the program.

*Coordinated public transportation assistance fund (§ 75-5035)*

The coordinated public transportation assistance fund must be used for the coordinated development, improvement, or maintenance of transportation systems for elderly persons, persons with disabilities, or the general public. As of July 1, 2013, the director of accounts and reports annually transfers \$11,000,000 from the state highway fund to the coordinated public transportation assistance fund.

*Rail service improvement program (§ 75-5048)*

The rail service improvement program fund is used to make loans or grants to a qualified entity to facilitate the financing, acquisition, or rehabilitation of railroads and rolling stock in Kansas. As of July 1, 2013, the director of accounts and reports annually transfers \$5,000,000 from the state highway fund to the rail service improvement fund.

*Public use general aviation airports development fund (§ 75-5061)*

The public use general aviation airport development fund is used to plan, construct, reconstruct, or rehabilitate the facilities of public use general aviation airports. As of July 1, 2013, the director of accounts and reports annually transfers \$5,000,000 from the state highway fund to the public use general aviation airport development fund.

*Distribution of proceeds of vehicle fuel taxes (§ 79-34,142)*

The state treasurer must credit vehicle fuel taxes as follows:

- 66.37 percent to the state highway fund; and
- 33.63 percent to the special city and county highway fund.

*Purpose of motor-fuel tax (§ 79-3402)*

The taxes imposed by the motor-fuel tax law is levied for the purpose of:

- constructing, widening, purchasing rights-of-way, reconstructing, maintaining, surfacing, resurfacing, and repairing the public highways;
- paying bonds issued for Kansas highways; and
- paying administration costs.

*Distribution of motor-fuel tax proceeds (§ 79-3425)*

After crediting an amount to pay motor-vehicle fuel tax refunds, the state treasurer credits the remainder of the motor-vehicle fuel tax proceeds to the following in the amounts specified by statute:

- the state highway fund;

- a special city and county highway fund; and
- the production accounts of the Kansas qualified agricultural ethyl alcohol producer incentive fund.

*Liquefied petroleum motor fuel tax law (§ 79-3491)*

The liquefied petroleum motor fuel tax is levied to defray the following:

- constructing, widening, purchasing rights-of-way, reconstructing, maintaining, surfacing, resurfacing, and repairing public highways;
- paying bonds issued for highways; and
- paying administrative costs.

*Qualified biodiesel fuel producer incentive fund (§ 79-34,156)*

The Kansas director of accounts and reports transfers specified amounts from the state highway fund to the Kansas qualified biodiesel fuel producer incentive fund.

*Qualified agricultural ethyl alcohol producer incentive fund (§ 79-34,161)*

The state treasurer credits specified amounts to the Kansas qualified agricultural ethyl alcohol producer incentive fund.

Section 79-3491 amended 1973; § 79-3402 amended 1995; § 79-3425 amended 2001; §§ 68-416, 75-5035, 75-5061, and 79-34,142 amended 2010; § 68-2314b enacted 2010; §§ 75-5048 and 79-34,161 amended 2011; § 79-34,156 amended 2015; history of constitutional provision unknown.

[Kan. Stat. §§ 68-416, -2314b; 75-5035, -5048, -5061; 79-3402, -3425, -3491, -34,142, -34,156](#) (as amended by [2015 Kan. Sess. Laws ch. 104 \(S.B. 112\)](#)), [-34,161 \(2015\)](#); [Kan. Const. art. XI, §10](#)

## Kansas, Tolls and Other Relevant Fees

### **TOLLS**

Kansas assesses a toll on the Kansas Turnpike that ranges from \$0.26 to \$12.00 for two-axle vehicles, depending on the form of payment and the distance traveled.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees applied to electric vehicles were located.

### **OTHER FEES**

#### *LP-gas vehicles (§ 79-3492a)*

Upon application for a decal, an LP-gas user may compute tax on a mileage basis. The number of gallons of LP-gas used on Kansas highways is determined by using a statutory schedule. Users of LP-powered vehicles who have a decal may pre-pay their propane tax on a mileage basis. Users with no decal must pay the \$0.23 per gallon tax when fueling.

Section 79-3492a enacted 1973; 79-392b amended 2010; toll schedule dated 2014.

[Kan. Stat. §§ 79-3492a, -3492b \(2015\)](#); [Kan. Turnpike Auth., K-Tag Toll Schedule \(May 1, 2014\)](#)

## Kansas, Vehicle Miles Traveled Taxes

Kansas does not assess a vehicle miles traveled tax. However, Wichita participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 15, 2015\)](#)

## Kentucky

### Kentucky, Fuel Tax Rates

**GAS TAX** (§§ 138.210, .220, .228)

Kentucky imposes a state motor fuel tax on gasoline equal to \$0.2460 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.26 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4440 per gallon.

An excise tax equal to nine percent of the average wholesale price is levied on all gasoline and special fuel received in Kentucky. The tax is paid on a per gallon basis. For the fiscal year beginning on July 1, 2015, and ending June 30, 2016, the average wholesale price is the wholesale floor price, which is adjusted for inflation in subsequent years. On and after April 1, 2015, the "wholesale floor price" is \$2.177 per gallon.

In addition to the excise tax, Kentucky levies a supplemental highway user motor fuel tax. That tax is \$0.05 per gallon for gasoline.

**DIESEL TAX** (§§ 138.210, .220, .228)

Kentucky imposes a state motor fuel tax on diesel equal to \$0.2160 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.23 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4740 per gallon.

An excise tax equal to nine percent of the average wholesale price is levied on all special fuel received in Kentucky. The tax is paid on a per gallon basis. A "special fuel" includes diesel, among others. For the fiscal year beginning on July 1, 2015, and ending June 30, 2016, the average wholesale price is the wholesale floor price, which is adjusted for inflation in subsequent years. On and after April 1, 2015, the "wholesale floor price" is \$2.177 per gallon.

In addition to the excise tax, Kentucky levies a supplemental highway user motor fuel tax. That tax is \$0.02 per gallon on diesel and other special fuels.

**ALTERNATIVE FUEL TAXES** (§§ 138.210, .220, .228 )

An excise tax equal to nine percent of the average wholesale price is levied on all special fuel received in Kentucky. The tax is paid on a per gallon basis. For the fiscal year beginning on July 1, 2015 and ending June 30, 2016, the average wholesale price is the wholesale floor price, which is adjusted for inflation in subsequent years. On and after April 1, 2015, "wholesale floor price" means \$2.177 per gallon.

In addition to the excise tax, Kentucky levies a supplemental highway user motor fuel tax. That tax is \$0.02 per gallon for special fuels.

"Special fuels" means "all combustible gases and liquids capable of being used for the generation of power in an internal combustion engine to propel vehicles of any kind upon the public

highways." It includes diesel fuel, but it does not include gasoline or kerosene unless they are used in combination with special fuel as a motor fuel or liquefied petroleum gas.

Statutory sections 138.210, 138.220, and 138.228 amended 2015; API website updated 2015.

[Ky. Rev. Stat. Ann. §§ 138.210, .220, .228 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Kentucky, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Kentucky's constitution dedicates revenues from fuel taxes to:

- administration costs;
- statutory refunds and adjustments;
- payment of highway obligations;
- costs to construct, reconstruct, obtain rights-of-way, maintain, and repair public highways and bridges; and
- costs to enforce state traffic and motor vehicle laws.

### **STATUTORY PROVISIONS**

*Secondary and rural roads (§§ 177.320, .360)*

Kentucky statutes allocate a portion of specified revenues from the fuel tax as follows:

- 22.2 percent are set aside to construct, reconstruct, and maintain secondary and rural roads;
- 18.3 percent are set aside to construct, reconstruct, and maintain county roads and bridges; and
- 0.1 percent of the revenues are set aside for the Kentucky Transportation Center, except that this amount may not exceed \$190,000 for any fiscal year.

These funds are generally distributed by formula based on the local government's population, area, and public road mileage.

#### *Urban roads and streets (§§ 177.365, .366)*

A portion of the fuel tax (7.7 percent of specified funds) are set aside for the construction, reconstruction, and maintenance of urban roads and streets. Allocation is based on population and revenue estimates.

Statutory sections 177.320 and 177.365 amended 2005; §§ 177.360 and 177.366 amended 2010; § 138.220 amended 2015; constitutional provision amended 1945.

[Ky. Rev. Stat. §§ 138.220; 177.320, .360, .365, .366 \(2015\); Ky. Const. § 230](#)

## Kentucky, Tolls and Other Relevant Fees

### **TOLLS**

Research located no roads that are currently charging a toll in Kentucky. However, toll bridges connect Kentucky with some neighboring states. For example, tolls will be assessed on the Ohio River Bridges that will connect Indiana and Kentucky. Rates on those bridges,

assuming transponders are used, are predicted to be \$1 to \$2 for two-axle vehicles, starting in 2016.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

News release dated 2013; website visited 2015.

[The Ohio River Bridges Downtown Crossing, Tolls \(last visited Oct. 19, 2015\)](#)

### **Kentucky, Vehicle Miles Traveled Taxes**

Kentucky does not assess a generally applicable vehicle miles traveled tax on passenger vehicles.

## **Louisiana**

### **Louisiana, Fuel Tax Rates**

#### **GAS TAX** (§§ 47:818.12, :820.1)

Louisiana imposes a state motor fuel tax on gasoline equal to \$0.20 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, after including applicable fees, was \$0.2001 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3841 per gallon.

The state's gas tax is composed of the following:

- a \$0.16 tax on gasoline; and
- an additional \$0.04 tax on gasoline.

**DIESEL TAX** (§§ 47:818.12, :820.1)

Louisiana imposes a state motor fuel tax on diesel equal to \$0.20 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, after including applicable fees, was \$0.2001 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4441 per gallon.

The state's tax on diesel is composed of the following:

- a \$0.16 tax on diesel; and
- an additional \$0.04 tax.

**ALTERNATIVE FUEL TAXES**

*Special fuels, other than liquefied petroleum and compressed natural gas (§§ 47:801, :802)*

Louisiana generally levies a tax of \$0.16 per gallon on special fuels. Louisiana statutes also provide for a \$0.04 additional tax on special fuels. "Special fuels" include "all combustible gases and liquids used or suitable for use in an internal combustion engine or motor for the generation of power for motor vehicles, except such fuels as are subject to the tax imposed by Part I of Chapter 7 of Title 47 of the Louisiana Revised Statutes of 1950."

These taxes do not apply to liquefied petroleum gas and compressed natural gas.

*Tax on compressed natural gas, liquefied natural gas, and liquefied petroleum gas (§ 818.111)*

Effective July 1, 2015, Louisiana levies a tax of \$0.16 per gallon or gallon equivalent on all special fuels, including:

- compressed natural gas;
- liquefied natural gas; and
- liquefied petroleum gas.

Beginning January 1, 2016, this tax is converted from a tax levied per gallon to a tax levied per gallon equivalent, as determined by the special fuel's energy content pursuant to a statutory formula.

Also beginning January 1, 2016, the § 818.111 tax will not be levied or collected pursuant to a decal program or on an annual basis.

Statutory section 47:802 amended 1992; § 47:803 amended 1997; § 47:801 enacted 2002; § 47:820.1 amended 2005; § 47:818.12 enacted 2005; § 47:818.2 amended 2015; § 47:818.11 enacted 2015; API website updated 2015.

[La. Rev. Stat. §§ 47:801, :802, :803; :818.2; :818.12](#) (as amended by [2015 La. Acts ch. 147](#)); :818.111 (as enacted by [2015 La. Acts ch. 147](#)); :820.1 (2014); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Louisiana, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Pursuant to Louisiana's constitution, "excess revenues" must be deposited in the Transportation Trust Fund. "Excess revenues" are a portion of the revenues received from all taxes levied on gasoline, motor fuels, and special fuels. After satisfying pledges related to the payment of obligations for bonds or other debts, the treasurer allocates the portion of the revenues as necessary to pay principal, interest, premium, and other obligations incident to authorized bonds. The remaining funds are deposited in the Bond Security and Redemption Fund.

The trust fund is dedicated solely to costs associated with:

- construction and maintenance of the roads and bridges of the state and federal highway systems;
- the Statewide Flood-Control Program;
- ports;
- airports;
- transit;
- state police for traffic control purposes; and
- the Parish Transportation Fund.

## **STATUTORY PROVISIONS**

### *Gas taxes (§ 47:802)*

The tax imposed by § 47:802 is credited to the Bond Security and Redemption Fund. The funds must be used solely to fund the following projects:

- the Highway Priority Program;
- the Parish Transportation Fund;
- the Statewide Flood-Control Program; and
- the Parish Bridge Replacement Program.

### *Excess Revenues (§ 47:820.2)*

In addition to the constitutional requirements concerning the taxes levied on gasoline, motor fuels, and special fuels, "excess revenues" are credited to the Transportation Infrastructure Model for Economic Development Account.

See La. Rev. Stat. § 47:820.1 for a list of authorized projects.

### *Liquefied petroleum gas or compressed gas annual fuel tax (§ 47:802.3)*

The full amount of taxes collected pursuant to La. Rev. Stat. § 47:802.3 is credited to the Bond Security and Redemption Fund. After a sufficient amount is allocated from the fund to pay all obligations due within any fiscal year, the treasurer must:

- pay one-half of the taxes collected pursuant to § 47:802.3 into the Louisiana Highway, Flood Control, and Drainage Priority Fund; and
- credit the remainder into the state general fund.

The amounts in this fund must be used solely to fund the following projects:

- the Highway Priority Program;
- the Parish Transportation Fund;
- the Statewide Flood-Control Program; and
- the Parish Bridge Replacement Program.

Section 47:802 amended 1992; § 47:802.3 enacted 1994; § 47:820.2 amended 2004; constitutional provision amended 2003.

[La. Rev. Stat. §§ 47:802, :802.3, :820.2 \(2014\); La. Const. art. VII, § 27](#)

## Louisiana, Tolls and Other Relevant Fees

### **TOLLS**

According to the Louisiana Department of Transportation, the toll for 2-axle passenger vehicles on the LA 1 Expressway is \$3.00. The Federal Highway Administration identifies two toll bridges in the state, including the Crescent City Connection bridge.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

*Tax on compressed natural gas, liquefied natural gas, and liquefied petroleum gas (§ 818.111)*

Effective July 1, 2015, Louisiana levies a tax on all special fuels, including:

- compressed natural gas;
- liquefied natural gas; and
- liquefied petroleum gas.

Although a decal program payable on an annual basis is available, beginning January 1, 2016, this tax is levied as provided above, and not pursuant to a decal program or on an annual basis. From July 1, 2015, through December 31, 2015, the Department of Revenue will continue to accept applications for payment of the tax and to issue decals to persons operating a motor vehicle that uses liquefied natural gas, liquefied petroleum gas, or compressed natural gas. However, the tax amount for the decal is calculated at a rate of one-twelfth of the total annual tax amount for each month the decal is valid.

Section 47:807.1 amended 1997; § 47:818.111 enacted 2015; state websites visited 2015; federal website dated 2014.

[La. Rev. Stat. §§ 47:807.1, 47:818.111 \(2014\)](#) (as enacted by [2015 La. Acts ch. 147](#)); [La. Dep't of Transp., Crescent City Connection](#) (last visited Oct. 19, 2015); [GeauxPass, LAI Toll Rates](#) (last visited Oct. 19, 2015); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Louisiana, Vehicle Miles Traveled Taxes

Louisiana does not assess a vehicle miles traveled tax.

## Maine

### Maine, Fuel Tax Rates

#### **GAS TAX** (§ 2903)

Maine imposes a state motor fuel tax on gasoline equal to \$0.30 per gallon. According to the American Petroleum Institute, as of October 1, 2015, and after applying environmental fees:

- the total state gas tax was \$0.3001 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4841 per gallon.

Any fuel containing at least 10-percent internal combustion engine fuel is subject to the gasoline tax.

#### **DIESEL TAX**

Maine imposes a state motor fuel tax on diesel equal to \$0.3120 per gallon. The state also applies fees for various environmental funds. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.3121 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5561 per gallon.

### **ALTERNATIVE FUEL TAXES** (§ 3203)

The State Highway tax for a special fuel used in transportation is based on each fuel's energy content relative to gasoline. "Special fuel" means distillates and low-energy fuels, which are fuels used to propel vehicles powered by internal combustion engines that have 90 percent or less of the energy potential of an equivalent volume of gasoline. Therefore, the full gasoline excise tax rate is imposed on blended fuel that contains at least 10 percent gasoline. The full diesel excise tax rate is imposed on biodiesel fuels that contain less than 90 percent biodiesel fuel.

Low-energy fuels include liquefied natural gas, liquefied petroleum gas, propane, methane, butane, other light petroleum gasses, alcohol fuels, and other fuels that meet the special-fuel criteria.

Maine's statutes provide that the state levies an excise tax for each gallon of distillate at the rate of \$0.03070 per gallon. Tax rates for each gallon of low-energy fuel are based on their British Thermal Unit energy content for each fuel, as based on gasoline gallon equivalents or the comparable measure for distillates. In the case of distillates, the tax rate is subject to an annual inflation adjustment.

The tax rates are determined using a "base rate," which means the rate in effect for gasoline or diesel on July 1st of each year.

The specific tax rates for special fuels based on gasoline gallon equivalents are as follows:

- propane is 73 percent of the base rate;
- compressed natural gas is 100 percent of the base rate;

- methanol is 49 percent of the base rate;
- ethanol is 66 percent of the base rate;
- hydrogen is 100 percent of the base rate; and
- hydrogen compressed natural gas is 100 percent of the base rate.

The applicable tax rates for special fuels, based on distillate gallon equivalents, are as follows:

- liquefied natural gas is 57 of the base rate; and
- biodiesel is 92 percent of the base rate.

Statutory sections 2903 and 3202 amended 2011; § 3203 amended 2013; API website updated 2015.

[Me. Rev. Rev. Stat. tit. 36, §§ 2903, 3202, 3203 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Maine, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Maine's constitution restricts the use of revenues from fuel taxes to:

- administration costs;

- refunds and adjustments;
- highway-related debts and liabilities; and
- construction, reconstruction, maintenance, and repair of public highways and bridges.

### **STATUTORY PROVISIONS**

#### *General Highway Fund (§§ 1651, 1653)*

The State Highway Fund receives revenues from fuel taxes, among other sources. The purpose of the fund is to provide funds for:

- the construction of state, state aid, and town ways;
- the maintenance of state and state aid highways;
- interstate, intrastate, and international bridges; and
- other specified items.

All revenue received from the tax imposed on internal combustion engine fuel, among other sources, is allocated to the General Highway Fund. After deducting the amount necessary to meet bond issues for state highway and bridge construction, the remainder is apportioned for the following:

- the cost of registering motor vehicles and licensing motor-vehicle operators;

- maintaining the State Police;
- administering the department and the fuel tax;
- paying tax rebates;
- improving, constructing, and maintaining highways and bridges; and
- snow guards or removal.

Unallocated surpluses are transferred to the Secondary Road Program Fund, subject to statutory limits. Any remaining uncommitted balance is transferred to the Highway and Bridge Capital program.

Funds are also allocated through the Urban-Rural Initiative Program to local governmental entities, as described below, based on lane miles.

*Municipal transportation assistance funds (§ 1801)*

Municipal transportation assistance funds, which are adjusted according to increases or decreases in Highway Fund resources available for transportation, are targeted to the capital needs of rural roads and highways and must reflect urban maintenance responsibilities on state and state aid roadways.

*Local Road Assistance Program (§ 1803-B)*

Funds from the Local Road Assistance Program are distributed to each eligible municipality, county, or Indian reservation through rural road assistance and urban compact assistance funding as provided by statute. The distribution formula is based on lane miles.

The rural road assistance funds must be used for capital improvements to state aid minor and major collector highways.

*Urban compact assistance funds (§ 1803-B)*

Funds for urban compact assistance are distributed based on lane miles. The funds must be used for summer maintenance performed by municipalities on state and state aid highways in compact areas. The funds may be used only to maintain or improve public roads.

*Secondary Road Program Fund (§ 1803-C)*

The Secondary Road Program Fund is used for capital improvements to state aid minor and major collector highways. The annual amount may not exceed \$4,000,000.

*Alternative fuels (§ 3203)*

Taxes on alternative fuels are credited to the Highway Fund, except that the Treasurer of State deposits 7.5 percent of the excise tax into the TransCap Trust Fund.

The alternative-fuel tax is levied for the following costs:

- constructing, widening, reconstructing, maintaining, resurfacing, and repairing the state's public highways; and
- the administration and enforcement of the tax.

Section 1651 enacted 1971; § 3219 amended 1985; § 1653 amended 1995; §§ 1654-A, 1801, 1803-C, and 2903 amended 2011; §§ 1803-B and 3203 amended 2013.

[Me. Rev. Stat. tit. 36, §§ 2903, 3203, 3219; tit. 23, §§ 1651, 1653, 1654-A, 1801, 1803-B, 1803-C \(2015\); Me. Const. art. IX, § 19](#)

## Maine, Tolls and Other Relevant Fees

### **TOLLS**

The Maine Turnpike (I-95) assesses a toll that varies depending on payment method, distance traveled, and vehicle type. In a class 1 vehicle (which includes passenger cars), the toll ranges from \$0.90 to \$7.00.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Website visited 2015.

[Maine Turnpike Auth., Tolls \(last visited 2015\)](#)

## Maine, Vehicle Miles Traveled Taxes

Maine does not assess a vehicle miles traveled tax. However, Portland participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 15, 2015\)](#)

## Maryland

### Maryland, Fuel Tax Rates

#### **GAS TAX** (§§ 9-302, -305, -306)

According to the American Petroleum Institute, Maryland imposes a base state motor fuel tax on gasoline equal to \$0.2460 per gallon. As of October 1, 2015:

- the total state gas tax, including other taxes, was \$0.3210 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5050 per gallon.

The Maryland Code sets the motor fuel tax rate as 23.5 cents per gallon of gasoline, but this amount increases annually based on the consumer price index. The annual increase in motor fuel tax rates may not exceed eight percent of the previous year's rate. Also, legislation enacted in 2013 phases in an additional sales and use tax equivalent rate, based on a percentage of the retail price. This provision is contingent on whether federal legislation on out-of-state sales tax collection is enacted by December 1, 2015.

#### **DIESEL TAX**

Maryland imposes a state motor fuel tax on diesel equal to \$0.2535 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.3285 per gallon; and

- the total state diesel tax plus the applicable federal tax was \$0.5725 per gallon.

### **ALTERNATIVE FUEL TAXES** (§§ 9-305 )

#### *Special fuels other than clean-burning fuel (§§ 9-101, -305(a)(3))*

Generally, the motor fuel tax rate is \$0.2425 for each gallon of special fuel other than clean-burning fuel or turbine fuel. This amount increases annually based on the consumer price index. The annual increase in the motor fuel tax rates may not exceed eight percent of the previous year's rate.

"Special fuel" means a product that is usable as fuel in an internal combustion engine. Although it includes clean-burning fuels (except electricity), Maryland statutes specify a different rate for those fuels. "Special fuel" does not include gasoline.

#### *Gasoline-equivalent gallon of clean-burning fuel except electricity (§§ 9-101, -305(a)(5), -306)*

Generally, the motor fuel tax rate is \$0.2350 for each gasoline-equivalent gallon of clean-burning fuel except electricity. This amount increases annually based on the consumer price index. The annual increase in the motor fuel tax rates may not exceed eight percent of the previous year's motor fuel tax rate.

In this context, "clean-burning fuel" used for motor vehicle propulsion includes:

- natural gas;
- liquefied natural gas;
- liquefied petroleum gas;

- hydrogen;
- electricity; or
- any other fuel that is at least 85 percent methanol, ethanol, other alcohol, or ether.

Statutory section § 9-302 amended 1988; § 9-101 amended 2004; § 9-305 amended 2013; § 9-306 enacted 2013; API website updated 2015.

[Md. Code, Tax-Gen. §§ 9-101, -301, -302, -305, -306 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Maryland, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

#### *Distribution of motor fuel tax revenue (§§ 2-1101, -1102, -1104)*

The Comptroller first distributes from the motor fuel tax revenue the amount necessary to pay refunds and administrative costs. The remaining funds are generally distributed as follows:

- 2.3 percent to the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund;
- 0.5 percent to the Waterway Improvement Fund; and

- any remaining balance to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

However, for each fiscal year beginning on or before July 1, 2015, instead of the above distribution, the Comptroller distributes 2.3 percent of the remaining motor fuel tax revenue as follows:

- \$ 4,624,687 for the fiscal year beginning July 1, 2015, to the General Fund;
- \$ 8,000,000 to the Budget Restoration Fund "for the fiscal year beginning July 1, 2012"; and
- the balance to the Chesapeake and Atlantic Coastal Bays 2010 Trust Fund.

*Transportation Trust Fund (§ 3-216)*

The Gasoline and Motor Vehicle Revenue Account is maintained in the Transportation Trust Fund. Permitted uses of that fund include:

- projects and programs necessary to achieve identified bicycle and pedestrian transportation goals; and
- any lawful purpose related to the department's rights, powers, duties, and obligations.

*Gasoline and Motor Vehicle Revenue Account (§§ 8-401, -402)*

The Gasoline and Motor Vehicle Revenue Account is established in the Transportation Trust Fund. All of the motor vehicle fuel tax revenues, after permitted deductions, are credited to the Gasoline and Motor Vehicle Revenue Account, along with other fees and taxes. Permitted uses of the account include the following, in the percentages provided by statute:

- 90.4 percent to used as provided by § 3-216 (as described above); and
- the balance to be allocated to counties, municipalities, and Baltimore City.

*Highway user revenues for local governments (§§ 8-403, -404, -405, -408, -409)*

In this context, "highway user revenues" means the funds credited to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund. Generally, highway user revenues for local governments are distributed as follows:

- 7.7 percent to Baltimore City;
- 1.5 percent to the counties; and
- 0.4 percent to the municipalities.

Different amounts have historically been designated for specified years.

The highway user revenues are allocated to counties and municipalities based one-half on county road mileage and one-half on motor vehicle registrations.

Baltimore City and Kent County may use highway user revenues only for the following:

- to construct, reconstruct, or maintain their highways and streets;
- to carry out police traffic functions and enforce traffic laws;

- for other highway-related activities, including lighting, stormwater drainage, and street-cleaning;
- to pay debt service related to highway obligations; and
- for transportation facility charges.

Kent County may also use the funds:

- to maintain county-owned boat landings; and
- to provide traffic crossing guards.

Other counties may use their share only for:

- paying debt service on certain bonds or obligations;
- financing transportation facilities;
- maintaining private roads in Talbot County; and
- constructing, reconstructing, or maintaining county roads.

Municipalities may use their net share of highway user revenues only on:

- transportation facilities;
- constructing, reconstructing, or maintaining roads or streets; and
- debt service for obligations related to roads or streets.

Municipalities may also use the funds to establish and maintain footpaths, bridle paths, horse trails, and bicycle trails.

Section 2-1101 amended 1988; § 2-1102 amended 2006; §§ 8-404 and 8-405 amended 2010; §§ 8-402 and 8-403 amended 2011; §§ 8-401, 8-408, and 8-409 amended 2014; §§ 2-1104 and 3-216 amended 2015.

[Md. Code Ann., Tax-Gen., §§ 2-1101, -1102, -1104; 8-401, -402, -403, -404, -405, -408, -409; Transp. § 3-216 \(2015\)](#)

## Maryland, Tolls and Other Relevant Fees

### **TOLLS**

The Maryland Department of Transportation identifies the following tolls for passenger vehicles:

- Express Toll Lanes (I-95), ranging from \$0.49 to \$1.54, depending on the time of day and payment type;
- John F. Kennedy Memorial Highway (I-95), ranging from \$2.80 to \$8.00, depending on payment type; and
- Intercounty Connector (ICC)/MD 200, ranging from \$0.07 per mile to \$0.35 per mile, depending on the time of day.

The state also has several toll bridges and tunnels, including the following:

- Thomas J. Hatem Memorial Bridge (US 40);
- Baltimore Harbor Tunnel (I-895);
- Fort McHenry Tunnel (I-95);
- Francis Scott Key Bridge (I-695);
- William Preston Lane Jr. Memorial Bay Bridge (US 50/301); and
- Harry W. Nice Memorial Bridge (US 301).

Specific tolls on these bridges and tunnels are available through links listed on the department's toll-rates website.

#### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

#### **OTHER FEES**

No other relevant fees were located.

Website visited 2015.

[Md. Transp. Auth., Toll Rates Tables and E-ZPass Stop-In Centers \(last visited Oct. 21, 2015\)](#)

## Maryland, Vehicle Miles Traveled Taxes

Maryland does not assess a vehicle miles traveled tax. However, Baltimore participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## Massachusetts

### Massachusetts, Fuel Tax Rates

#### **GAS TAX** (ch. 64A, § 1)

Massachusetts imposes a state motor fuel tax on gasoline equal to \$0.24 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including applicable fees, was \$0.2654 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4494 per gallon.

Note that the state's voters approved a ballot question in November 2014 that repealed an automatic indexing of the state's gasoline tax.

#### **DIESEL TAX**

Massachusetts imposes a state motor fuel tax on diesel equal to \$0.24 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including applicable fees, was \$0.2654 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5094 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Cellulosic biofuel (ch. 64A, §§ 1, 1A)*

Eligible cellulosic biofuel and blends of gasoline and cellulosic biofuel are exempt from the state's \$0.21 fuel tax. The amount of the exemption is proportionate to the fuel's percentage of cellulosic biofuel fuel. The exemption is available through December 31, 2017.

"Eligible cellulosic biofuel" includes fuel derived from cellulose, hemicellulose, or lignin derived from renewable biomass that yields at least a 60-percent reduction in life cycle greenhouse gas emissions relative to petroleum-based fuel.

#### *Special fuels (ch. 64E, § 4)*

Generally, the per gallon excise tax determined pursuant to chapter 64A applies to special fuels. However, the commissioner determines the tax levied on each gallon of liquified gas, using the same procedures as those used for fuel under chapter 64A and a rate of 19.1 percent of the average price.

"Special fuels" include all combustible gases and liquids used to generate power to propel motor vehicles registered for use on public highways. It does not include the following, which are included in the statutory definition of "fuel":

- gasoline; and
- certain liquids that meet the standards set forth in Mass. Gen. Laws ch. 64A, § 1.

Section 1 of ch. 64E amended 1982; § 4 of ch. 64E amended 2000; § 1A of ch. 64A enacted 2008; § 1 of ch. 64A amended 2014; API website updated 2015.

[Mass. Gen. Laws ch. 64A, §§ 1, 1A; ch. 64E, §§ 1, 4 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Massachusetts, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

The Massachusetts constitution provides that all revenue derived from vehicles, including fuel taxes and fees, may be used only for specified transportation purposes, including the following:

- administrative costs, refunds, and adjustments;
- highway obligations;
- the cost to construct, reconstruct, maintain, and repair public highways and bridges;
- mass transportation lines;

- enforcing state traffic laws; and
- other mass transportation purposes.

## **STATUTORY PROVISIONS**

### *General distribution (ch. 64A, § 13)*

Sums received from the motor fuel excise tax, less reimbursement amounts, are credited as follows:

- 99.85 percent to the Commonwealth Transportation Fund, to be used for transportation-related purposes; and
- 0.15 percent to the Inland Fisheries and Game Fund.

### *Allocation (ch. 81, § 31)*

A portion of the Highway Fund is distributed to cities and towns using a statutory formula based on vehicle registrations, street and road miles, and property valuation. Cities and towns must use these amount for "costs actually incurred in constructing, maintaining and policing city or town streets or roads."

Section 31 of ch. 81 amended 2009; § 13 of ch. 64A amended 2009; constitutional provision history unknown.

[Mass. Gen. Laws ch. 64A, § 13](#); [ch. 81, § 31 \(2015\)](#); [Mass. Const., art. LXXVIII](#)

## Massachusetts, Tolls and Other Relevant Fees

### **TOLLS**

The tolls for passenger vehicles using the Massachusetts Turnpike range from no toll to \$9.60 or \$10.60, depending on distance traveled and payment method.

The toll rates for passenger vehicles on the state's toll bridges are as follows:

- Sumner and Ted Williams Tunnels (\$3.50); and
- Maurice J. Tobin Bridge (ranges from \$2.50 to \$3.00).

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Website dated 2015.

[Mass. Dep't of Transp., Toll Calculator \(last visited Nov. 13, 2015\)](#) (contains links to toll information)

## Massachusetts, Vehicle Miles Traveled Taxes

Massachusetts does not assess a vehicle miles traveled tax.

## Michigan

### Michigan, Fuel Tax Rates

**GAS TAX** (§§ 207.1008, .1022)

Michigan imposes a state motor fuel tax on gasoline equal to \$0.19 per gallon. The tax is in place of all other state and local taxes imposed on the sale or use of gasoline, except for the general sales and use taxes. Therefore, the state also applies its six-percent sales tax to gasoline sales. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including the state's sales tax and other fees, was \$0.3384 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5224 per gallon.

Note that in 2015, Michigan voters rejected Ballot Proposal 1, which would have created a variable-rate gas tax.

#### **DIESEL TAX** (§§ 207.1008, .1022)

Michigan imposes a state motor fuel tax on diesel equal to \$0.15 per gallon. The tax imposed on diesel is imposed instead of all other state and local taxes, except the taxes imposed by the general sales tax act, the use tax act, and the motor carrier fuel tax act. Therefore, the state also applies its general six-percent sales tax to diesel sales. As a result, according to the American Petroleum Institute, as of July 1, 2015:

- the total state tax, including the state sales tax and other fees, was \$0.3019 per gallon; and
- the total state tax plus the applicable federal tax was \$0.5459 per gallon.

#### **ALTERNATIVE FUEL TAXES** (§ 207.1008)

Michigan imposes a tax of \$0.12 per gallon on:

- gasoline containing at least 70 percent ethanol; and
- diesel fuel containing at least 5 percent biodiesel.

Statutory section 207.1022 enacted 2000; § 207.1008 amended 2006; API website updated 2015.

[Mich. Comp. Laws §§ 207.1008, .1022 \(2015\)](#); [Ballot Proposal 15-1](#); [Mich. Dep't of State, Summary Totals: State Proposal – 15-1: Constitutional Amendment: Increase the Sales/Use Tax \(May 27, 2015\)](#); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Michigan, Programs Funded

### **CONSTITUTIONAL PROVISIONS**

Michigan's constitution provides that all taxes imposed directly on fuels sold or used to propel motor vehicles on highways and imposed on registered motor vehicles must be used exclusively for transportation purposes after paying necessary collection expenses. No less than 90 percent of the specific taxes imposed on fuel to propel motor vehicles and imposed on registered motor vehicles must be used exclusively for roads, streets, and bridges.

Any balance must be used for comprehensive transportation purposes. No more than 25 percent of the general sales taxes imposed on fuels sold to propel motor vehicles, on the sale of motor vehicles, and on the sale of the parts and accessories for motor vehicles is also applied to comprehensive transportation purposes.

### **STATUTORY PROVISIONS**

These revenues, among others, are deposited in the Michigan Transportation Fund. Revenues credited to this fund are then distributed to other funds as provided by statute. Recipients of this fund are numerous, and include the following, among others:

- the state trunk line fund, for purposes including deposits to the rail grade crossing account, paying debt service costs on Michigan projects, and deposits to the transportation economic development fund;
- the local bridge fund;
- the comprehensive transportation fund, which is dedicated to public transportation; and
- local program funds and local agencies.

Section 247.660 amended 2007; §§ 247.660b and 247.660d amended 2012; constitutional section amended 1978.

[Mich. Comp. Laws §§ 247.660, .660b, .660d \(2015\); Mich. Const. art. IX, § 9](#)

## Michigan, Tolls and Other Relevant Fees

### **TOLLS**

The Michigan Department of Transportation identifies the following tolls for passenger vehicles on bridges and tunnels:

- International Bridge (\$4.10);
- Mackinac Bridge (\$4.00, unless a discounted toll card is used);
- Blue Water Bridge (\$3.00);
- Ambassador Bridge (ranges from \$4.00 to \$5.00); and

- Detroit-Windsor Tunnel (ranges from \$3.85 to \$4.75).

The Federal Highway Administration identifies a total of six toll bridges in the state. No references to Michigan toll roads were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State websites visited 2015; federal website dated 2014.

[Mich. Dep't of Transp., \*Bridge Tolls\* \(2015\); Mich. Dep't of Transp., \*Roads: Why doesn't Michigan have toll roads?\* \(2015\); U.S. Dep't of Transp., Federal Highway Admin., \*Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table\* \(Mar. 2014\)](#)

## Michigan, Vehicle Miles Traveled Taxes

Michigan does not assess a vehicle miles traveled tax.

## Minnesota

### Minnesota, Fuel Tax Rates

#### **GAS TAX** (§ 296A.07)

Minnesota imposes a state motor fuel tax on gasoline equal to \$0.2850 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including certain additional fees, was \$0.2860 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.47 per gallon.

The statutory gasoline excise tax is \$0.25 per gallon.

**DIESEL TAX** (§ 296A.08)

Minnesota imposes a state motor fuel tax on diesel equal to \$0.2850 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including certain additional fees, was \$0.2860 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.53 per gallon.

The statutory diesel excise tax is \$0.25 per gallon.

**ALTERNATIVE FUEL TAXES** (§§ 296A.07, .08)

Minnesota imposes the following excise taxes on alternative fuels:

- E85 is taxed at \$0.1775 per gallon;
- M85 is taxed at \$0.1425 per gallon;

- liquefied petroleum gas or propane is taxed at \$0.1875 per gallon;
- liquefied natural gas is taxed at \$0.15 per gallon;
- compressed natural gas is taxed at \$2.174 per thousand cubic feet or \$0.25 per gasoline equivalent; and
- all other special fuels are taxed at the same rate as gasoline.

Statutory sections 296A.07 and 296A.08 amended 2012; API website updated 2015.

[Minn. Stat. §§ 296A.07, .08 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Minnesota, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Minnesota's constitution provides that fuel tax proceeds must be paid into the highway user tax distribution fund. That fund must be used solely for highway purposes. The net proceeds are apportioned as follows:

- 62 percent to the trunk highway fund;
- 29 percent to the county state-aid highway fund;
- nine percent to the municipal state-aid street fund;

- five percent to be apportioned by law to one or more of the above funds; and
- the balance to the trunk highway fund, the county state-aid highway fund, and the municipal state-aid street fund.

### **STATUTORY PROVISIONS**

No money may be transferred from the highway user tax distribution fund to:

- the state transportation fund; or
- the state transportation bond account.

However, the commissioner may transfer money from the highway user tax distribution fund to the general fund to reimburse the general fund for the cost of collecting the taxes mentioned in article XIV of the state constitution. Also, nine percent of the net highway user tax distribution fund is paid into the municipal state-aid street fund.

Minn. Stat. § 161.081 provides that the five percent of the net highway user tax distribution fund that is constitutionally set aside and apportioned to the county state-aid highway fund is distributed as follows:

- 30.5 percent to the town road account;
- 16 percent to the town bridge account; and
- 53.5 percent to the flexible highway account.

The flexible highway account is used as follows:

- 50 percent of the excess sum for certain counties in the metropolitan area; and
- the remainder to restore former trunk highways, highway and road safety improvements, and "routes of regional significance."

Section 162.11 enacted 1959; § 16A.60 amended 1984; §§ 161.081 and 174.51 amended 2009; § 174.50 amended 2014; history of constitutional provisions unknown.

[Minn. Stat. §§ 16A.60; 161.081; 162.11; 174.50, .51 \(2015\); Minn. Const. art. XIV, §§ 5, 10](#)

## Minnesota, Tolls and Other Relevant Fees

### **TOLLS**

Minnesota has high-occupancy toll lanes on I-35W and I-394. The average peak period fee varies from \$1.00 to \$4.00, depending on the express lane's congestion level. The maximum toll is \$8. An additional high-occupancy toll lane on I-35E is scheduled to open in December 2015.

Also, the Federal Highway Administration identifies two toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State websites visited 2015; federal website dated 2014.

[Minn. Dep't of Transp., \*Frequently Asked Questions\* \(last visited Oct. 21, 2015\); \*MnPASS coming to I-35E in 2015\* \(last visited Oct. 21, 2015\); U.S. Dep't of Transp., Federal Highway Admin., \*Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)\*](#)

## Minnesota, Vehicle Miles Traveled Taxes

Minnesota does not assess a vehicle miles traveled tax.

However, the state has conducted several studies concerning mileage-based user fees. In 2007, the state's Pay-As-You-Drive experiment researched several topics related to a mileage-based user fee alternative to the current motor fuel tax.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 15, 2015\)](#)

## Mississippi

### Mississippi, Fuel Tax Rates

#### **GAS TAX** (§ 27-55-11)

Mississippi imposes a state motor fuel tax on gasoline equal to \$0.18 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including applicable fees, was \$0.1879 per gallon; and

- the total state gas tax plus the applicable federal tax was \$0.3719 per gallon.

Hancock, Harrison, and Jackson counties levy an additional Seawall Tax on gasoline.

**DIESEL TAX** (§§ 27-55-505, -519)

Mississippi imposes a state motor fuel tax on diesel equal to \$0.18 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including applicable fees, was \$0.1840 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4280 per gallon.

**ALTERNATIVE FUEL TAXES**

*Special fuels (§§ 27-55-505, -519)*

Mississippi levies a tax on special fuels, which include:

- kerosene;
- diesel fuel;
- fuel oils; and

- any petroleum fuel or product other than gasoline or compressed gas that is usable as fuel in an internal combustion engine.

The special fuel excise tax is:

- \$0.18 per gallon on undyed diesel fuel until the date described in Miss. Code § 65-39-35, and \$0.1475 per gallon thereafter; and
- \$0.0575 per gallon on all special fuel except undyed diesel fuel.

*Compressed gas or liquefied natural gas (§§ 27-59-11, 65-39-35)*

Mississippi levies the following taxes on other alternative fuels used in motor vehicles:

- \$0.17 per gallon until the date specified in § 65-39-35, and \$0.1340 per gallon thereafter, on compressed gas, except compressed and liquefied natural gas;
- \$0.18 per 100 cubic feet until the date described in § 65-39-35, and \$0.1440 per 100 cubic feet thereafter, on compressed natural gas;
- \$0.18 per diesel gallon equivalent until the date described in § 65-39-35, and \$0.1440 per diesel gallon equivalent thereafter, on liquefied natural gas; and
- \$0.18 per 100 cubic feet until the date described in § 65-39-35, and \$0.1440 per 100 cubic feet thereafter, on natural gas.

These taxes do not apply when sales are made to persons who hold a permitted compressed gas user decal.

Different rates apply to persons operating heavy motor vehicles using compressed gas.

Statutory section 27-55-11 amended 1994; § 27-55-519 enacted 1999; § 65-39-35 amended 2002; § 26-55-505 amended 2009; § 27-59-11 amended 2014; API website updated 2015.

Miss. Code Ann. §§ 27-55-11, -505, -519; 27-59-11; 65-39-35 (LexisNexis 2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Mississippi, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

*Overview (§ 27-55-3)*

Mississippi statutes indicate that the purpose of the state's gasoline tax is to provide for highways, streets, and roads.

*Distribution of motor fuels taxes (§ 27-65-75)*

The greater of the following amounts from the fuel tax revenues is deposited monthly into the State Aid Road Fund:

- \$ 4,000,000.00; or

- 23.25 percent of the funds.

Those funds are pledged to pay principal and interest on certain state-aid road bonds.

The Office of State Aid distributes the remainder of the state fuel tax revenues to counties for local bridge and highway projects using a statutory formula. These funds are generally allocated monthly to the state's counties as follows:

- one-third to all counties in equal shares;
- one-third based on the proportion of rural road miles in the county; and
- one-third based on the proportion of rural population in the county.

The gasoline, diesel fuel or kerosene taxes are included in this allocation.

*State Tax Commission allocations (§ 27-5-101)*

Counties directly receive another portion of the revenues for transportation projects.

Generally, from the gross proceeds of gasoline, diesel fuel, or kerosene taxes are allocated as follows:

- one-sixth of principal and interest to be due on the next semiannual bond and interest payment date is deducted from the gross amount;

- from collections derived from the specified taxes, including a portion of the gasoline excise tax, funds are allocated to the "Office of State Aid Road Construction" fund, and the State Highway Fund; and
- the balance to the State Highway Fund.

#### *Municipal Aid Fund (§ 27-5-103)*

After the State Tax Commission has determined the amount of taxes distributable to the counties pursuant to Miss. Code § 27-5-101, and before making payments to each county, the commission first deducts from each county's share an amount based on population to be credited to the municipal aid fund. A municipality must use these funds "solely for construction, maintenance or repair of streets, curbs, gutters, storm sewers, bridges, culverts or like street improvements and appurtenances or for payment of bonds and interest issued for such purposes."

#### *Special fuels (§§ 27-55-503, -561)*

Mississippi statutes indicate that the purpose of the state's special fuel excise tax is to provide for highways, streets, and roads. The proceeds received from the tax on special fuels is apportioned as provided by Miss. Code § 27-5-101.

#### *Liquefied compressed gas tax (§ 27-59-49)*

Generally, the proceeds of the liquefied compressed gas tax are apportioned by the commission in the same manner as the gasoline tax is apportioned according to Miss. Code § 27-5-101. However, the commission must deposit \$0.0025 per gallon of the tax into a special fund to be used to defray the State Fire Marshal's expenses to administer the Liquefied Compressed Gas Equipment Inspection Law.

Section 27-55-3 amended 1969; § 27-59-49 amended 1987; § 27-5-103 amended 1994; §§ 27-55-503 and 27-55-561 enacted 1999; § 27-65-75 amended 2013.

Miss. Code Ann. §§ 27-5-103; -55-3, -503, -561; -59-49; -65-75 (LexisNexis 2015)

## Mississippi, Tolls and Other Relevant Fees

### **TOLLS**

No readily identified Mississippi toll roads were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

*Compressed gas vehicles (§§ 27-59-11; 65-39-35)*

Mississippi's taxes on compressed or liquefied natural gas do not apply to sales made to persons who hold permitted compressed gas user's decals. Every person operating a motor vehicle capable of using any compressed gas, except liquefied natural gas, as a motor fuel and having a gross license tag weight classification of 10,000 pounds or less, is levied an annual privilege tax of \$195 until the date described in § 65-39-35, and \$165 thereafter. Different rates apply to heavier vehicles.

Section 65-39-35 amended 2002; § 27-59-11 amended 2014.

Miss. Code Ann. §§ 27-59-11; 65-39-35 (LexisNexis 2015)

## Mississippi, Vehicle Miles Traveled Taxes

Mississippi does not assess a vehicle miles traveled tax.

Missouri

## Missouri, Fuel Tax Rates

### **GAS TAX** (§ 142.803(1))

Missouri imposes a state motor fuel tax on gasoline equal to \$0.17 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including certain fees, was \$0.1730 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3570 per gallon.

### **DIESEL TAX** (§§ 142.800(37), .803(1))

In Missouri, "motor fuel" includes gasoline, diesel fuel, kerosene, and blended fuel. Therefore, Missouri imposes a state motor fuel tax on diesel equal to \$0.17 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including certain fees, was \$0.1730 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4170 per gallon.

### **ALTERNATIVE FUEL TAXES**

*Alternative fuels not subject to decal fees (§ 142.803(1)(2))*

For alternative fuels not subject to the decal fees set forth Mo. Rev. Stat. § 142.869 (see **Tolls and Other Relevant Fees**) that have a power potential equivalent that is not commonly sold or measured by the gallon, the director is authorized to assess and collect a tax "measured by the nearest power potential equivalent to that of one gallon of regular grade gasoline."

*Compressed natural gas fuel (§ 142.803(1)(4))*

The tax on compressed natural gas, measured by per gasoline gallon equivalent, is as follows:

- \$0.05 until December 31, 2019;
- \$0.11 from January 1, 2020, until December 31, 2024; and
- \$0.17 after December 31, 2024.

*Liquefied natural gas fuel (§ 142.803(1)(5))*

The tax on liquified natural gas fuel, measured by per gasoline gallon equivalent, is as follows:

- \$0.05 until December 31, 2019;
- \$0.11 from January 1, 2020, until December 31, 2024; and
- \$0.17 after December 31, 2024.

Statutory section 142.800 amended 2010; § 142.803 amended 2014; API website updated 2015.

[Mo. Rev. Stat. §§ 142.800; .803 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

Missouri, Programs Funded

## **CONSTITUTIONAL RESTRICTIONS**

### *Apportionment of motor vehicle fuel tax (§ 30(a))*

Missouri's state constitution provides that the motor vehicle fuel tax is generally apportioned as follows after deducting actual administrative costs permitted by law:

- 10 percent to the County Aid Road Trust Fund, using a formula based on road mileage and rural land values;
- 15 percent to cities, towns, and villages "solely for construction, reconstruction, maintenance, repair, policing, signing, lighting and cleaning roads and streets" and to pay principal and interest on indebtedness related to road and street purposes, using a formula based on population; and
- the remainder to the State Road Fund.

### *Application of state road fund (§§ 30(b), 30(d))*

The state constitution dedicates all motor vehicle-related taxes and fees, including fuel taxes (less specified set-asides), to roads, bridges, and tunnels. It prohibits any state revenues from highway users that are allocated to the State Road Fund from being diverted from highway purposes and uses. After certain administrative costs, the proceeds are distributed as follows:

- first, to pay principal and interest on any outstanding state road bonds;
- second, to maintain a balance in the state road fund in the amount necessary to pay the principal and interest of any state road bonds for the next 12 months; and

- the remaining balance for specified state highway system uses and purposes, including, among others, improving and maintaining the state highway system, reimbursing counties and other political subdivisions (except incorporated cities and towns) for amounts spent to construct or acquire roads and bridges, and constructing and maintaining highways and bridges.

## **STATUTORY PROVISIONS**

### *Disbursement of Motor Fuel Tax Fund (§ 142.345)*

Revenues from the motor fuel tax are deposited in the Motor Fuel Tax Fund and disbursed as follows:

- the amount of the tax collected with respect to fuel not used for propelling motor vehicles on state highways are refunded;
- the amount equal to administrative costs is transferred to the state highways and transportation department fund for reimbursement to the agencies or departments incurring the costs, subject to statutory limitations;
- a percentage of the net proceeds are transferred to the county aid road trust fund as provided in article IV, § 30(a) of the state constitution;
- a percentage of the net proceeds are allocated to the cities, towns, and villages entitled to the funds as provided by article IV, § 30(a) of the state constitution; and
- the remaining net proceeds are transferred to the state highways and transportation department fund.

### *Distribution of funds for highway and road purposes (§ 142.350)*

The funds provided for the construction of state highways are distributed between the "higher type roads" (the "primary system") and the other state roads (the "secondary system") as follows:

- 48.8 percent to the primary system; and
- 51.2 percent to the secondary system.

This distribution continues until one of the systems is completed, at which time all of the funds provided for construction purposes will be used in the construction of the roads of the remaining system. Certain reimbursements and maintenance costs are deducted before the distribution.

Section 142.350 amended 1998; § 142.345 amended 2000; constitutional sections 30(a) and 30(b) amended 2004; § 30(d) adopted 2004.

[Mo. Rev. Stat. §§ 142.345, .350 \(2015\); Mo. Const. art. IV, §§ 30\(a\), 30\(b\), 30\(d\)](#)

## Missouri, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Missouri. However, the Department of Transportation is considering tolling options to provide funds to improve I-70, and the Federal Highway Administration identifies one toll bridge in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

### *Alternative fuel decal fee in lieu of tax (§ 142.869)*

Missouri has optional annual flat-rate fee for certain alternative fuel vehicles. Generally, the state motor fuel tax does not apply to a vehicle that is powered by an alternative fuel if the owner or operator obtains a decal. The decal fee for a passenger vehicle is \$75.

Until December 31, 2015, owners and operators of motor vehicles that are powered by compressed natural gas or liquefied natural gas may continue to apply for and use the alternative fuel decal in lieu of paying the state tax, provided the owner or operator has installed a natural gas fueling station used solely to fuel their vehicles. Owners and operators that have an alternative fuel decal and decline to renew it after January 1, 2016, may no longer apply for alternative fuel decals. Instead, they will be subject to the compressed natural gas or liquefied natural gas motor fuel tax imposed by § 142.803. (See **Fuel Tax Rates** for details regarding the tax.)

Section 142.869 amended 2014; state website visited 2015; federal website dated 2014.

[Mo. Rev. Stat. § 142.869 \(2015\)](#); [Mo. Dep't of Transp., Tolling Options for I-70, Independence to Wentzville: Executive Summary \(Dec. 2014\)](#); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Missouri, Vehicle Miles Traveled Taxes

Missouri does not assess a vehicle miles traveled tax.

## Montana

### Montana, Fuel Tax Rates

#### **GAS TAX** (§ 15-70-403(1)(a))

Montana imposes a state motor fuel tax on gasoline equal to \$0.27 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including fees, was \$0.2775 per gallon; and

- the total state gas tax plus the applicable federal tax was \$0.4615 per gallon.

### **DIESEL TAX** (§§ 15-70-401(21), -403(1)(b))

Diesel is a "special fuel" in Montana. The state imposes a state motor fuel tax on special fuel equal to \$0.2775 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including fees, was \$0.2850 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5290 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Special fuels (§§ 15-70-401(21), -403(1)(b))*

The state imposes a state motor fuel tax on special fuels equal to \$0.2775 per gallon. "Special fuel" means "those combustible gases and liquids commonly referred to as diesel fuel or any other volatile liquid of less than 46 degrees A.P.I. (American petroleum institute) gravity test, except liquid petroleum gas" sold for use in motor vehicles operating on Montana public roads and highways. The term includes biodiesel and additives of all types if the additive is mixed or blended into special fuel.

#### *Special biodiesel fuel (§ 15-70-405)*

Subject to specified conditions, a special biodiesel fuel producer is exempt from the special fuel tax on biodiesel produced from waste vegetable oil feedstock.

#### *Compressed natural gas and liquefied petroleum gas (§ 15-70-711)*

Retail sales for compressed natural gas and liquefied petroleum gas are subject to a modified tax that is based on the fuel's energy content. The tax on compressed natural gas is computed according to the formula provided by Mont. Code Ann. § 15-70-711(2)(b). The tax on liquefied petroleum gas is computed according to the formula provided by Mont. Code Ann. § 15-70-711(5)(b).

Statutory section 15-70-711 amended 1997; §§ 15-70-401, 15-70-405, and 15-70-711 amended and redesignated 2015; API website updated 2015.

[Mont. Code Ann. §§ 15-70-401, -403, -405, -711 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Montana, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Montana's constitution restricts the use of highway user fee revenues (which includes fuel taxes, among others) solely to the following, after deducting statutory refunds and adjustments:

- obligations incurred to construct, reconstruct, repair, operate, and maintain public highways, streets, roads, and bridges;
- county, city, and town obligations related to streets, roads, and bridges; and
- highway safety, driver education, tourist promotion, and collections.

### **STATUTORY PROVISIONS**

*Disposition of funds (§§ 15-70-101, -102)*

Funds from gasoline and diesel taxes are allocated to local entities. The amount of \$16,766,000 is statutorily appropriated to the transportation department and must be allocated to the counties, incorporated cities and towns, and consolidated city-county governments in Montana for the construction, reconstruction, maintenance, and repair of rural roads and city or town streets and alleys, as follows:

- \$100,000 for the Montana local technical assistance transportation program in Bozeman;
- \$6,306,000 divided among the state's counties using a statutory formula based on rural road mileage, rural population, and land area;
- \$10,360,000 divided among the state's incorporated cities and towns using a statutory formula based on population and street and alley mileage.

All funds must be used for street or road construction or maintenance. However, counties and cities may authorize the use of funds for installing grade crossing protection within the county or city.

*Distribution of gasoline tax proceeds (§§ 60-3-201, -202)*

Money received in payment of the gasoline tax under Mont. Code Ann. § 15-70-403 is used first to pay highway bonds and interest and then to accumulate and maintain a reserve for the payment of highway bonds and interest. After deducting amounts for gasoline tax refunds, the remainder is allocated as follows:

- 9/10 of one percent to the state park account;
- 15/28 of one percent to a snowmobile account;
- 1/8 of one percent to an off-highway vehicle account;

- 1/25 of one percent to the aeronautics revenue fund; and
- the remainder for use on the Montana highways selected and designated by the commission, to collect the fuel taxes, and to enforce the Montana highway code.

An amount equal to \$0.0025 per gallon of the special fuel tax and \$0.0025 of the gasoline tax is allocated to highway maintenance.

Statutory section 15-70-102 amended 1995; § 15-70-101 amended 2013; § 60-3-201 and 60-3-202 amended 2015; history of constitutional provision unknown.

[Mont. Code Ann. §§ 15-70-101, -102; 60-3-201, -202 \(2015\); Mont. Const. art. VIII, § 6](#)

## Montana, Tolls and Other Relevant Fees

### **TOLLS**

No readily identifiable toll roads were located.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

## Montana, Vehicle Miles Traveled Taxes

Montana does not assess a vehicle miles traveled tax. However, Billings participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 26, 2015\)](#)

## Nebraska

### Nebraska, Fuel Tax Rates

**GAS TAX** (§§ 66-489, -489.02, -4,105, -4,140, -4,145, -4,146)

According to the American Petroleum Institute, Nebraska imposes a state motor fuel tax on gasoline equal to \$0.2610 per gallon as of October 1, 2015. The tax imposed on gasoline is variable in part, and the state includes other taxes and fees. Therefore, as of October 1, 2015:

- the total state gas tax, including other taxes and fees, was \$0.27 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4540 per gallon.

Nebraska's fuel tax rate is subject to change every six months. It is composed of several distinct amounts. For example, Neb. Rev. Stat. § 66-489(b) assesses the following motor fuel tax amounts per gallon:

- \$0.075 through December 31, 2015;
- \$0.08 beginning on January 1, 2016, through December 31, 2016;

- \$0.085 beginning on January 1, 2017, through December 31, 2017;
- \$0.09 beginning on January 1, 2018, through December 31, 2018; and
- \$0.095 beginning on January 1, 2019.

Neb. Rev. Stat. § 66-489.02 levies a variable additional tax at a rate equal to five percent of the average wholesale price of gasoline. The change in the average wholesale price between two six-month periods is adjusted so that the tax increase or decrease does not exceed one cent per gallon. Additional excise taxes are imposed by Neb. Rev. Stat. §§ 66-4,105, -4,140, -4,145, and -4,146. The taxes imposed by § 66-4,105 are scheduled to increase incrementally each year from \$0.0750 per gallon through December 31, 2015, to \$0.0950 beginning on January 1, 2019.

**DIESEL TAX** (§§ 66-482, -489, -489.02, -4,105, -4,140, -4,145, -4,146)

According to the American Petroleum Institute, Nebraska imposes a state motor fuel tax on diesel equal to \$0.2610 per gallon. The tax imposed on diesel is variable in part, and the state includes other taxes and fees. Therefore, as of October 1, 2015:

- the total state diesel tax, including other taxes and fees, was \$0.2640 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5080 per gallon.

The term "motor fuel" includes diesel fuel, so the additional taxes described above that are assessed on motor fuel also apply to diesel.

## **ALTERNATIVE FUEL TAXES**

*Compressed fuel taxes (§§ 66-6,100, -6,107, -6,109, -6,109.02)*

Nebraska assesses a tax on compressed fuel, which includes the following:

- compressed natural gas;
- liquefied petroleum gas;
- liquefied natural gas;
- butane; and
- any other type of compressed gas or compressed liquid suitable for fueling a motor vehicle.

Compressed fuel does not include motor vehicle fuel or diesel fuel, as defined in section § 66-482.

Neb. Rev. Stat. § 66-6,107 imposes an excise tax on all compressed fuel sold for use in registered motor vehicles. This excise tax is in addition to other taxes imposed pursuant to §§ 66-6,108, 66-6,109, and 66-6,109.02. The tax imposed by § 66-6,107 is as follows per gallon or gallon equivalent:

- \$0.0750 through December 31, 2015;

- \$0.08 beginning on January 1, 2016, through December 31, 2016;
- \$0.0850 beginning on January 1, 2017, through December 31, 2017;
- \$0.09 beginning on January 1, 2018, through December 31, 2018; and
- \$0.0950 beginning on January 1, 2019.

Section 66-6,108 levies an excise tax at the rate set pursuant to § 66-4,144 on all gallons or gallon equivalents of compressed fuel sold for use in registered motor vehicles. The excise tax levied by § 66-6,109 increases incrementally annually from \$0.0280 per gallon or gallon equivalent through December 31, 2015, to \$0.0680 per gallon or gallon equivalent beginning on January 1, 2019. The tax levied pursuant to § 66-6,109.02 varies according to the average wholesale price of gasoline.

Statutory section 66-6,108 enacted 1995; §§ 66-4,140 and 66-6,100 amended 2004; § 66-6,109.02 enacted 2008; § 66-489.02 amended 2012; § 66-482 amended 2014; §§ 66-489, 66-4,105, 66-4,145, 66-4,146, 66-6,107, and 66-6,109 amended 2015; API website updated 2015.

[Neb. Rev. Stat. §§ 66-482, -489, -489.02, -4,105, -4,140, -4,145, -4,146, -6,100, -6,107, -6,108, -6,109, -6,109.02 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

Nebraska, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

## **STATUTORY PROVISIONS**

### *Highway Trust Fund (§ 66-499, -4,140, -4,147)*

Unless otherwise provided, all amounts received under Neb. Rev. Stat. §§ 66-489 and 66-4,105 are credited to the Highway Trust Fund. After credits and refunds, the balance of the Highway Trust Fund is allocated to the Highway Cash Fund.

The receipts from the taxes established by Neb. Rev. Stat. §§ 66-4,145, 66-4,146, and 66-6,109 are also credited to the Highway Trust Fund. After credits and refunds, the balance is allocated to the Highway Allocation Fund.

The tax imposed by Neb. Rev. Stat. § 66-4,140 is also credited to the Highway Trust Fund. After credits and refunds, the balance is allocated to:

- the Highway Restoration and Improvement Bond Fund, if bonds are issued pursuant to Neb. Rev. Stat. § 39-2223(2); and
- the Highway Cash Fund, if no such bonds are issued.

### *Highway Cash Fund (§§ 66-4,100)*

Funds from the Highway Cash Fund may be directed to the Roads Operations Cash Fund. Both funds must be spent as follows:

- to acquire real estate, road materials, equipment, and supplies to be used to construct, reconstruct, improve, and maintain state highways;

- to construct, improve, and maintain state highways;
- for the department's share of the cost to maintain state aid bridges;
- for planning studies to analyze traffic and road problems and for incidental costs in connection with the federal-aid grade crossing program for roads not on state highways;
- for tests and research;
- for expenses of the Board of Examiners for County Highway and City Street Superintendents for support of the public transportation assistance program and the intercity bus system assistance program; and
- for purchasing from political or governmental subdivisions or public corporations, any federal-aid transportation funds available to such entities.

*Highway Allocation Fund (§ 39-2507, 66-4, 148)*

A portion of state fuel taxes is distributed to counties and municipalities through the Highway Allocation Fund. The Highway Allocation Fund is distributed as follows:

- one-half to the counties and municipal counties for road purposes; and
- one-half to the municipalities and municipal counties for street purposes.

Funds are distributed using a statutory formula based on:

- rural and total population;
- lineal feet of bridges and overpasses;
- rural and total motor vehicle registrations;
- road mileage; and
- value of farm products sold.

*Tax on average wholesale price of gasoline (§ 66-489.02)*

All revenues from the tax on the average wholesale price of gasoline are credited to the Highway Trust Fund. After credits and refunds, the balance of the amount credited is allocated as follows:

- 66 percent to the Highway Cash Fund for the Department of Roads;
- 17 percent to the Highway Allocation Fund for allocation to counties for road purposes; and
- 17 percent to the Highway Allocation Fund for allocation to municipalities for street purposes.

### *Compressed fuel (§ 66-6,108)*

The excise tax on compressed fuel assessed by Neb. Rev. Stat. § 66-6,108, is credited to the Highway Trust Fund.

After credits and refunds, the balance is allocated to:

- the Highway Restoration and Improvement Bond Fund, if bonds are issued pursuant to Neb. Rev. Stat. § 39-2223(2); and
- the Highway Cash Fund, if no such bonds are issued.

Statutory section 66-6,108 enacted 1995; § 66-4,147 amended 2004; § 66-499 amended 2008; §§ 39-2507 and 66-4,148 amended 2001; § 66-4,100 amended 2011; § 66-489.02 amended 2012.

[Neb. Rev. Stat. §§ 39-2507; 66-489.02, -499, -4,100, -4,105, -4,147, -4,148 \(2015\)](#)

## Nebraska, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Nebraska. However, the Federal Highway Administration identifies three toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES** (§§ 60-306 and 60-3,191)

Nebraska's alternative fuel vehicle registration fees (described below) apply to motor vehicles powered solely by electricity, among other alternative fuels.

## **OTHER FEES**

### *Alternative Fuel Vehicle Registration (§§ 60-306 and 60-3,191)*

Nebraska requires a person who operates a motor vehicle powered solely by an alternative fuel on state highways to purchase an alternative fuel user permit in order to pay their estimated fuel tax liability. The fee is \$75. Alternative fuels include the following:

- electricity;
- solar power; and
- any other source of energy not otherwise taxed under the motor fuels tax laws.

Liquefied petroleum gas and compressed natural gas are not included. (They are subject to excise taxes imposed under the Compressed Fuel Tax Act.)

Section 66-306 amended 2011; § 60-3,191 enacted 2011; federal website dated 2014.

[Neb. Rev. Stat. §§ 60-306, -3,191 \(2015\); U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Nebraska, Vehicle Miles Traveled Taxes

Nebraska does not assess a vehicle miles traveled tax.

## Nevada

### Nevada, Fuel Tax Rates

**GAS TAX** (§§ 365.175, .180)

Nevada imposes a state motor fuel tax on gasoline equal to \$0.23 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including fees and county taxes, was \$0.3385 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5225 per gallon.

Nevada statutes provide that the following per-gallon amounts are included in the state's fuel tax:

- \$0.1765 (levied by Nev. Rev. Stat. § 365.175);
- \$0.0360 (levied by Nev. Rev. Stat. § 365.180);
- any amount by which a federal tax related to motor vehicle fuels is reduced or discontinued (provided by Nev. Rev. Stat. § 365.185);
- \$0.01750 (levied by Nev. Rev. Stat. § 365.190); and
- \$0.01 (levied by Nev. Rev. Stat. § 365.192).

Nevada law also provides for the following local taxes:

- county fuel taxes authorized by chapter 373; and
- any city or town motor vehicle fuel tax in effect on January 1, 1935.

Generally, in any county for which the county or regional planning commission has adopted a streets and highways plan as part of a master plan, the board may impose a county tax on motor vehicle fuel in an amount not to exceed \$0.09 per gallon. This tax is in addition to the other motor vehicle fuel taxes imposed by chapter 365.

See Nev. Rev. Stat. §§ 373.065 through 373.0667 for additional provisions related to local fuel excise taxes.

**DIESEL TAX** (§ 366.190)

Nevada imposes a state motor fuel tax on diesel equal to \$0.27 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including other taxes and fees, was \$0.2856 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5296 per gallon.

**ALTERNATIVE FUEL TAXES** (§§ 366.190)

Nevada imposes a tax of \$0.27 per gallon on special fuels, including:

- diesel;
- biodiesel and biodiesel blend;
- biomass-based diesel and biomass-based diesel blend; and

- liquefied natural gas.

The state also imposes the following per-gallon taxes on special fuels:

- \$0.19 on emulsion of water-phased hydrocarbon fuel;
- \$0.064 on liquefied petroleum gas; and
- \$0.21 on compressed natural gas.

Nevada will levy an additional excise tax on special fuel if a federal tax related to special fuel is reduced or discontinued.

Statutory section 366.195 amended 1997; §§ 365.180, 365.185, and 365.192 amended 1999; § 365.190 amended 2003; §§ 365.210 and 373.030 amended 2009; § 365.175 amended 2011; § 366.190 amended 2015; API website updated 2015.

[Nev. Rev. Stat. §§ 365.175, .180, .185, .190, .192, .210; 366.190](#) (as amended by [2015 Nev. Stat. ch. 122 \(A.B. 32\)](#)), [.195; 373.030 \(2014\)](#); [American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

## Nevada, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Nevada's constitution generally restricts the use of proceeds from fuel excise taxes to the construction, maintenance, and repair of public highways and administration costs. This restriction does not apply to a tax imposed on vehicles in lieu of an ad valorem property tax.

## **STATUTORY PROVISIONS**

### *General distribution requirements (§ 365.540)*

Fuel tax proceeds are generally distributed as follows, after applicable deposits provided by Nev. Rev. Stat. § 365.535:

- amounts collected pursuant to Nev. Rev. Stat. §§ 365.175 and 365.185 are deposited in the State Highway Fund;
- \$0.05 per gallon of the tax collected pursuant to Nev. Rev. Stat. § 365.175 must be used exclusively to construct, maintain, and repair a right-of-way; and
- amounts collected pursuant to Nev. Rev. Stat. §§ 365.180 and 365.190 are allocated as provided by Nev. Rev. Stat. §§ 365.550 and 365.560 (as described below).

### *Proceeds of § 365.180 taxes (§ 365.550)*

The proceeds of the tax levied pursuant to Nev. Rev. Stat. § 365.180 are allocated to the state's counties, using a formula based on past allocation amounts, area, population, and share of total mileage of improved roads or streets.

An amount equal to \$0.0125 per gallon must be used exclusively for

- the service and redemption of revenue bonds; and
- the construction, maintenance and repair of county rights-of-way.

*Proceeds of § 365.190 taxes (§ 365.560)*

The proceeds of the tax levied by Nev. Rev. Stat. § 365.190 are allocated to the counties in which the tax payment originated, using a statutory formula based on assessed valuation of property in the county. The funds must be used on:

- the service and redemption of certain revenue bonds; and
- the construction, maintenance, and repair of county rights-of-way.

Any amounts apportioned to towns or incorporated cities must be used only for the construction, maintenance, and repair of rights-of-way, other than state highways.

*Proceeds of § 365.192 taxes (§ 365.562)*

The proceeds of the tax levied by Nev. Rev. Stat. § 365.192 are allocated to the state's counties in proportion to the number of gallons of fuel that are sold to retailers in each county. Each city is entitled to receive a proportion of those receipts that its total population bears to the county's total population. The county or city must use the proceeds "for the construction, maintenance and repair of the rights-of-way in the county or city, other than those maintained by the Federal Government and this State."

*State Highway Fund (§ 408.235)*

Except as otherwise provided by statute, the proceeds from the excise tax on gasoline and other motor vehicle fuels are deposited into the State Highway Fund. Except for costs of administering the collection of the taxes, the funds must be used exclusively to administer, construct, reconstruct, improve, and maintain highways.

Administration costs for the collection of any excise tax on gasoline or other motor vehicle fuel is limited to one percent of the total proceeds.

See chapter 373 of Nevada Revised Statutes for numerous detailed provisions regarding the distribution and use of the additional local fuel excise tax proceeds.

### *Special fuels (§ 366.700)*

All money received from the special fuels tax is deposited in the Motor Vehicle Fund. Five cents per gallon, minus the portion used to administer the Department of Motor Vehicles, must be used exclusively to construct and maintain public highways. The funds may not be used to purchase equipment.

Section 366.700 amended 2001; §§ 365.540, 365.550, 365.560, 365.562, and 408.235 amended 2015; constitutional provision amended 1962.

[Nev. Rev. Stat. §§ 365.540](#) (as amended by [2015 Nev. Stat. ch. 135 \(A.B. 366\)](#)), [.550](#) (as amended by [2015 Nev. Stat. chs. 135 \(A.B. 366\)](#) and [474 \(A.B. 457\)](#)), [.560](#) (as amended by [2015 Nev. Stat. ch. 135 \(A.B. 366\)](#)), [.562](#) (as amended by [2015 Nev. Stat. ch. 135 \(A.B. 366\)](#)); [366.700](#); [408.235 \(2014\)](#) (as amended by [2015 Nev. Stat. ch. 135 \(S.B. 502\)](#)); [Nev. Const. art. IX, § 5](#)

## Nevada, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Nevada.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

### **Nevada, Vehicle Miles Traveled Taxes**

Nevada does not assess a vehicle miles traveled tax.

However, Nevada conducted a Vehicle Miles Traveled (VMT) fee study in 2009. The study:

- assessed and evaluated the feasibility of a VMT fee collection and payment mechanism for Nevada;
- conducted a public outreach and education effort to educate the public, elected officials, and certain stakeholders and decision-makers about the current fuel tax system's shortfalls and limitations;
- identified and addressed the significant elements associated with the concept of a VMT fee; and
- designed a VMT Fee Pilot Program for the state.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 26, 2015\)](#)

### **New Hampshire**

#### **New Hampshire, Fuel Tax Rates**

**GAS TAX** (§§ 260:32, :32-a)

New Hampshire imposes a state motor fuel tax on gasoline equal to \$0.2220 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including an additional tax, was \$0.2383 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4223 per gallon.

Effective July 1, 2014, the road toll rate imposed on sales of motor fuels is adjusted using the Consumer Price Index.

**DIESEL TAX** (§§ 260:32, :32-a)

New Hampshire imposes a state motor fuel tax on diesel equal to \$0.2220 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including an additional tax, was \$0.2383 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4823 per gallon.

Effective July 1, 2014, the road toll rate imposed on sales of motor fuels is adjusted using the Consumer Price Index.

**ALTERNATIVE FUEL TAXES** (§§ 259:3-d; 260:32-c, -d)

New Hampshire imposes a road toll on alternative fuels (based on the fuel's motor fuel equivalent gallon) at the rate established in N.H. Rev. Stat. § 260:32. In this context, "alternative fuel" means

"any source of fuel, other than motor fuel and electricity, used to propel a motor vehicle" on New Hampshire roads. "Alternative fuel" includes, but is not limited to:

- compressed natural gas;
- liquefied natural gas; and
- propane.

Statutory sections 260:32 and 260:32-a amended 2014; §§ 259:3-d and 260:32-c enacted 2014; API website updated 2015.

[N.H. Rev. Stat. §§ 259:3-d; 260:32, :32-a, :32-c \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## New Hampshire, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

New Hampshire's constitution restricts the use of revenues from taxes on the sale of motor fuel to:

- collection and administration costs; and
- the construction, reconstruction and maintenance of public highways, including traffic supervision and payment of interest and principal on obligations.

The revenues may not be diverted "to any other purpose whatsoever."

### **STATUTORY PROVISIONS**

### *Use of Tolls (§ 260:35)*

New Hampshire's road tolls are used:

- initially for interest and principal due on bonds and notes issued related to highway purposes; and
- the remainder are for the highway fund.

### *Local Apportionment (§ 235:23)*

State funds available to cities, towns, and unincorporated places are distributed as follows:

- at least 12 percent of the gross road toll revenue and motor vehicle fees are distributed to a local highway aid fund, which is distributed to each city, town, and unincorporated place using a formula based on highway mileage and population; and
- an allotment to each municipality using a statutory formula, provided the amount may not be less than \$400,000.

### *Highway and Bridge Betterment Program (§ 235:23-a)*

A portion of fuel tax revenues is distributed to highway districts through a highway and bridge betterment program. The program is funded from \$0.03 per gallon of the road toll imposed by N.H. Rev. Stat. § 260:32. The funds are allocated using a statutory formula based on class I, II, and III highway and highway bridge mileage. The highway bridge betterment program is for:

- highway construction, reconstruction, and resurfacing;

- bridge construction, reconstruction, and maintenance; and
- insuring adequate maintenance and improvement of that portion of the state highway system not supported with federal aid.

*Expenditure of Certain Road Toll Revenue (§ 260:32-b)*

The allocation of revenues collected from adjustments pursuant to N.H. Rev. Stat. § 260:32-a is as set forth in § 260:32-b. For the fiscal year ending June 30, 2016, and for rates that exceed \$0.18 per gallon (less certain required distributions under § 235:23), the funds are distributed as follows in order of priority:

- the amount necessary for debt service payments on certain bonds;
- \$6,800,000 for state bridge aid for municipal bridges;
- up to \$8,300,000 to the department of transportation bureau of highway maintenance; and
- all remaining funds to the highway and bridge betterment account.

See N.H. Rev. Stat. § 260:32-b for allocations for subsequent years.

Statutory section 260:35 amended 1982; § 235:23-a amended 2009; §§ 235:23 and 260:32-b amended 2015; constitutional provision enacted 1038.

[N.H. Rev. Stat. §§ 235:23](#) (as amended by [2015 N.H. Laws ch. 276:192](#)), [:23-a](#); [260:32-b](#) (as amended by [2015 N.H. Laws ch. 276:210](#)), [:35 \(2015\)](#); [N.H. Const. part II, art. 6-a](#)

## New Hampshire, Tolls and Other Relevant Fees

### **TOLLS**

The New Hampshire Department of Transportation identifies the following tolls for passenger vehicles:

- Central New Hampshire Turnpike (ranges from \$0.35 to \$1.00);
- Spaulding Turnpike (ranges from \$0.53 to \$0.75); and
- Blue Star Turnpike (ranges from \$0.53 to \$2.00).

Specific tolls are available through the Department's *Turnpike System* website.

The Federal Highway Administration also identifies a toll bridge and other toll roads, such as the Mt. Washington Summit Road, in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State website dated 2015; federal website dated 2014.

[N.H. Dep't of Transp., Turnpike System](#) (last visited Oct. 28, 2015); [New Hampshire Turnpike System Toll Rate Schedule](#) (last visited Oct. 28, 2015); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## New Hampshire, Vehicle Miles Traveled Taxes

New Hampshire does not assess a vehicle miles traveled tax.

## New Jersey

### New Jersey, Fuel Tax Rates

#### **GAS TAX** (§§ 54:15B-3, :39-103)

New Jersey imposes a state motor fuel tax on gasoline equal to \$0.1050 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including a petroleum products gross receipts tax, was \$0.1450 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3290 per gallon.

#### **DIESEL TAX** (§§ 54:15B-3, :39-103)

New Jersey imposes a state motor fuel tax on diesel equal to \$0.1350 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including a petroleum products gross receipts tax, was \$0.1750 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4190 per gallon.

## **ALTERNATIVE FUEL TAXES**

### *Liquefied petroleum gas (§ 54:39-103)*

The base tax rate for liquefied petroleum gas is \$0.0525 per gallon.

### *Alternative fuels taxed at the motor fuel rate (§§ 54:39-102, -103)*

New Jersey levies a tax on "motor fuels" equal to \$0.1050 per gallon. "Motor fuel" is defined as gasoline, diesel fuel, kerosene, and blended fuel. "Blended fuel" is a "mixture composed of motor fuel and another liquid . . . that can be used as a fuel in a highway vehicle." "Blended fuel" includes, but is not limited to, the following:

- gasohol;
- biobased liquid fuel;
- biodiesel fuel;
- ethanol;
- methanol;
- fuel grade alcohol;
- diesel fuel enhancers; and

- resulting blends.

#### *Exemptions from tax (§ 54:39-112)*

Fuel grade alcohol, biobased liquid fuel, or biodiesel fuel sold to a licensed supplier and delivered to a qualified terminal are exempt from the motor fuel tax. A supplier or distributor may claim a deduction or a refund for tax paid on those fuels.

Statutory section 54:39-103 amended 2010; §§ 54:39-102 and 54:39-112 amended 2015; API website updated 2015.

N.J. Stat. §§ 54:39-102, -103, -112 (2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## New Jersey, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

New Jersey's constitution dedicates revenues from the motor fuel tax, the petroleum products gross receipts tax, and a portion of the general sales tax to transportation system capital improvements. This amount may be used only to pay or finance the cost of planning, acquiring, engineering, constructing, reconstructing, repairing, and rehabilitating New Jersey's transportation system. The state legislature may not borrow, appropriate, or use any part of these funds for any other purpose.

### **STATUTORY PROVISIONS**

#### *Transportation Trust Fund Account (§ 27:1B-20, -25)*

Proceeds from the fuel tax are deposited into the "Transportation Trust Fund Account." During each fiscal year during which the authority has bonds, notes, or other outstanding obligations, the treasurer credits to a portion of the proceeds to a "Subaccount for Debt Service for Prior Bonds" and a portion of the revenues to a "Subaccount for Debt Service for Transportation Program Bonds."

*Local aid (§ 27:1B-25)*

The commissioner of transportation allocates local aid from the Transportation Trust Fund. Counties and municipalities must use the funds as follows:

- to plan, acquire, engineer, construct, reconstruct, repair, resurface, and rehabilitate public highways; and
- to plan, acquire, engineer, construct, reconstruct, repair, maintain, and rehabilitate public transportation projects and other authorized transportation projects.

Aid is allocated to municipalities and counties using statutory formulas that are based on road mileage and population. After allocating local aid, the commissioner prioritizes the funding of municipal projects within each county, using the following criteria:

- traffic volume;
- safety considerations;
- growth potential;
- readiness to obligate funds;
- local taxing capacity; and
- whether a project is intended to remedy hazardous conditions for school pupils or to improve pedestrian safety.

Additional amounts are allocated as state aid to qualified municipalities. The commissioner may also allocate additional funding to the Local County Aid Program for public highway projects, using a formula based on road mileage under county jurisdiction.

Sections 27:1B-20 and 27:1B-25 amended 2012; constitutional provision amended 2006.

N.J. Stat. §§ 27:1B-20, -25 (2015); [N.J. Const. art. VIII, § 2, ¶4](#)

## New Jersey, Tolls and Other Relevant Fees

### **TOLLS**

New Jersey charges the tolls set forth below for passenger vehicles using tollroads in the state:

- \$0.51 to \$3.00 on the Atlantic City Expressway, depending on distance traveled and payment method;
- \$0.50 to \$1.50 on the Garden State Parkway, depending on distance traveled; and
- \$0.65 to \$13.85 on the New Jersey Turnpike, depending on time of day, distance traveled, and payment method. Green car discounts are available.

Also, the Federal Highway Administration identifies 29 toll bridges and tunnels in New Jersey.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

Federal website dated 2014; state website history unknown; Atlantic City Expressway webpage dated 2012.

[U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#); [N.J. Turnpike Auth., Traffic Resources: Toll Rates \(last visited Nov. 12, 2015\)](#) (contains links to some toll rates); [Atlantic City Expressway, Toll Schedule \(2012\)](#)

## **New Jersey, Vehicle Miles Traveled Taxes**

New Jersey does not assess a vehicle miles traveled tax.

## **New Mexico**

### **New Mexico, Fuel Tax Rates**

#### **GAS TAX** (§ 7-13-3)

New Mexico imposes a state motor fuel tax on gasoline equal to \$0.17 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including fees, was \$0.1888 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3728 per gallon.

#### **DIESEL TAX** (§§ 7-16A-2, -3)

New Mexico imposes a special fuel excise tax on diesel equal to \$0.21 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including fees, was \$0.2288 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4728 per gallon.

## **ALTERNATIVE FUEL TAXES**

### *Special Fuel Excise Tax (§§ 7-16A-2, -3)*

New Mexico imposes a special fuel excise tax of \$0.21 per gallon. "Special fuel" means "any diesel-engine fuel, biodiesel, blended biodiesel or kerosene used for the generation of power to propel a motor vehicle." The term does not include gasoline, liquefied petroleum gas, or compressed or liquefied natural gas.

Note that the statutory provision permitting special fuels consisting of at least 99 percent vegetable oil or animal fat to be deducted from the special fuel excise tax applied only until July 1, 2014.

### *Alternative Fuel Excise Tax (§§ 7-16B-3, -4)*

New Mexico assesses the following alternative fuel excise tax on each gallon of alternative fuel:

- \$0.1330 for compressed natural gas;
- \$0.2060 for liquefied natural gas; and
- \$0.12 for other alternative fuels.

"Alternative fuel" means "liquefied petroleum gas, compressed natural gas, liquefied natural gas or a water-phased hydrocarbon fuel emulsion consisting of a hydrocarbon base and water in an

amount not less than twenty percent by volume of the total water-phased fuel emulsion" used to generate power to propel a motor vehicle on the highway.

Statutory section 7-13-3 amended 1995; § 7-16A-3 amended 2003; §§ 7-16A-2 and 7-16A-10 amended 2013; §§ 7-16B-3 and 7-16B-4 amended 2014; API website updated 2015.

N.M. Stat. §§ 7-13-3; 7-16A-2, -3, -10; 7-16B-3, -4 (2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## New Mexico, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

*Distributions to the state road fund (§§ 7-1-6.10; 67-3-65.1)*

Receipts from the Gasoline Tax Act, the Special Fuels Supplier Tax Act, and the Alternative Fuel Tax Act are distributed to the state road fund, minus amounts explicitly otherwise distributed by statute (as described below).

The amounts distributed to the state road fund must be used:

- to maintain, construct, and improve state transportation projects;
- to meet federal allotments under the federal-aid road laws; and

- as a set-aside to pay the principal and interest due each year on state transportation revenue bonds.

*Distributions to municipalities and counties (§ 7-1-6.9)*

An amount equal to 10.38 percent of the net receipts attributable to the gasoline tax is distributed as follows:

- 90 percent to municipalities and H class counties, based on proportion of taxable motor fuel sales; and
- 10 percent to the counties, including H class counties, based on the proportion of taxable motor fuel sales outside of incorporated municipalities.

The proceeds are paid into a separate road fund to be used only to construct, reconstruct, resurface, or otherwise improve or maintain public roads, streets, alleys, or bridges. The funds may also be used to provide matching funds for projects subject to cooperative agreements entered into with the state highway and transportation department.

*Distributions to the county government road fund (§§ 7-1-6.19, -6.26)*

An amount equal to 5.76 percent of the net receipts attributable to the gasoline tax is distributed to the county government road fund. This fund is allocated using a statutory formula that is based on public roads mileage, population, and reported taxable gallons of gasoline. The county distributions are deposited in a county road fund to be used to construct, reconstruct, resurface or otherwise improve or maintain public roads and bridges. The county may also use the money as matching funds for projects subject to cooperative agreements entered into with the state highway and transportation department.

*Distributions to the local governments road fund (§§ 7-1-6.28, -6.39; 67-3-28.2)*

An amount equal to 9.52 percent of the net receipts attributable to the special fuel excise tax is distributed to the local governments road fund. Part of the local governments road fund is allocated as follows:

- 42 percent for the cooperative agreements program;
- 16 percent for the municipal arterial program;
- 16 percent for school bus routes; and
- 26 percent for the county arterial program.

The department also distributes up to \$1,000,000 per calendar year from the local governments road fund to municipalities and counties that demonstrate financial hardship. The municipalities or counties must use these funds for their matching fund requirements.

An amount equal to 1.44 percent of the net receipts attributable to the gasoline tax is distributed to the municipal arterial program of the local governments road fund.

*Distributions to municipalities (§ 7-1-6.27)*

An amount equal to 5.76 percent of the net receipts attributable to the gasoline tax are distributed to municipalities. The municipalities must use the funds as follows:

- to reconstruct, resurface, maintain, repair, or otherwise improve alleys, streets, roads, or bridges;
- to construct or acquire new alleys, streets, roads, or bridges;

- to provide matching funds for projects subject to cooperative agreements with the state highway and transportation department;
- to purchase, maintain, and operate transit operations and facilities; and
- to operate a vehicle emission inspection program.

A municipality may also do everything necessary to acquire and conduct a public transportation business.

The funds are allocated, using a statutory formula based on a floor amount, the reported taxable gallons of gasoline, and a redistribution amount.

#### *Distributions to a qualified tribe (§ 67-3-8.1)*

An amount equal to 40 percent of the gasoline tax revenue paid on 2,500,000 gallons of gasoline each month is distributed to qualified tribes that have entered into gasoline tax sharing agreements.

Sections 7-1-6.19 and 7-1-6.28 amended 1995; §§ 7-1-6.26 and 7-1-6.27 amended 1999; § 7-1-6.9 amended 2001; §§ 7-1-6.39 and 67-3-65.1 amended 2003; § 7-1-6.10 amended 2004; § 67-3-28.2 amended 2009; § 67-3-8.1 amended 2010.

N.M. Stat. §§ 7-1-6.9, .10, .19, .26, .27, .28, .39; 67-3-8.1, -28.2, -65.1 (2015)

## New Mexico, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in New Mexico.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

### *Alternative fuel user permits (§ 7-16B-7)*

The department of transportation will issue an alternative fuel user permit valid for one year to each alternative fuel user who files an acceptable alternative fuel user application.

Section 7-16B-7 enacted 1995.

N.M. Stat. § 7-16B-7 (2015)

## **New Mexico, Vehicle Miles Traveled Taxes**

New Mexico does not assess a vehicle miles traveled tax. However, Albuquerque participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## **New York**

### **New York, Fuel Tax Rates**

**GAS TAX** (§§ 284, 284-a, 284-c, 284-d, 301-a, 521, 523, 1102, 1111)

New York imposes a state motor fuel tax on gasoline equal to \$0.0805 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.4427 per gallon, including a petroleum business tax, a petroleum testing fee imposed only on gasoline, a variable state sales tax based on population, and other local taxes; and
- the total state gas tax plus the applicable federal tax was \$0.6267 per gallon.

The actual tax amount varies by county. Generally, the fuel tax is composed of the following, among other local taxes and fees:

- an excise tax of \$0.04 per gallon imposed by N.Y. Tax Law § 284;
- an additional motor fuel tax of \$0.03 per gallon imposed by N.Y. Tax Law § 284-a;
- a supplemental motor fuel tax of \$0.01 per gallon imposed by N.Y. Tax Law § 284-c;
- a petroleum testing fee of one-half of one mill per gallon imposed by N.Y. Tax Law § 284-d; and
- a petroleum business tax determined by using the statutory formula set forth in N.Y. Tax Law § 301-a.

N.Y. Tax Law § 523 also imposes a fuel use tax for the privilege of operating a qualified motor vehicle on New York's public highways. This tax is determined using a statutory formula that includes a fuel tax component and a sales tax component. The total rate per

gallon may not exceed three percent. In this context, a "qualified motor vehicle" is a vehicle, other than a recreational vehicle, that is used to transport persons or property and that meets certain weight requirements.

### **DIESEL TAX** (§§ 282-a, 282-b, 282-c)

New York imposes a state motor fuel tax on diesel equal to \$0.08 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including other taxes and fees, was \$0.4383 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6823 per gallon.

The components of this tax are similar to those set forth above for the gasoline tax. The actual tax amount varies by county.

### **ALTERNATIVE FUEL TAXES**

#### *Compressed natural gas, hydrogen, and E85 (§§ 1102, 1115)*

E85, compressed natural gas, and hydrogen fuel used exclusively to operate a motor vehicle engine are exempt from the state's sales and use taxes. This exemption is scheduled to expire on Sept. 1, 2016.

Also, the prepaid tax on diesel motor fuel does not apply to:

- compressed natural gas;

- hydrogen; or
- certain sales of previously untaxed qualified biodiesel.

#### *Biodiesel blends (§§ 1111, 1115)*

Generally, the sales tax imposed by N.Y. Tax Law § 1105 on motor fuel and diesel is \$0.08 per gallon, and the sales tax imposed by § 1109(a) on motor fuel and diesel is \$0.0075 per gallon. However, cities and counties may reduce the sales and use tax imposed on 20-percent biodiesel blends (B20) to 80 percent of the diesel tax rate. This exemption and rate reduction are scheduled to be effective until September 1, 2016.

Statutory section 284 amended 1986; § 284-d enacted 1990; § 521 enacted 1994; §§ 284-a, 282-b, 282-c, and 284-c amended 2000; § 523 amended 2006; §§ 282-a, 301-a, and 1102 amended 2013; § 1111 amended 2015; API website updated 2015.

N.Y. Tax Law §§ 282-a, 282-b, 282-c, 284, 284-a, 284-c, 284-d, 301-a, 521, 523, 1102, 1111 (2015); [\*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*](#)

#### **New York, Programs Funded**

#### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

#### **STATUTORY PROVISIONS**

*General distribution of motor fuel taxes imposed by article 12-A (§ 289-e)*

Unless otherwise provided by statute, proceeds from the motor fuel taxes imposed by article 12-A are generally deposited as provided by N.Y. Tax § 171-a.

However, 37.5 percent of the proceeds collected from the tax imposed by N.Y. Tax Law § 284 must be used as follows:

- to acquire property necessary to construct and reconstruct highways, bridges, or culverts on the state highway system; and
- to construct, maintain, and repair highways, bridges, or culverts on the state highway system.

As of March 31, 1993, the taxes imposed by N.Y. Tax Law § 284 must be deposited in the dedicated highway and bridge trust fund and disposed of pursuant to N.Y. State Fin. Law § 89-b.

After refunds and reimbursements, the proceeds of the tax collected pursuant to N.Y. Tax Law § 282-a are deposited in the specified dedicated fund accounts.

*Taxes imposed by N.Y. Tax Law §§ 284-a and 284-c (§§ 284-a, 284-c)*

Proceeds from taxes imposed by N.Y. Tax Law §§ 284-a and 284-c are distributed to the dedicated fund accounts.

*Petroleum testing fee (§ 284-d)*

The petroleum testing fee is credited to the comptroller. After set-asides for refunds, the comptroller must deposit the fee to the motor fuel quality account.

*Additional and supplemental diesel motor fuel taxes (§§ 282-b, 282-c)*

The proceeds from the additional and the supplemental diesel motor fuel taxes are deposited in the dedicated fund accounts.

*Tax imposed by N.Y. Tax Law § 1102 (§ 1102)*

After deducting administrative costs and refunds, the proceeds from the tax imposed pursuant to N.Y. Tax Law § 1102 are distributed to local entities.

*Dedicated highway and bridge trust fund (§ 89-b)*

The dedicated highway and bridge trust fund consists of the following two accounts:

- the special obligation reserve and payment account; and
- the highway and bridge capital account.

The special obligation reserve and payment account is used to pay amounts due to the New York state thruway authority as dedicated highway and bridge trust fund cooperative agreement payments.

The dedicated highway and bridge trust fund must be used as follows:

- to reconstruct, replace, recondition, restore, rehabilitate, and preserve roads, highways, parkways, and bridges;
- to construct, reconstruct, enhance, and improve roads, highways, parkways, and bridges to address current and projected capacity problems;
- for aviation projects and debt service; and
- for programs to assist small and minority and women-owned firms engaged in transportation construction and reconstruction projects;
- to match federal grants for highway, parkway, and bridge capital projects;
- to acquire real property;
- for preventive maintenance activities and snow and ice control;
- for bus, rail, and truck safety inspections;
- to pay administrative costs; and
- for numerous other transportation-related expenses.

*Consolidated local highway assistance payments (§ 10-c)*

Funds are appropriated to the Consolidated Local Highway Assistance Program. New York City and the counties outside of New York City receive 41.40 percent, allocated using a statutory formula that is based on motor vehicle registrations and highway mileage (except interstate and state highways). The purpose of this program is to make payments toward the construction, operation, and maintenance of highways, bridges, and highway-railroad crossings that are not on the state highway system.

The remainder of the appropriated funds are distributed to cities, counties, villages, and towns, using a formula based on vehicle miles traveled and, for municipalities, lane miles.

*Petroleum business tax (§ 312)*

Proceeds from the petroleum business tax collected pursuant to N.Y. Tax Law § 301-a are allocated as follows:

- 83.3 percent as required by N.Y. Tax Law § 301-j(d); and
- 19.7 percent for mass transportation.

The comptroller deducts \$625,000 before making the above allocations and deposits that amount in the dedicated fund accounts, and the commissioner deducts the authorized utility credit amount.

Section 284-d enacted 1990; §§ 282-b, 282-c, 284-a, and 284-c amended 2000; § 10-c amended 2011; §§ 289-e and 312 amended 2011; § 1102 amended 2013; § 89-b amended 2014.

N.Y. Tax Laws §§ 282-b, 282-c, 284-a, 284-c, 284-d, 289-e, 312, 1102; State Fin. Law § 89-b; High. Law § 10-c (2015)

## New York, Tolls and Other Relevant Fees

### **TOLLS**

The New York Thruway Authority identifies the following tollways:

- I-87/I-90 New York State Thruway;
- I-95 New England Thruway;
- I-190 Niagara Thruway; and
- I-87 Berkshire Connector.

The tolls for passenger vehicles vary greatly. For example, the toll on the New York Thruway ranges from no toll to \$18.35, depending on the payment type and distance traveled. Annual permits are also available.

The Federal Highway Administration also identifies 29 toll bridges and four toll tunnels in the state..

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State websites visited 2015; federal website dated 2014.

[New York Thruway Authority, Toll & Distance Calculator](#) (last visited Nov. 12, 2015); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## New York, Vehicle Miles Traveled Taxes

New York does not assess a vehicle miles traveled tax. However, the New York City Department of Transportation has proposed a "DriveSmart" program that incorporates a vehicle miles traveled tax.

New York also assesses a tax on heavy carriers that is based on gross weight and miles traveled.

Section 503 amended 1994; § 501 amended 2011; website history unknown.

N.Y. Tax Law §§ 501, 503 (2015); [U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)](#) (last visited Oct. 15, 2015)

## North Carolina

### North Carolina, Fuel Tax Rates

#### **GAS TAX** (§ 105-449.80)

North Carolina imposes a state motor fuel tax on gasoline equal to \$0.36 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax was \$0.3625 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5465 per gallon.

Legislation passed in 2015 provided that as of April 1, 2015, and notwithstanding N.C. Gen. Stat. § 105-449.80, the motor fuel excise tax rate was \$0.36 per gallon. As revised, § 105-449.80 also provides future rates, which change from a fixed rate in 2016 to a rate that varies, in part, based on changes in the population and the Consumer Price Index.

### **DIESEL TAX** (§§ 105-449.60, .80)

North Carolina defines "motor fuel" as including gasoline, diesel fuel, and blended fuel. Therefore, the state tax on diesel is also \$0.36 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax was \$0.3625 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.6065 per gallon.

Legislation passed in 2015 provided that as of April 1, 2015, and notwithstanding N.C. Gen. Stat. § 105-449.80, the motor fuel excise tax rate is \$0.36 per gallon. As revised, § 105-449.80 also provides future rates, which change from a fixed rate in 2016 to a rate that varies, in part, based on changes in the population and the Consumer Price Index.

### **ALTERNATIVE FUEL TAXES**

#### *Alternative fuels (§§ 105-449.130, .136)*

North Carolina levies the following taxes on alternative fuels:

- the motor fuel rate on liquid alternative fuel;
- a liquefied natural gas tax on each diesel gallon equivalent of liquefied natural gas;

- effective January 1, 2016, a liquefied propane gas tax on each gas gallon equivalent of liquefied propane gas;
- the motor fuel rate on all other alternative fuels; and
- a compressed natural gas tax on each gas gallon equivalent of compressed natural gas.

In this context, "alternative fuel" is defined a "combustible gas or liquid that can be used to generate power to operate a highway vehicle and that is not subject to tax" under article 36C of chapter 105 (regarding the tax on gasoline, diesel, and blends).

*Biodiesel (§ 105-449.88)*

The state's excise tax on motor fuel does not apply to biodiesel that is produced by an individual for use in a private passenger vehicle registered in that individual's name.

Statutory section 105-449.88 amended 2007; § 105-449.60 amended 2008; §§ 105-449.80, 105-449.130, and 105-449.136 amended 2015; API website updated 2015.

[N.C. Gen. Stat. §§ 105-449.60, .80](#) (as amended by [2015 N.C. Sess. Laws ch. 2](#)), [.88, .130](#) (as amended by [2015 N.C. Sess. Laws ch. 224](#)); [.136](#) (as amended by [2015 N.C. Sess. Laws ch. 224](#)); [2015 N.C. Sess. Laws ch. 2, § 2.1](#); [American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

## North Carolina, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

## **STATUTORY PROVISIONS**

### *Allocation of motor fuel tax (§§ 105-449.62, .125, .126)*

North Carolina imposes a tax on motor fuel to provide revenue for the State's transportation needs and for other purposes provided by statute. Tax revenues from the motor fuel tax are distributed as follows:

- one-half cent per gallon to the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund, the Noncommercial Leaking Petroleum Underground Storage Tank Cleanup Fund (until June 30, 2016), and the Water and Air Quality Account;
- 71 percent of the remaining revenue is allocated to the Highway Fund; and
- 29 percent of the remaining revenue is allocated to the Highway Trust Fund.

### *Highway Fund distributions for non-road purposes (§ 105-449.126)*

Specified portions of the Highway Fund are distributed as follows:

- one percent of the amount from the excise tax on motor fuel is credited to the Wildlife Resources Fund to be used only for boating and water safety activities; and
- one percent of the amount from the excise tax on motor fuel is credited to the Shallow Draft Navigation Channel Dredging and Lake Maintenance Fund to be used only for dredging activities.

### *Alternative fuels tax (§ 105-449.136)*

The state's alternative fuels tax is allocated as provided by N.C. Gen. Stat. § 105-449.125.

*North Carolina Highway Trust Fund (§ 136-176)*

The North Carolina Highway Trust Fund is appropriated annually to:

- administrative expenses;
- debt service payments on bonds issued under the State Highway Bond Act of 1996;
- \$49,000,000 to the North Carolina Turnpike Authority;
- certain contracts let for projects funded from the Trust Fund in anticipation of revenues; and
- fixed guideway projects.

*State Highway Fund (§§ 136-41.1, -41.2, -41.2A, -41.2B, -41.3, -41.4.)*

The funds appropriated to municipalities are distributed as follows:

- 75 percent among eligible municipalities using a formula based on population; and
- 25 percent among eligible municipalities using a formula based on the mileage of public streets that do not form a part of the state highway system.

Requirements for municipal eligibility for funds is as provided by:

- N.C. Gen. Stat. § 136-41.2 for municipalities incorporated since January 1, 1945; and
- N.C. Gen. Stat. § 136-41.2A for municipalities incorporated before January 1, 1945.

Cities and towns must allocate the funds allocated pursuant to N.C. Gen. Stat. § 136-41.2 as follows:

- primarily to resurface streets;
- to maintain, repair, construct, reconstruct, or widen any street or public thoroughfare;
- for other necessary appurtenances within the municipality's corporate limits or for meeting the municipality's proportionate share of assessments levied for those purposes; or
- to plan, construct, and maintain bikeways, greenways, or sidewalks.

Certain other offsets are permitted.

*Turnpike revenues (§ 136-89.188)*

Revenues derived from authorized Turnpike Projects may be used only for the following:

- administration costs;
- Turnpike Project development, right-of-way acquisition, design, construction, operation, maintenance, reconstruction, rehabilitation, and replacement;
- debt service on the Authority's revenue bonds or establishing debt service reserve funds;

- debt service, debt service reserve funds, and other financing costs related to specified projects;
- a return on investment of any private entity under a partnership agreement for a Turnpike Project; and
- any other uses granted to a private entity under a partnership agreement for a Turnpike Project.

The Authority may use all of the revenue derived from a Turnpike Project for debt service on the Authority's revenue bonds or for a combination of debt service and operation and maintenance expenses. No more than five percent of total revenue derived from all Turnpike Projects may be used for administration costs.

Toll revenues generated from a converted segment of the state highway system that was previously planned for operation as a nontoll facility may only be used for right-of-way acquisition, construction, expansion, operations, maintenance, and administration costs associated with the converted segment or a contiguous toll facility.

Section 136-41.2A enacted 1985; § 105-449.62 enacted 1997; § 136-41.2 amended 1999; §§ 136-89.188 and 136-176 amended 2013; §§ 105-449.125, 105-449.126, 105-449.136, 136-41.1, and 136-41.3 amended 2015.

[N.C. Gen. Stat. §§ 105-449.62, .125](#) (as amended [2015 N.C. Sess. Laws ch. 241](#)), [.126](#) (as amended [2015 N.C. Sess. Laws ch. 241](#)), [.136](#) (as amended by [2015 N.C. Sess. Laws ch. 224](#)); [136-41.1](#) (as amended by [2015 N.C. Sess. Laws ch. 241](#)), [-41.2](#), [-41.2A](#), [-41.3](#) (as amended by [2015 N.C. Sess. Laws ch. 241](#)), [-41.4](#), [-89.188](#), [-176 \(2014\)](#)

## North Carolina, Tolls and Other Relevant Fees

### **TOLLS**

The toll for passenger vehicles using the Triangle Expressway ranges from \$0.23 to \$5.56 as of January 1, 2015, depending on distance traveled and payment form.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES** (§ 20-87)

As of July 1, 2015, North Carolina assesses an additional \$130 annual fee for plug-in electric vehicles that do not rely on a nonelectric source of power.

## **OTHER FEES**

No other relevant fees were located.

Section 20-87 amended 2015; website dated 2014.

[N.C. Gen. Stat. § 20-87 \(2014\)](#) (as amended by [2015 N.C. Sess. Laws chs. 237](#) and [241](#)); [N.C. Dep't of Transp., N.C. Turnpike Authority, \*Triangle Expressway\* \(Aug. 19, 2014\)](#)

## North Carolina, Vehicle Miles Traveled Taxes

North Carolina does not assess a vehicle miles traveled tax. However, the Research Triangle participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Oct. 15, 2015\)](#)

## North Dakota

### North Dakota, Fuel Tax Rates

#### **GAS TAX** (§ 57-43.1-02)

North Dakota imposes a state motor fuel tax on gasoline equal to \$0.23 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.4140 per gallon.

## **DIESEL TAX**

North Dakota imposes a state motor fuel tax on diesel equal to \$0.23 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.4740 per gallon.

## **ALTERNATIVE FUEL TAXES**

*Special Fuel Tax Rates (§§ 57-43.2-01, -02, -03)*

Except as otherwise provided, North Dakota imposes an excise tax of \$0.23 per gallon on the sale or delivery of all special fuel sold or used in the state. "Special fuel" means all combustible gases and liquids suitable to generate power to propel motor vehicles, including compressed natural gas, kerosene, and liquefied petroleum gases. It does not include motor vehicle fuels, as defined in § 57-43.1-01. A special excise tax rate of two percent is imposed on the sale of propane.

Statutory section 57-43.2-03 amended 2007; § 57-43.1-02 amended 2009; § 57-43.2-01 amended 2011; § 57-43.2-02 amended 2015; API website updated 2015.

[N.D. Cent Code §§ 57-43.1-02; -43.2-01, -02, -03 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## North Dakota, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

North Dakota's constitution restricts the use of revenues from motor fuel taxes to public highways, after deducting administration costs and refunds. The proceeds must be used solely as follows:

- to construct, reconstruct, repair, and maintain public highways; and

- to pay related obligations.

## **STATUTORY PROVISIONS**

### *Use of proceeds (§§ 57-43.1-24, -29)*

The entity remitting fuel-tax proceeds retains two percent to cover the cost of collecting and transmitting the tax. After deducting these costs from the transportation-related fees and taxes, the remaining proceeds (except those related to aviation motor fuel) must be used as follows:

- to construct, improve, and maintain highways; and
- for associated administration expenses.

### *State Highway Fund (§§ 24-02-37, -41)*

All transportation-related revenues, including fuel tax proceeds, are deposited into the State Highway Fund. That fund is applied to the following:

- the cost of maintaining the state highway system;
- the cost of constructing and reconstructing highways in the amount necessary to match federal aid granted to the state for road purposes; and
- the remainder to construct state highways without federal aid or to construct, improve, or maintain state highways.

*Highway tax distribution fund (§§ 54-27-19, -19.1)*

North Dakota's highway tax distribution fund receives funds from motor vehicle registration and related fees, fuels taxes, special fuels taxes, use taxes, and special fuels excise taxes. The state treasurer allocates amounts from the highway tax distribution fund to the state, counties, cities, and townships.

From the highway tax distribution fund, \$5,500,000 per biennium is first distributed to the state highway fund for administrative assistance. After that transfer, the remainder is allocated as follows:

- 61.3 percent to the state department of transportation and placed in a state highway fund;
- 2.7 percent to the township highway fund, which is allocated based on the length of township roads;
- 1.5 percent to the public transportation fund; and
- 34.5 percent to the state's counties, which is allocated using a statutory formula based on the number of vehicle registrations and population.

A township must use the funds for highway and bridge purposes and provide 50-percent matching funds.

*Special fuel taxes (§§ 57-43.2-04.1, -19)*

After deducting up to \$300 per month for administrative costs, North Dakota's tax on special fuels (except diesel sold to railroads) is deposited in the highway tax distribution fund and distributed in the manner set forth in § 54-27-19.

Section 24-02-41 amended 1977; § 57-43.1-29 enacted 1983; §§ 57-43.1-24, 57-43.2-04.1, and 54-27-19.1 amended 1999; § 24-02-37 amended 2009; §§ 54-27-19 and 57-43.2-19 amended 2015; constitutional history unknown.

[N.D. Cent. Code §§ 24-02-37, -41; 54-27-19, -19.1; 57-43.1-24, -29; 57-43.2-04.1, -19; N.D. Const. art. X, § 11](#)

## North Dakota, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in North Dakota, but the Federal Highway Administration identifies one toll bridge in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Federal website dated 2014.

[U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## North Dakota, Vehicle Miles Traveled Taxes

North Dakota does not assess a vehicle miles traveled tax.

Ohio

## Ohio, Fuel Tax Rates

### **GAS TAX** (§§ 5735.01, .011, .05, .25, .29, .292, .30; 5736.02)

Ohio imposes a state motor fuel tax on gasoline equal to \$0.28 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.4640 per gallon.

The motor fuel tax is composed of:

- a "cents per gallon rate" computed pursuant to Ohio Rev. Code § 5735.011, using a formula is adjusted based on the consumer price index and the number of gallons sold during previous years; this tax is levied by § 5735.05;
- an additional motor fuel excise tax levied by Ohio. Rev. Code § 5735.25 at the rate of \$0.02 per gallon;
- an additional motor fuel excise tax imposed by Ohio. Rev. Code §§ 5735.29 and 5735.292 at the rate of \$0.02 per gallon (or \$0.06 per gallon if certain conditions set forth in § 5735.292 are met); and
- an additional tax assessed by § 5735.30 at the rate of \$0.01 per gallon.

As of July 1, 2014, a motor fuel supplier is also assessed a tax equal to 0.65% of gross receipts.

"Motor fuel" includes gasoline and other specified fuels.

### **DIESEL TAX** (§§ 5735.01, .011, .05, .25, .29, .292, .30; 5736.02)

Ohio imposes a state motor fuel tax on diesel equal to \$0.28 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.5240 per gallon.

The motor fuel tax on diesel is composed of the same components as described above.

"Motor fuel" includes diesel and other specified fuels.

### **ALTERNATIVE FUEL TAXES**

#### *Motor fuel taxes (§ 5735.01)*

The state's fuel tax described above applies to "motor fuels" which are defined to include:

- gasoline;
- diesel fuel;
- K-1 kerosene; or
- any other liquid motor fuel, including, but not limited to, liquid petroleum gas or liquid natural gas.

The term does not include "substances prepackaged and sold in containers of five gallons or less."

#### *Qualified fuel credits (§ 5735.145)*

A motor fuel dealer receives a qualified fuel credit of \$0.10 per gallon for each gallon of qualified fuel the dealer used, sold, or distributed. "Qualified fuel" means ethanol that is to be combined with gasoline to create a blend of not more than 10 per cent by volume of ethanol and that is used, sold, or distributed as blended as a motor fuel.

*No tax imposed on certain alternative fuels (§§ 125.831; 5735.40)*

Generally, no political subdivision may levy any tax on alternative fuel. "Alternative fuel" includes the following fuels used in a motor vehicle:

- E85 blend fuel;
- blended biodiesel;
- natural gas;
- liquefied petroleum gas;
- hydrogen;
- compressed air;
- any power source, including electricity; and
- any other fuel that the United States Department of Energy determines to be "substantially not petroleum, and that would yield substantial energy security and environmental benefits."

Statutory section 5735.011 enacted 1996; § 5735.145 enacted 2000; § 5735.292 enacted 2003; §§ 5735.25 and 5735.29 amended 2005; § 5735.40 enacted 2006; § 125.831 amended 2009; §§ 5735.01 and 5735.05 amended 2014; §§ 5735.30 and 5736.02 amended 2015; API website updated 2015.

[Ohio Rev. Code §§ 125.831; 5735.01, .05, .011, .145, .25, .29, .292, .40; 5736.02 \(2015\); \*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*](#)

## Ohio, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Ohio's constitution restricts the use of its fuel tax to certain transportation-related expenditures, including:

- administrative costs;
- statutory refunds and adjustments;
- highway obligations;
- costs to construct, reconstruct, maintain, and repair public highways and bridges and other statutory highway purposes;
- traffic law enforcement; and
- authorized expenditures to hospitalize indigent persons injured in motor vehicle accidents.

## **STATUTORY PROVISIONS**

### *General use of highway funds (§ 5501.05)*

Amounts appropriated to the department of transportation that are derived from fuel taxes may not be used for any purpose other than as provided by the Ohio constitution.

### *Funds for lighting and safety purposes (§ 5527.03)*

The director of transportation may use funds derived from the state's share of the motor vehicle fuel taxes to light limited access interchanges, roadway parks, rest areas, and other areas on state highways where lighting is needed for informational purposes or to alert the public of unusual roadway hazards.

### *Motor fuel excise tax (§ 5735.05)*

Ohio Rev. Stat. § 5735.05 provides an extensive list of transportation-related purposes behind the fuel tax, including the following, among numerous others:

- to maintain the state highway system;
- to widen existing highway surfaces;
- to resurface highways; and
- to pay the portion of the construction cost of certain highway projects that a county, township, or municipal corporation normally would be required to pay.

*Waterways purposes (§ 5735.051)*

Of the one per cent of the fuel tax that is attributed to water vehicles:

- 7/8 is credited to the waterways safety fund; and
- 1/8 is credited to the wildlife boater angler fund.

*Motor fuel tax administration fund (§ 5735.053)*

After refunds, 0.275 percent of the proceeds from the taxes levied by Ohio Rev. Code §§ 5735.05, 5735.25, 5735.29, and 5735.30 are credited to the motor fuel tax administration fund, which is used to pay the expenses incident to administering motor fuel laws.

*Allocation of receipts (§ 5735.23)*

After refunds, the treasurer must transfer specified amounts to:

- the waterways safety fund;
- the grade crossing protection fund; and
- the motor fuel tax administration fund, as required by Ohio Rev. Code § 5735.053.

The balance of the proceeds from the tax levied by Ohio Rev. Code § 5735.05 are first credited to the state and local government highway distribution fund in the amount provided by statute. The remainder is distributed as follows:

- 30 percent for distribution to municipalities pursuant to § 5735.27(A)(1);
- 25 percent for distribution to counties pursuant to § 5735.27(A)(3); and
- except for distributions to the highway capital improvement bond service fund, 45 percent to the department of transportation for distribution pursuant to § 5735.27(B)(1).

Part of the balance in the state and local government highway distribution fund as follows:

- an amount based on a statutory formula, to the local transportation improvement program fund; and
- an amount equal to \$0.05 times the number of gallons of motor fuel sold at stations operated by the Ohio turnpike and infrastructure commission, to be used to construct, reconstruct, maintain, and repair turnpike projects and certain connecting public roads. The funds may not be used to construct new interchanges.

The remainder of the balance is distributed as follows, less specified amounts for the highway operating fund:

- 10.7 percent for distribution to municipal corporations pursuant to § 5735.27(A)(1);
- five percent for distribution to townships pursuant to § 5735.27(A)(5);

- 9.3 percent for distribution to counties pursuant § 5735.27(A)(3); and
- the balance to the highway operating fund.

*Proceeds from the § 5735.25 additional tax (§ 5735.26)*

After required refunds and transfers to the waterways safety fund and the motor fuel tax administration fund, the remaining proceeds from the tax levied by § 5735.25 are distributed as follows:

- 67.5 percent to the highway operating fund for distribution pursuant to § 5735.27(B)(2);
- 7.5 percent for distribution to municipal corporations pursuant to § 5735.27(A)(2);
- 7.5 percent for distribution to counties pursuant to § 5735.27(A)(4); and
- 17.5 percent for distribution to townships pursuant to § 5735.27(A)(5).

*Gasoline excise tax fund and highway operating fund (§ 5735.27)*

The amounts credited pursuant to § 5735.23(B)(2)(a) and (C)(2)(a) and § 5735.26(B) are distributed among *municipal corporations* using a formula based on the number of registered motor vehicles. The municipal corporation must use the funds as follows:

- to plan, construct, reconstruct, repave, widen, maintain, repair, clear, and clean public highways, roads, and streets;
- to maintain and repair bridges and viaducts;
- to purchase, erect, and maintain street and traffic signs and markers;
- to pay the certain costs apportioned to the municipal corporation and the principal, interest, and charges on certain bonds and other obligations; and
- to supplement revenue already available for the above purposes.

The amounts credited pursuant to § 5735.23(B)(2)(b) and (C)(2)(c) are paid in equal proportions to each *county* and must be used only for the following purposes:

- to plan, maintain, and repair the county system of public roads and highways;
- to plan, construct, and repair walks or paths along county roads in congested areas;
- to plan, construct, purchase, lease, and maintain suitable buildings to house and repair county road machinery, to house supplies, and to house personnel associated with the machinery and supplies;
- to pay certain costs apportioned to the county;
- to pay principal, interest, and charges on specified bonds and other obligations; and

- to purchase, install, and maintain traffic signal lights.

The amounts allocated to counties pursuant to § 5735.26(C) are also paid out in equal proportions and must be used for similar purposes.

The various amounts credited to *townships* are allocated in part in equal proportions and in part using a formula based on mileage and the number of registered motor vehicles.

The department of transportation must use the amount credited pursuant to § 5735.23(B)(2)(c) and (C)(2)(d) as follows:

- to plan, maintain, repair, and keep in passable condition for travel the state roads and highways;
- to pay the costs apportioned to the state;
- to pay specified portions of highway project construction costs; and
- to pay the costs to administer and enforce the registration and operation of motor vehicles.

Amounts distributed pursuant § 5735.291 must also be used for various transportation purposes.

*Motor fuel supplier tax (§ 5736.02)*

The motor fuel supplier tax is distributed as follows:

- to maintain the state highway system;
- to fund the enforcement of traffic laws; and
- to cover hospitalization costs of indigent persons injured in motor vehicle accidents on the public highways.

The remaining revenues are used to fund the needs of the state and its local governments.

Section 5527.03 enacted 1973; § 5501.05 enacted 1989; § 5528.53 enacted 2000; § 5735.051 enacted 2001; § 5735.053 enacted 2003; § 5735.27 amended 2013; § 5735.05 amended 2014; §§ 5735.26, 5735.291, and 5736.02 amended 2015; constitutional provision adopted 1947.

[Ohio Rev. Code §§ 5501.05; 5527.03; 5528.53; 5735.05, .051, .053, .26, .27, .291; 5736.02 \(2015\); Ohio Const. art. XII, § 5a;](#)

## Ohio, Tolls and Other Relevant Fees

### **TOLLS**

Tolls for passenger vehicles using the Ohio Turnpike vary depending on distance traveled and payment method. The amount ranges from:

- for short distances, no toll using any payment method; to
- for longer distances, \$11.75 using E-ZPass and \$17.50 using other payment methods.

Also, the Federal Highway Administration identifies two toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State webpages visited 2015; federal website dated 2014.

[Ohio Turnpike, Schedule of Tolls \(2015-2023\) \(last visited Nov. 11, 2015\)](#) (contains links to toll schedules for 2015 through 2023); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Ohio, Vehicle Miles Traveled Taxes

Ohio does not assess a vehicle miles traveled tax.

## Oklahoma

### Oklahoma, Fuel Tax Rates

#### **GAS TAX** (§ 500.4)

Oklahoma imposes a state motor fuel tax on gasoline equal to \$0.16 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including an additional fee, was \$0.17 per gallon; and

- the total state gas tax plus the applicable federal tax was \$0.3540 per gallon.

### **DIESEL TAX** (§ 500.4)

Oklahoma imposes a state motor fuel tax on diesel equal to \$0.13 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including an additional fee, was \$0.14 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.3840 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Compressed natural gas and liquefied natural gas (§ 500.4)*

Oklahoma imposes the following taxes on alternative fuels:

- \$0.05 per gasoline gallon equivalent on compressed natural gas until the credit authorized by § 2357.22(A)(1) expires, at which time the rate will equal that imposed on diesel fuel using a gasoline gallon equivalents; and
- \$0.05 per diesel gallon equivalent on liquefied natural gas until the credit authorized by § 2357.22(A)(1) expires, at which time the rate will equal that imposed on diesel fuel using diesel gallon equivalents.

#### *Biofuels (§ 500.10)*

Biofuels or biodiesel is exempt from the state motor fuel excise tax if:

- it is produced by an individual with feedstocks grown on property he or she owns; and
- the individual uses the fuel on public roads and highways.

*Ethanol (§ 500.10-1)*

Unless the federal government mandates the use of reformulated fuel in an area that is not attaining the National Ambient Air Quality Standards, Oklahoma allows a in the amount of \$0.016 credit against the tax levy imposed by § 500.4(A)(1) for each gallon of ethyl alcohol that is contained in ethanol sold by a retail dealer.

*Special Fuel Use Tax (§§ 701, 703, 705, 707.1, 707.2, 707.3)*

Oklahoma levies a tax on special fuels. The term "special fuel" means combustible gases and liquids that meet specified statutory requirements. It does not include compressed natural gas or liquefied natural gas.

The following taxes are levied on each gallon of special fuel:

- \$0.0550 pursuant to Okla. Stat. tit. 68, § 703;
- \$0.01 pursuant to Okla. Stat. tit. 68, § 705;
- \$0.0250 pursuant to Okla. Stat. tit. 68, § 707.1;
- \$0.01 pursuant to Okla. Stat. tit. 68, § 707.2; and

- \$0.06 pursuant to Okla. Stat. tit. 68, § 707.3.

The total special fuel excise tax is \$0.16 per gallon of special fuel.

Statutory sections 703 and 705 renumbered 1965; §§ 707.2 and 707.3 amended 1997; § 500.10-1 enacted 2005; § 500.10 amended 2009; § 707.1 amended 2010; §§ 500.4 and 701 amended 2013; API website updated 2015.

[Okla. Stat. tit. 68, §§ 500.4, .10, .10-1; 701, 703, 705, 707.1, 707.2, 707.3 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Oklahoma, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

#### *Overview (§ 500.2)*

Proceeds from taxes on motor fuels are intended for the construction and maintenance of safe public highways and bridges in Oklahoma.

#### *Apportionment and Distribution of Compressed Natural Gas and Gasoline Tax (§ 500.6)*

Specified amounts of the state's gas, compressed natural gas, and liquified natural gas taxes are generally distributed monthly as follows:

- \$250,000 to the State Transportation Fund;
- 1.625 percent to the High Priority State Bridge Revolving Fund;
- 63.75 percent to the State Transportation Fund to be apportioned to (a) the Public Transit Revolving Fund, (b) the Oklahoma Tourism and Passenger Rail Revolving Fund, (c) any purpose provided for in Okla. Stat. Ann. tit. 69, § 1502, (d) to provide funds for the construction and maintenance of farm-to-market roads and bridges, and (e) any remaining amount to the State Transportation Fund;
- 27 percent to the state's counties, using a statutory formula based on county road mileage, population, and area;
- 3.125 percent to the state's counties, using a statutory formula similar to the formula for the distribution of monies in the County Bridge Program funds, but that also considers terrain and traffic volume;
- 2.297 percent to the state's counties for each county's County Bridge and Road Improvement Fund, using a formula that is similar to the formula for the distribution of monies in the County Bridge Program funds, but that also considers terrain and traffic volume;
- 1.875 percent to incorporated cities and towns based on population, which funds are to be used to construct, repair, and maintain streets and alleys; and
- 0.328 percent to the Statewide Circuit Engineering District Revolving Fund.

*Distribution of diesel taxes (§ 500.7)*

A specified portion of the diesel fuel tax is distributed as follows:

- \$83,333.33 each month to the State Transportation Fund;
- 1.39 percent to the High Priority State Bridge Revolving Fund;
- 64.34 percent to the State Transportation Fund;
- 26.58 percent to the counties, using a formula based on population, area, and road mileage;
- 3.85 percent distributed using a formula similar to the formula for the distribution of the County Bridge Program funds, but that also considers the effect of terrain and traffic volume;
- 3.36 percent to each county's County Bridge and Road Improvement Fund using a formula similar to the formula used to distribute funds in the County Bridge Program funds, but that also considers terrain and traffic volume; and
- 0.48 percent to the Statewide Circuit Engineering District Revolving Fund.

*Special fuel tax (§§ 704, 706, 707.1)*

Each part of the special fuel tax is distributed separately, using different allocations. For example, \$0.04 of the \$0.055 special fuel tax collected pursuant to § 703 is apportioned monthly as follows:

- 3 percent to the General Revenue Fund;
- 72.75 percent to the State Transportation Fund; and
- 24.25 percent to the counties, allocated according to populaion.

Other amounts from the tax levied by § 703 are allocated to the State Transportation Fund and to the counties based on road mileage and population.

Funds levied by § 705 are used to provide funds to construct and maintain county or township highways and permanent bridges. That part of the special fuel use tax is distributed to counties monthly using a formula based on area, rural population, and county road mileage.

The tax levied by § 707.1 is distributed monthly to the counties' County Bridge and Road Improvement Fund based on a formula similar to the formula used to distribute monies in the County Bridge Program funds, but also considering terrain and traffic volume. Part of the funds is deposited in the Statewide Circuit Engineering District Revolving Fund.

The additional excise tax on special fuel levied by § 707.3 is distributed to the State Transportation Fund and to the counties using a formula based on area, population, and county road mileage.

#### *Alternative fuel fees (§ 723)*

The alternative fuel fees are apportioned annually to the State Transportation Fund.

Section 500.2 enacted 1996; §§ 704, 706, and 707.3 amended 1997; §§ 500.7 and 707.1 amended 2010; §§ 500.6 and 723 amended 2013.

[Okla. Stat. tit. 68, §§ 500.2, .6, .7; 704; 706; 707.1, .3; 723 \(2015\)](#)

## Oklahoma, Tolls and Other Relevant Fees

### **TOLLS**

Oklahoma PikePass identifies the following tolls for passenger vehicles, depending on distance and payment method:

- Cherokee Turnpike ranges from \$0.25 to \$2.50;
- Chickasaw Turnpike ranges from \$0.55 to \$0.65;
- Cimarron Turnpike ranges from \$0.45 to \$2.50;
- Creek Turnpike ranges from \$0.25 to \$6.45;
- HE Bailey Turnpike ranges from \$0.30 to \$5.30;
- Indian Nation Turnpike ranges from \$0.70 to \$5.50;
- Kilpatrick Turnpike ranges from \$0.30 to \$2.30;
- Muskogee Turnpike ranges from \$0.45 to \$3.00;

- Turner Turnpike ranges from \$0.30 to \$6.45; and
- Will Rogers Turnpike ranges from \$0.45 to \$4.00.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

#### *Alternative fuel fees (§ 723)*

Operators of motor vehicles powered by certain alternative fuels must pay an annual flat rate fee instead of a sales or excise tax on fuel. In place of the special fuel taxes imposed by §§ 703, 705, 707.1, 707.2, and 707.3, Oklahoma levies the following:

- a flat fee of \$50 on each passenger automobile using liquefied petroleum gas or natural gas as fuel (if the vehicle acquired or installed the liquefied petroleum gas or natural gas system on or after July 1, the flat fee is \$25 for the remainder of the calendar year); and
- a flat fee of \$100 on each passenger automobile using methanol or M-85 as fuel (if the vehicle acquired or installed a methanol or M-85 system on or after July 1, the flat fee is \$50 for the remainder of the calendar year).

A person operating a vehicle using liquefied petroleum gas, methanol, or M-85 as fuel must apply for and obtain a decal annually.

Section 723 amended 2013; website dated 2015.

[Okla. Stat. tit. 68, § 723 \(2015\); PikePass, Toll Rates \(last visited Oct. 30, 2015\)](#)

## Oklahoma, Vehicle Miles Traveled Taxes

Oklahoma does not assess a vehicle miles traveled tax.

## Oregon

### Oregon, Fuel Tax Rates

#### **GAS TAX** (§ 319.530(1))

To compensate Oregon partially for the use of its highways, the state imposes an excise tax equal to \$0.30 per gallon on fuel used in a motor vehicle. Oregon also permits additional optional county and city gasoline taxes. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including additional amounts, was \$0.3109 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4949 per gallon.

The city and county gas tax amounts are available on the Oregon Fuels Tax Group website.

#### **DIESEL TAX** (§ 319.530(1))

Oregon imposes a state excise tax equal to \$0.30 per gallon on fuel used in a motor vehicle. The state also applies an additional optional city diesel tax. As a result, according to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including additional amounts, was \$0.3035 per gallon; and

the total state diesel tax plus the applicable federal tax was \$0.5475 per gallon.

## **ALTERNATIVE FUEL TAXES** (§ 319.530(5))

Generally, the state's fuel excise tax does not apply to diesel fuel blended with a minimum of 20 percent biodiesel that is derived from used cooking oil. This exemption does not apply to fuel that is:

- used in a motor vehicle with a gross vehicle weight of 26,001 pounds or more;
- not sold in retail operations; or
- sold in operations involving fleet fueling or bulk sales.

This provision is omitted from the version of § 319.530 that applies to fuel sold on or after January 1, 2020.

Statutory section 319.950 enacted 2009; § 319.530 amended 2013; history of Fuels Tax Group webpage unknown; API website updated 2015.

[Or. Rev. Stat. §§ 319.530, .950 \(2013\); Or. Fuels Tax Group, \*Current Oregon Fuel Tax Rates\* \(last visited Oct. 6, 2015\); \*\*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*\*](#)

## Oregon, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Oregon's constitution provides that, except as otherwise provided, revenue from the states excise tax on fuel must be used "exclusively for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and roadside rest areas" in the state. However, the revenues (or specified parts of the revenues) may also be used for related purposes, as follows:

- the cost of administration and refunds or credits authorized by law; and
- the retirement of bonds for which the revenues have been pledged.

Certain other exceptions apply, including using funds from taxes on campers, motor homes, snowmobiles, and similar vehicles to acquire, development or maintain parks, but those exceptions do not directly relate to the state's fuel tax.

### **STATUTORY PROVISIONS**

Revenues from the state's fuel tax are deposited into the State Highway Fund. The State Highway Fund is "deemed and held as a trust fund, separate and distinct from the General Fund," and it may be used only for purposes authorized by law including:

- highway modernization programs;
- footpaths and bicycle trails;
- the construction, reconstruction, improvement, repair, or maintenance of highways, streets, and bridges in excess of the amount in the State Highway Fund if there will be sufficient funds available to pay the obligations when they become due; and
- funding the Transportation Project Account.

Revenue collected from the road usage charges is deposited in the State Highway Fund and distributed as follows:

- 50 percent to the Department of Transportation;

- 30 percent to counties to use in transportation-related purposes, including footpaths and bicycle trails; and
- 20 percent to cities for allocation to a state tax street fund.

Section 366.516 enacted 1953; § 366.790 amended 1999; § 366.514 amended 2001; § 366.507 amended 2005; § 366.523 enacted 2009; § 366.505 amended 2013; § 319.895 enacted 2013; history of 366.774 unknown; constitutional provision amended 2004.

[Or. Rev. Stat. §§ 319.895; 366.505, .507, .514, .516, .523, .774, .790 \(2013\); Or. Const. art. IX, § 3a](#)

## Oregon, Tolls and Other Relevant Fees

### **TOLLS**

Oregon does not have an extensive system of toll roads and bridges. The only readily identified tolls are those assessed on the following bridges (toll amounts indicated are for passenger vehicles):

- Hood River Bridge (\$1.00 per axle); and
- Bridge of the Gods (ranges from \$.75 to \$1.00).

Note that chapter 383 of Oregon's Revised Statutes provides an extensive system for establishing, designing, and enforcing tolls.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

Effective on July 1, 2015, in lieu of paying the state's per-gallon fuel tax, a person may pay annually, for each motor vehicle that consumes natural gas or propane, a special use fuel license fee based on vehicle's combined weight as follows:

- for a combined weight of 0-10,000 pounds, the base is \$60;
- for a combined weight of 10,001-26,000 pounds, the base is \$300; and
- for a combined weight of 26,001 pounds and above, the base is \$400.

The special use fuel license fee equals the applicable base amount multiplied by the use fuel tax rate in effect at the time of payment, divided by 12 cents.

A person wishing to pay the special use fuel license fee must apply to the department. Upon receipt of a complete and valid application, the department will issue the applicant an emblem to display in a conspicuous place on the motor vehicle.

Act enacted 2014; website histories unknown.

[2014 Or. Laws ch. 13 \(H.B. 4131-A\); Port of Cascade Locks, Bridge of the Gods \(last visited Oct. 6, 2015\); Port of Hood River, Hood River Bridge \(last visited Oct. 6, 2015\); see Or. Rev. Stat. 383.001 et seq.](#)

## **Oregon, Vehicle Miles Traveled Taxes**

Oregon has a relatively long history of experimenting with assessing a vehicle miles traveled tax. In 2001, the Oregon Legislature noted that the revenues then available for highways and local roads were inadequate and that the gas tax would become a less effective mechanism for meeting Oregon's long-term revenue needs. They created the Road User Fee Task Force to investigate options for creating a sustainable way to generate funds for the state's transportation system. The

task force also had the authority to develop pilot programs to test alternatives to the current fuel-tax funding system.

In 2011, the task force again examined the challenges and benefits of a mileage-based system and conducted two pilot projects to gather driver feedback on different options. With the task force's input from those pilot projects, the 2013 Oregon Legislature approved the Road Usage Charge Program, starting July 1, 2015.

The current program, which is called "OReGO," is a legislatively mandated program that creates a "new way to fund road maintenance, preservation and improvements for all Oregonians." OReGO is a volunteer program. Volunteers pay a road usage charge based on the number of miles they drive, instead of the paying the state's fuel tax. Details of the volunteer program are as follows:

- the OReGO road usage charge is 1.5 cents per mile;
- OReGO volunteers will receive a credit on their bill to offset the fuel tax they pay at the pump; and
- OReGO volunteers have their choice of "three private and secure mileage reporting options offered by OReGO's private-sector partners."

OReGO volunteers' personal information will be kept secure and private.

The first phase is limited to 5,000 cars and light commercial vehicles. A person wishing to participate must apply to the Department of Transportation.

Sections 184.841 and 184.846 enacted 2001; § 184.843 enacted 2011; §§ 319.885 and 319.890 enacted 2013; website history unknown.

[Or. Rev. Stat. §§ 184.841, .843, .846; 319.885, .890 \(2013\); Or. Dep't of Transp., \*Road User Charge Pilot Project\* \(last visited Oct. 7, 2015\)](#)

# Pennsylvania

## Pennsylvania, Fuel Tax Rates

### **GAS TAX** (§ 9004)

2013 Pa. Laws ch. 89 repealed the state's fixed cents-per-gallon fuel tax effective January 1, 2014, and replaced it with an increased rate on the oil company franchise tax. The state's fuel tax is composed of a variable oil company franchise tax and other fees. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax was \$0.5530 per gallon, and the total state gas tax plus the applicable federal tax was \$0.7370 per gallon.

Note that the increase rate for the oil company franchise tax was achieved by adjusting the ceiling on the average wholesale price of fuels subject to the tax. As of January 1, 2017, the ceiling will be eliminated and the fuel will have floor price of a \$2.99. Various fees are also indexed to inflation.

### **DIESEL TAX** (§ 9004)

2013 Pa. Laws ch. 89 repealed the state's fixed cents-per-gallon fuel tax effective January 1, 2014, and replaced it with an increased rate on the oil company franchise tax. The state's fuel tax is composed of a variable oil company franchise tax and other fees. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax was \$0.69 per gallon, and the total state diesel tax plus the applicable federal tax was \$0.9340 per gallon.

### **ALTERNATIVE FUEL TAXES** (§§ 9002, 9004)

Alternative fuels used to propel vehicles on Pennsylvania highways are subject to an alternative fuels tax. "Alternative fuels" include the following:

- natural gas;
- compressed natural gas;

- liquified natural gas;
- liquid propane gas and liquified petroleum gas;
- alcohols and gasoline-alcohol mixtures containing at least 85 percent alcohol;
- hydrogen;
- hythane;
- electricity; and
- any other fuel used to propel motor vehicles that is not otherwise taxable as fuels or liquid fuels.

The excise tax rate is computed using a gasoline gallon equivalent basis and is published by notice in the Pennsylvania Bulletin.

Statutory sections 9002 and 9004 amended 2013; API website updated 2015.

[75 Pa. Cons. Stat. §§ 9002, 9004 \(2014\); 2013 Pa. Laws ch. 89; American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

Pennsylvania, Programs Funded

**CONSTITUTIONAL RESTRICTIONS**

Proceeds from gasoline and other motor fuel excise taxes and other transportation-related taxes are allocated to administration costs and then to payment of obligations incurred to construct and reconstruct public highways and bridges, which are appropriated to state agencies or political subdivisions. The funds must be used solely for the following:

- to construct, reconstruct, maintain, and repair public highways and bridges;
- for costs and expenses related to safety on public highways and bridges; and
- to pay obligations incurred for those purposes.

The proceeds may not be diverted for any other purpose, except certain loans.

### **STATUTORY PROVISIONS**

#### *Distribution of oil company franchise tax for highway maintenance and construction (§ 9502)*

An amount equal to \$35,000,000 of the oil company franchise tax for highway maintenance and construction collected in fiscal year 2015-2016 and after is deposited in the Multimodal Transportation Fund to be expended in accordance with Pa. Const. art. VIII, §11.

The proceeds from the additional 55 mills imposed on fuel are distributed as follows:

- 25 percent for fiscal year 2015-2016 and 19 percent for fiscal year 2016-2017 and each subsequent year to county maintenance districts for highway maintenance;

- 34 percent for fiscal year 2015-2016 and 40 percent for fiscal year 2016-2017 and each subsequent year for highway capital projects, but annually, until fiscal year 2023-2024, an amount equal to 15 percent of all appropriations to the department for highway and bridge capital programs are distributed at the secretary's discretion from this amount;
- 13 percent for bridges;
- two percent for county or forestry bridges, using a formula based on square footage of deck areas;
- 12 percent for local roads pursuant to § 9511(c) (relating to basic allocation to municipalities); and
- 14 percent for toll roads designated by the Turnpike Organization, Extension and Toll Road Conversion Act, to be appropriated pursuant to § 9511(h).

The proceeds of the additional 38.5 mills imposed on fuel is deposited in The Motor License Fund and distributed as follows:

- 12 percent to municipalities pursuant to the Liquid Fuels Tax Municipal Allocation Law;
- 40 percent to the department for distribution as provided by § 9102(b)(2); and
- 48 percent to be distributed as provided by statute and distributed generally according to the formula provided by § 9102(b)(2).

The proceeds from the additional 55 mills imposed on fuel is deposited in The Highway Bridge Improvement Restricted Account within the Motor License Fund.

An additional 49 mills in calendar year 2015, 48 mills in calendar year 2016, 41 mills in calendar year 2017, and 39 mills in each calendar year thereafter, is distributed as follows:

- 4.17 percent to the Liquid Fuels Tax Fund; and
- 95.83 percent to the Motor License Fund.

*Turnpike revenues (§1506)*

Certain turnpike-related revenues, among others, are deposited into the Public Transportation Trust Fund. The fund may be used as follows:

- to provide financial assistance through certain programs;
- for administrative costs related to public passenger transportation programs; and
- for other specified purposes.

Pennsylvania statutes provide specific amounts that are allocated to the following programs:

- the "operating program";

- the asset improvement program;
- programs of Statewide significance;
- the Alternative Energy Capital Investment Program; and
- the Multimodal Transportation Fund.

*Supplemental local funding (§ 9301)*

The General Assembly annually appropriates:

- \$5,000,000 for supplemental payments to municipalities to assist in the maintenance and construction costs of municipal roads, distributed as set forth in the Liquid Fuels Tax Municipal Allocation Law;
- \$5,000,000 out of the Motor License Fund to counties annually, using a formula based on square footage of bridge deck area; and
- \$30,000,000 out of the Motor License Fund, distributed to municipalities pursuant to the Liquid Fuels Tax Municipal Allocation Law.

Sections 1506, 9301, and 9502 amended 2013; constitutional provision amended 1981.

[74 Pa. Cons. Stat. § 1506](#); [75 Pa. Cons. Stat. §§ 9301, 9502 \(2014\)](#); Pa. Const. art. VIII, § 11

[Pennsylvania, Tolls and Other Relevant Fees](#)

## **TOLLS**

Pennsylvania has many miles of toll roads, most of which are part of the Pennsylvania Turnpike system. The tollways include the following:

- I-376 Beaver Valley Expressway;
- Toll PA 43 Mon-Fayette Expressway
- Toll PA 66 Amos K. Hutchinson Bypass;
- Toll PA 576 Southern Beltway;
- PA Turnpike; and
- PA Turnpike NE Extension.

Tolls on the Pennsylvania Turnpike for passenger vehicles range from \$1.08 to \$45.95, depending on distance and payment type.

Pennsylvania also has 15 toll bridges, several of which are shared with neighboring states.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

Toll schedule website amended 2015; highway statistics website dated 2013; federal website dated 2014.

[PA Turnpike, 2015 Toll Schedule Case and E-ZPass Rates \(Jan. 4, 2015\)](#); see also [Pa. Dep't of Transp., Pennsylvania Highway Statistics 2013 Highway Data \(Sept. 2014\)](#); [\*\*U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)\*\*](#)

## Pennsylvania, Vehicle Miles Traveled Taxes

Pennsylvania does not assess a vehicle miles traveled tax.

## Puerto Rico

### Puerto Rico, Fuel Tax Rates

#### **GAS TAX** (§§ 31621, 31626, 31627)

Puerto Rico imposes an excise tax on gasoline, gas oil or diesel oil, crude oil, hydrocarbon mixtures (excluding natural gas), and motor vehicles, among other things. The excise tax on gasoline equals \$0.16 per gallon. Gasoline, gas oil, diesel oil, and other fuels subject to the excise tax are exempt from the sale and use tax.

In addition to the above excise tax, Puerto Rico imposes a tax for the use of crude oil, partially finished and finished oil by-products, and other hydrocarbon mixtures at rates per barrel that are fixed by statute and vary based on the current index price. This tax increased in 2015.

#### **DIESEL TAX** (§§ 31621, 31626)

Puerto Rico imposes an excise tax on gasoline, gas oil or diesel oil, crude oil, hydrocarbon mixtures (excluding natural gas), and motor vehicles, among other things. The excise tax on gas oil,

diesel oil, or any other fuel is \$0.08 per gallon. Gasoline, gas oil, diesel oil, and other fuels subject to the excise tax are exempt from the sale and use tax.

**ALTERNATIVE FUEL TAXES** (§§ 31621, 31626)

Puerto Rico imposes an excise tax equal to \$0.16 per gallon of gasoline and \$0.08 per gallon of gas oil, diesel oil, or any other fuel or hydrocarbon mixtures (excluding natural gas). The following liquid gases are *not* included in the definition of "gasoline":

- propane;
  
- butane;
  
- ethane;
  
- ethylene;
  
- propylene;
  
- butylene; and
  
- mixtures containing any of the above gases.

Fuels subject to the excise tax are exempt from the sale and use tax.

Statutory section 31626 amended 2011; § 31621 enacted 2011; § 31627 amended 2015.

P.R. Laws tit. 13, §§ 31621, 31626, 31627 (LexisNexis 2015) (as amended by 2015 Puerto Rico Laws Act 72)

## Puerto Rico, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

#### *Disposition of excise taxes (§ 31751)*

Proceeds from Puerto Rico's excise taxes are generally deposited into the General Fund. However, the following fuel-related taxes are specially deposited into an account for the Highways and Transportation Authority for its corporate purposes:

- the total tax collected on gasoline;
- \$0.04 of the gas oil or diesel oil tax imposed by § 31626; and
- up to \$120,000,000 per year of the excise tax collected pursuant to § 31627.

The Highways and Transportation Authority may pledge the above proceeds to pay the principal and interest on bonds or other obligations or for any other legal purpose.

The remaining \$0.04 of the tax on gas oil or diesel oil provided by § 31626 is deposited in favor of the Metropolitan Bus Authority for its corporate purposes and powers.

Section 31751 amended 2011.

P.R. Laws tit. 13, § 31751 (LexisNexis 2015)

## Puerto Rico, Tolls and Other Relevant Fees

### **TOLLS**

Research located the following tollways in Puerto Rico:

- Puerto Rico Highway 5;
- Teodoro Moscoso Bridge on Puerto Rico Highway 17;
- Puerto Rico Highway 20;
- Puerto Rico Highway 22;
- Puerto Rico Highway 52;
- Puerto Rico Highway 53; and
- Puerto Rico Highway 66.

The tolls range from \$0.75 to \$3. AutoExpreso (AutoExpress) is the exclusive form of payment on most Puerto Rico tollroads.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Website dated 2015.

[PRDay Trips, Driving in Puerto Rico \(Sept. 14, 2015\)](#)

### **Puerto Rico, Vehicle Miles Traveled Taxes**

Puerto Rico does not assess a vehicle miles traveled tax.

### **Rhode Island**

#### **Rhode Island, Fuel Tax Rates**

#### **GAS TAX** (§ 31-36-7)

Rhode Island imposes a state motor fuel tax on gasoline equal to \$0.33 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including fees, was \$0.34 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5240 per gallon.

Beginning July 1, 2015, the fuel tax is indexed to the Consumer Price Index. The rate is to be rounded to the nearest \$0.01, and the total tax may not be less than \$0.32 per gallon.

#### **DIESEL TAX** (§ 31-36-7)

Rhode Island imposes a state motor fuel tax on diesel equal to \$0.33 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including fees, was \$0.34 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5840 per gallon.

Beginning July 1, 2015, the fuel tax is indexed to the Consumer Price Index. The rate is to be rounded to the nearest \$0.01, and the total tax may not be less than \$0.32 per gallon.

### **ALTERNATIVE FUEL TAXES** (§ 31-36-1)

#### *Manufactured biodiesel fuel (§ 31-36-1)*

Rhode Island's definition of "manufactured biodiesel fuel" notes that the biodiesel portion of fuel is exempt from taxation under chapter 31-36.

#### *Warren excise tax exemptions (§ 44-34-14)*

Although the exemption does not apply to the state's fuel tax, note that the town of Warren may allow excise tax exemptions of up to \$100 on motor vehicles that are primarily fueled by:

- gas produced from biomass;

- liquid, gaseous, or solid synthetic fuels, produced from coal;
- coke or coke gas; or
- an electric motor drawing current from rechargeable batteries, fuel cells, or other portable sources of electrical current.

Statutory section 44-34-14 amended 2006; § 31-36-1 amended 2009; § 31-36-7 amended 2014; API website updated 2015.

[R.I. Gen. Laws §§ 31-36-1, -7; 44-34-14 \(2014\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Rhode Island, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

#### *Disposition of proceeds (§ 31-36-20)*

Proceeds from the state's motor fuel tax are deposited into the state's Intermodal Surface Transportation Fund. For fiscal years 2010 and after, the fund is allocated as follows:

- \$0.0975 per gallon, less refunds and credits, to the Rhode Island public transit authority;

- \$0.01 per gallon to the Elderly/Disabled Transportation Program;
- \$0.02 per gallon to satisfy debt service payments on certain aggregate bonds related to transportation projects;
- beginning in fiscal year 2015, \$0.035 to the Rhode Island Turnpike and Bridge Authority to be used for maintenance, operations, capital expenditures, and debt service on any of its projects in lieu of a toll on the Sakonnet River Bridge; and
- all other amounts to the department of transportation, subject to annual appropriation by the general assembly.

Section 31-36-20 amended 2014.

[R.I. Gen. Laws § 31-36-20 \(2014\)](#)

## Rhode Island, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads within Rhode Island. However, according to the Rhode Island Turnpike and Bridge Authority, the Newport/Pell Bridge charges a toll that ranges from \$0.83 to \$4.00, depending on payment method and residency. Thirty-day unlimited passes are available for \$40.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Website dated 2013.

[R.I. Turnpike and Bridge Authority, Tolls \(last visited Oct. 30, 2015\)](#)

## Rhode Island, Vehicle Miles Traveled Taxes

Rhode Island does not assess a vehicle miles traveled tax.

## South Carolina

### South Carolina, Fuel Tax Rates

#### **GAS TAX** (§§ 12-28-310, -36-2120)

South Carolina imposes a state motor fuel tax on gasoline equal to \$0.16 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including applicable fees, was \$0.1675 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3515 per gallon.

Motor fuel is exempt from any state or local sales tax.

#### **DIESEL TAX** (§ 12-28-310)

South Carolina imposes a state motor fuel tax on diesel equal to \$0.16 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including applicable fees, was \$0.1675 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4115 per gallon.

Motor fuel is exempt from any state or local sales tax.

**ALTERNATIVE FUEL TAXES** (§§ 12-28-110, -310; 12-36-2120)

South Carolina imposes a tax of \$0.16 per gallon on alternative fuels. Motor fuel is exempt from any state or local sales tax. "Alternative fuels" include:

- liquefied petroleum gas;
- compressed natural gas product;
- a combination of liquefied petroleum gas;
- a compressed natural gas product; and
- fuel sold as butane, propane, or compressed natural gas.

Statutory section 12-28-310 amended 2006; § 12-28-110 amended 2007; § 12-36-2120 amended 2012; API website updated 2015.

[S.C. Code §§ 12-28-110, -310; -36-2120 \(2015\)](#) (as amended by [2015 S.C. Acts ch. 69](#)); [\*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*](#)

## South Carolina, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

#### *Distribution to Department of Transportation (§§ 12-28-2720, -2725)*

An amount equal to \$0.1034 per gallon of the user fee on gasoline is distributed to the Department of Transportation. Of those proceeds, \$0.0025 per gallon is used for mass transit.

#### *Distribution to water recreational resources fund (§ 12-28-2730)*

One percent of the proceeds from \$0.13 of the gasoline user fee are transmitted to a special water recreational resources fund. This fund is apportioned pursuant to a formula based on the number of registered boats or other watercraft in each county. The proceeds are used to acquire, create, or improve water recreational resources.

#### *Distribution among counties (§ 12-28-2740)*

The proceeds from \$0.0266 of the user fee on gasoline is apportioned among the counties using a formula based on land area, population, and rural roads. The funds are used as follows:

- to further a countywide transportation plan and to pay reasonable related administrative expenses;
- to construct, improve, and maintain the state highway system; and

- to issue county bonds or state highway bonds.

*State Highway Fund (§§ 12-28-2750, -2910, -2930; 57-5-150, -1610)*

Generally, the remainder of the proceeds from the gasoline and fuel user fees after the above distributions are remitted to the State Highway Fund. However, the first \$18,000,000 generated from \$0.03 of the fuel user fee is segregated in a separate account for economic development, to be used as authorized by the South Carolina Coordinating Council for Economic Development. The council may use funds not obligated or committed as of July 1 each year to locate or expand an industry or business facility in South Carolina. Eligible expenditures include:

- water and sewer projects;
- road or rail construction and improvement projects;
- land acquisition;
- fiber-optic cable;
- relocating new employees;
- pollution-control equipment;
- environmental testing and related due diligence reports;
- acquiring and improving real property; and

- site preparation.

Of the total state source highway funds expended in a fiscal year on highway, bridge, and building construction, and on building renovation contracts, the Department of Transportation and counties must ensure that not less than:

- five percent are expended with small business concerns owned and controlled by socially and economically disadvantaged ethnic minorities; and
- five percent are expended with firms owned and controlled by disadvantaged females.

The state imposes a \$250,000 limit on these expenditures.

The State Highway Fund is also used to fund:

- the entire cost of rights-of-way in municipalities; and
- the entire cost of urban transportation plan projects, including rights-of-way.

#### *Highway funding (§§ 57-5-850, -1330)*

The state's highway system is built, constructed, and maintained from amounts derived from the automobile license tax and the gasoline tax, among other sources. The transportation department may also use the funds to maintain turnpike facilities.

#### *Administrative costs (§ 12-28-955)*

A licensed supplier may retain 0.1 percent of the motor fuel user fee to cover administrative costs.

Section 57-5-850 amended 1962; § 57-5-150 amended 1993; § 57-5-1330 amended 1995; §§ 12-28-955, 12-28-2750, and 12-28-2930 enacted 1995; § 12-28-2720 amended 1996; § 12-28-2730 amended 2002; § 12-28-2740 amended 2004; § 12-28-2725 amended 2005; § 12-28-2910 amended 2010.

[S.C. Code §§ 12-28-955, -2720, -2725, -2730, -2740, -2750, -2910, -2930; 57-5-150, -850 \(2014\)](#)

## South Carolina, Tolls and Other Relevant Fees

### **TOLLS**

The South Carolina Department of Transportation identifies the following tolls for passenger vehicles:

- Cross Island Parkway on Hilton Head Island, which equals \$1.25 at the plaza and \$1.00 at the ramp for cash customers; and
- Southern Connector in Greenville, which ranges from \$0.75 to \$3.00, depending on payment type and distance.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Webpage updated 2015.

[S.C. Dep't of Transportation, Toll Operations Center \(Apr. 22, 2015\)](#) (contains links to Southern Connector tollroad webpages); [Palmetto Pass South Carolina, Lane & Toll FAQs \(last visited Nov. 2, 2015\)](#)

## South Carolina, Vehicle Miles Traveled Taxes

South Carolina does not assess a vehicle miles traveled tax.

## South Dakota

### South Dakota, Fuel Tax Rates

#### **GAS TAX** (§§ 10-47B-3, -4.2)

South Dakota imposes a state motor fuel tax on gasoline equal to \$0.28 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including applicable fees, was \$0.30 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4840 per gallon.

#### **DIESEL TAX** (§§ 10-47B-3, -4.2)

South Dakota imposes a state motor fuel tax on diesel equal to \$0.28 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including applicable fees, was \$0.30 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5440 per gallon.

Diesel is taxed as a "special fuel."

**ALTERNATIVE FUEL TAXES** (§§ 10-47B-3, -4, -4.2, -4.3, -4.4)

South Dakota imposes the following taxes per gallon of alternative fuels:

- \$0.28 on "special fuels";
- \$0.20 on liquid petroleum gas;
- \$0.10 on compressed natural gas;
- \$0.14 on ethyl alcohol and methyl alcohol;
- \$0.14 on natural gas; and
- \$0.28 on biodiesel and biodiesel blends, unless the conditions provided by S.D. Codified Laws § 10-47B-4.4 (regarding production facilities reaching certain name plate capacities and production levels) are met.

"Special fuel" includes diesel fuel, fuel oil, heating fuel, biodiesel, special fuel blends, and kerosene products except K-1. The term does not include motor fuel, liquid petroleum gas, liquid natural gas, compressed natural gas, or natural gas that is not compressed.

Statutory section 10-47B-3 amended 2014; §§ 10-47B-4, 10-47B-4.2, and 10-47B-4.3 amended 2015; § 10-47B-4.4 enacted 2015; API website updated 2015.

[S.D. Codified Laws §§ 10-47B-3, -4, -4.2, -4.4 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

South Dakota, Programs Funded

## **CONSTITUTIONAL RESTRICTIONS**

South Dakota's constitution restricts the use of fuel tax or motor vehicle-related revenues to:

- administrative costs; and
- the maintenance, construction, and supervision of highways and bridges.

## **STATUTORY PROVISIONS**

*Distribution of fuel excise taxes (§§ 10-47B-148, -149, -149.1, -149.2)*

Amounts collect pursuant to chapter 10-47B are generally credited to the motor fuel tax fund. The motor fuel tax fund is distributed monthly as follows:

- an amount based on the number of licensed snowmobiles to the snowmobile trails fund;
- specified amounts from motor fuel used for nonhighway purposes to the value added agriculture subfund, the fund for grants to the Northern Crops Institute, and the coordinated natural resources conservation fund;
- two percent to the motor fuel tax administration account for administrative expenses;
- an amount based on the number of licensed motorized boats to the parks and recreation fund;
- \$700,000 to the state's counties and townships, allocated using a formula based on truck registrations, population, and road mileage;

- amounts collected pursuant to the international fuel tax agreement to the member jurisdictions; and
- the remaining balance to the state highway fund.

Each county must distribute its allocation as follows:

- 60 percent to a county road and bridge fund; and
- 40 percent to a special highway fund, to be distributed pursuant to S.D. Codified Laws §§ 32-11-4.1(2) and 32-11-6.

Amounts collected annually on motor fuel for nonhighway agricultural uses (estimated to be \$1,410,000) are to be used in a manner that "benefits agriculture and the citizens of the state."

*Ethanol fuel fund (§§ 10-47B-34, -164)*

The ethanol fuel fund is appropriated for the following purposes:

- to provide ethanol production payments to qualified ethanol producers;
- to make deposits into the ethanol infrastructure incentive fund in the amounts provided by statute; and
- to make deposits into the revolving economic development and initiative fund in the amounts provided by statute.

At the end of the year, any amounts in excess of \$100,000 remaining in the ethanol fuel fund are transferred to the state highway fund.

An ethanol supplier, producer, or broker may retain up to 2.25 percent of the tax required to be paid on each gallon of fuel to help off-set administrative expenses.

*Liquid petroleum (§ 10-47B-40)*

A liquid petroleum vendor may retain up to \$500 per month, as provided by a statutory formula.

*State Highway Fund (§§ 32-2-11; 31-2-13.2, -14, -14.2)*

The state highway fund may be used only for:

- the construction, maintenance, and supervision of highways and bridges;
- the administrative costs necessary to perform such duties; and
- public transportation.

However, other state statutes also provide that the fund may be used to pay:

- compensation to agents, patrolmen, and employees of the Division of Highway Patrol;
- the superintendent's salary; and

- the salaries and expenses of the Department of Transportation.

State and federal highway funds necessary to construct highways and purchase of rights-of-way and "borrow pits" are also annually appropriated from the state highway fund. The amount of those funds expended for administrative purposes may not exceed seven percent of the available highway funds.

*Distribution to counties (§§ 31-2-14.3; -6-9)*

South Dakota statutes annually appropriate a specified sum to the Department of Revenue for distribution to the counties. The funds are distributed to the counties in the same amounts as funds were distributed to the counties by the Department of Game, Fish and Parks for license fees in calendar year 1997.

*Matching funds (§ 31-6-9)*

The Transportation Commission must provide sufficient funds from the state highway fund to match all federal-aid secondary funds used to construct projects under chapter 31-6.

*Apportionment of funds among townships and local governments (§§ 32-11-6, -35, -37)*

The amount of the revenue from the fuel tax that is set aside to civil townships is apportioned according to the number of miles of maintained township roads within the townships, including roads designated as minimum maintenance.

Local aid is distributed from the Local Government Highway and Bridge Fund, which receives revenues from various transportation-related sources. Funding is allocated to counties for highways, roads, and bridges in the amounts provided by statute.

Before allocating funds pursuant to S.D. Codified Laws § 32-11-35, 0.5 percent of the local government highway and bridge fund is allocated to the local government transportation technology transfer special revenue fund.

Section 32-2-11 amended 1987; § 31-2-14 amended 1993; §§ 10-47B-40 and 10-47B-148 enacted 1995; § 32-11-37 amended 2001; § 31-2-14.2 amended 2005; § 31-2-13.2 enacted 2005; §§ 10-47B-34 and 31-6-9 amended 2010; §§ 10-47B-164 and 31-2-14.3 amended 2011; §§ 10-47B-149.1 and 10-47B-149.2 enacted 2011; § 32-11-6 amended 2012; § 10-47B-149 amended 2013; § 32-11-35 amended 2015; constitutional provision approved 1940.

[S.D. Codified Laws §§ 10-47B-34, -40, -148, -149, -149.1, -149.2, -164; 31-2-13.2, -14, -14.2, -14.3; 31-6-9; 32-2-11; 32-11-6, -35, -37 \(2015\); S.D. Const. art. XI, §8](#)

## South Dakota, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in South Dakota.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

## South Dakota, Vehicle Miles Traveled Taxes

South Dakota does not assess a vehicle miles traveled tax.

## Tennessee

### Tennessee, Fuel Tax Rates

**GAS TAX** (§§ 67-3-201, -203, -204)

Tennessee imposes a state motor fuel tax on gasoline equal to \$0.20 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including a special privilege tax and an environmental assurance fee, was \$0.2140 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.3980 per gallon.

**DIESEL TAX** (§§ 67-3-202, -203, -204)

Tennessee imposes a state motor fuel tax on diesel equal to \$0.17 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including a special privilege tax and an environmental assurance fee, was \$0.1840 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4280 per gallon.

**ALTERNATIVE FUEL TAXES** (§§ 67-3-1102, -1113)

Tennessee imposes the following taxes on alternative fuels:

- \$0.14 per diesel gallon equivalent on liquified gas; and
- \$0.13 per gallon equivalent on compressed natural gas.

Statutory sections 67-3-201, 67-3-203, 67-3-204, and 67-3-1113 enacted 1997; §§ 67-3-202 and 67-3-1102 amended 2014; API website updated 2015.

Tenn. Code §§ 67-3-201, -203, -204, -1102, -1103 (LexisNexis 2015); [American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Tennessee, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional restrictions were located.

### **STATUTORY PROVISIONS**

#### *Overview*

A portion of the state's fuel tax receipts are deposited into the State Highway Fund and distributed according to statutory guidelines. The fund is primarily used for highways and transit projects.

#### *Gasoline tax distributions (§ 67-3-901)*

Tennessee's gasoline tax is distributed as follows:

- the required amount to the debt service fund;
- one percent of the amount designated for cities and counties and two percent of the amount designated for the highway fund, to the general fund for administrative expenses;

- 28.6 percent to the state's counties;
- 14.3 percent to municipalities; and
- any remaining funds to the highway fund.

Up to \$1,500,000 has been allocated during certain years for a utility relocation loan program. Also, specific distributions apply to revenues from certain tax increases.

Before the above the allocations, 0.1074 percent of the gasoline tax (exclusive of specified increases) is allocated to the wildlife resources fund, to be used exclusively to administer the Boating Safety Act of 1965.

A portion of the funds collected and allocated to the state highway fund are also deposited in the general fund.

#### *State highway fund (§ 54-2-103)*

Except as authorized by Tenn. Code § 47-18-1311, no part of the state highway fund may be transferred to any other department or agency.

#### *Distributions to counties (§§ 54-4-103, 67- 3-901)*

The portion of Tennessee's fuel tax funds allocated to the state's counties must be used for roads, bridges, and transit projects. The funds are allocated among the counties using a statutory formula based on equal distribution, population, and area.

Counties must use specified amounts for:

- road purposes; and
- resurfacing and upgrading county roads, including the paving of gravel roads.

The county highway authorities must use the funds:

- to build, repair, and improve county roads and bridges; or
- to fund mass transit systems.

The following amounts are also distributed from the county aid funds for the indicated purposes:

- one percent to the county trustees as compensation;
- \$28,250 to the University of Tennessee to operate the county technical assistance service for public service; and
- up to 22.22 percent to fund mass transit.

*Municipalities (§ 54-4-203)*

A portion of state's fuel tax funds is allocated to municipalities for street aid using a statutory formula based on population.

*Diesel tax, compressed natural gas, and prepaid user diesel tax (§ 67-3-905)*

The taxes imposed by Tenn. Code §§ 67-3-202, 67-3-1113, and 67-3-1309, are distributed in the following order:

- 1.62 percent to the general fund;
- 24.75 percent to the state's counties, to become a part of the county highway fund, allocated using a formula based on equal distribution, population, and area;
- 12.38 percent to municipalities, as provided by § 54-4-203; and
- 61.25 percent to the highway fund.

Specific distributions apply to revenues from certain tax increases.

*Liquefied gas (§ 67-3-908)*

Tennessee's liquefied gas tax is distributed as follows:

- 1.58 percent to the general fund;

- 28.28 percent to the counties to become a part of the county highway fund, using a formula based on an equal distribution, population, and area;
- 14.14 percent to municipalities for street aid using a statutory formula based on population; and
- 56 percent to the highway fund.

Other specific distributions apply to revenues from tax increases.

*Special privilege tax and export tax (§ 67-3-906)*

The taxes imposed by Tenn. Code §§ 67-3-203 and 67-3-205 are distributed as follows:

- 98 percent to the highway fund; and
- two percent for administrative purposes.

From the tax proceeds, a local government fund of \$12,017,000 is established and distributed monthly to the state's counties and cities. The local government fund must be used solely for county roads and city streets.

From the local government fund:

- \$381,583 is distributed monthly to county highway departments on the basis of county population; and

- \$619,833 is distributed to cities on the basis of city population, after deducting \$10,000 per month, which is allocated to the University of Tennessee for the Center for Government Training to support in-service training for local government officials and employees.

### *Environmental assurance fee (§ 67-3-907)*

Tennessee's environmental assurance fee is used for the underground storage tanks and solid waste disposal control board.

Sections 67-3-905, 67-3-906, 67-3-907, and 67-3-908 enacted 1997; § 67-3-901 amended 2001; § 54-2-103 amended 2009; § 54-4-103 amended 2012.

Tenn. Code §§ 54-2-103; 54-4-103; 67-3-901, -905, -906, -907, -908 (LexisNexis 2015)

## Tennessee, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Tennessee.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

## Tennessee, Vehicle Miles Traveled Taxes

Tennessee does not assess a vehicle miles traveled tax.

## Texas

### Texas, Fuel Tax Rates

#### **GAS TAX** (§ 162.102)

Texas imposes a state motor fuel tax on gasoline equal to \$0.20 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.3840 per gallon.

#### **DIESEL TAX** (§ 162.202)

According to the American Petroleum Institute, as of October 1, 2015, Texas imposes a state motor fuel tax on diesel equal to \$0.17 per gallon, and the total state diesel tax plus the applicable federal tax was \$0.4440 per gallon. However, Tex. Tax Code § 162.202 provides that the diesel fuel tax rate is \$0.20 per gallon.

#### **ALTERNATIVE FUEL TAXES**

##### *Compressed natural gas and liquefied natural gas (§§ 162.351, .353)*

Texas imposes a tax on the sale of "compressed natural gas or liquefied natural gas that is delivered into the fuel supply tank of a motor vehicle in connection with a sale of the compressed natural gas or liquefied natural gas." The tax rate is \$0.15 for each gasoline or diesel gallon equivalent of compressed natural gas or liquefied natural gas (depending on the dispenser and price listing).

Statutory sections 162.102 and 162.202 enacted 2003; §§ 162.351 and 162.353 enacted 2013; API website updated 2015.

## Texas, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

The Texas constitution generally restricts the use of motor fuels taxes, after refunds and collection expenses, to:

- acquiring rights-of-way;
- constructing, maintaining, and policing public roadways; and
- administering laws pertaining to traffic supervision and safety.

However, one-fourth of motor fuel tax revenues are constitutionally allocated to the available school fund.

Note that the legislature may not dedicate proceeds from motor fuel taxes to the Texas Mobility Fund, which is constitutionally restricted to financing state highways, public toll roads, and transit projects.

### **STATUTORY PROVISIONS**

#### *Allocation of motor fuel taxes (§§ 162.501, .503)*

Before allocating motor fuel taxes, one percent is deposited in a special fund to be used to administer and enforce chapter 162. After deducting refunds, the remaining proceeds of the gasoline tax is allocated as follows:

- one-fourth to the available school fund;
- one-half to the state highway fund to be used to construct and maintain the state road system "under existing law"; and
- of the remaining one-fourth, up to \$7,300,000 annually to the county and road district highway fund, and the remainder to the state highway fund to be used to construct, improve, and maintain farm-to-market roads.

*Allocation of diesel fuel tax proceeds (§ 162.504)*

After deductions for refunds and administration costs, the diesel fuel tax is allocated as follows:

- one-fourth to the available school fund; and
- three-fourths to the state highway fund.

*Allocation of compressed and liquefied natural gas tax proceeds (§ 162.506)*

After deductions for refunds and administration costs, the taxes collected under subchapter D-1 are allocated as follows:

- one-fourth to the available school fund; and
- three-fourths to the state highway fund.

*Uses of the state highway fund (§ 222.001)*

The state highway fund may be used only as follows:

- to improve the state highway system; or
- to "mitigate adverse environmental effects that result directly" from the department constructing or maintaining a state highway.

The state highway fund may not be used to guarantee a loan or insure bonds for costs associated with a toll facility. However, "money in the state highway fund that is not required to be spent for public roadways by the Texas Constitution or federal law may be used for any function performed by the department."

*Use of county funds (§§ 256.001, .002, .003)*

The comptroller distributes the county and road district highway fund to counties using a statutory formula that is based on area, rural population, and lateral road mileage. A county generally may use the money in its county road and bridge fund only for working public roads or building bridges, unless otherwise provided by law. A county may use its allocated amount only for:

- purchasing rights-of-way for lateral roads, farm-to-market roads, or state highways;
- constructing and maintaining lateral roads; or
- paying the principal, interest, and sinking fund requirements on legal obligations incurred to finance the above activities.

Sections 222.002 and 256.001 enacted 1995; § 256.002 amended 2001; § 256.003 amended 2003; § 162.503 amended 2013; §§ 162.504 and 162.506 enacted 2013; §§ 162.501 and 222.001 amended 2015; constitutional section 7-a added 1946; constitutional section 49-k added 2001.

[Tex. Tax Code §§ 162.501](#) (as amended by [S.B. 1455, 84th Legislature, Regular Session \(Tex. 2015\)](#)), [.503, .504, .506](#); [Transp. Code §§ 222.001](#) (as amended by [H.B. 20, 84th Legislature, Regular Session \(Tex. 2015\)](#)), [.002](#); [256.001, .002, .003 \(2013\)](#); [Tex. Const. art. VIII, § 7-a](#); [art. III, § 49-k](#)

## Texas, Tolls and Other Relevant Fees

### **TOLLS**

Texas has numerous toll roads. The tolls for passenger vehicles varies greatly, depending on distance and payment type. The Federal Highway Administration identifies 23 toll bridges and 20 toll roads in the state, but the Texas Department of Transportation publishes a map showing 67 toll roads and toll bridges in the state. TxTag identifies the following toll roads that use the TxTag:

- several tollways in Austin;
- SH 130;
- Loop 49 in Tyler;
- Camino Colombia in Laredo;
- SH 550 in Brownsville;
- Grand Parkway, Segment E;
- Grand Parkway//SH 99, Segment I-2;

- DFW Connector; and
- Camino Real Regional Mobility Authority.

Texas also has high occupancy toll lanes in the Dallas/Fort Worth, Austin, and Houston areas.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

*Liquefied gas decal fee (repealed by H.B. 1905)*

Texas previously required a user of liquefied gas for the propulsion of a motor vehicle to obtain a decal by paying in advance a tax based on the vehicle's registered gross weight and mileage driven the previous year. That provision has been repealed, effective September 1, 2015. All prepaid liquefied gas decals currently issued to Texas motor vehicles that use liquefied gas or liquefied petroleum gas are cancelled, effective Aug. 31, 2015. Also, vehicles that use compressed natural gas or liquefied natural gas will no longer prepay the tax by purchasing a decal.

Section 162.305 repealed 2015; state websites dated 2015; federal website dated 2014.

[H.B. 1905, § 36\(6\), 84th Leg., Reg. Sess. \(Tex. 2015\)](#) (repealing subchapter D, chapter 162); [Tex. Dep't of Transp., Toll Roads & Toll Bridges in Texas \(Aug. 2015\)](#), [Texas' Managed Lanes \(Dec. 2014\)](#); [Tex. Dep't of Transp., TxTag, Toll Roads in Texas \(last visited Nov. 3, 2015\)](#); [Tex. Comptroller of Public Accounts, Liquefied Gas \(last visited Nov. 3, 2015\)](#); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Texas, Vehicle Miles Traveled Taxes

Texas does not assess a vehicle miles traveled tax.

However, Austin participated in a national evaluation of mileage-based road user charges conducted by the University of Iowa from 2008 to 2010. The state also conducted studies using Texas travel data and detailed spending estimates from the Texas Department of Transportation to consider the impacts surrounding three vehicle miles traveled fee and spending scenarios. Generally, the study results indicated that the impact of the fee on geographic equity is different depending on allocation of transportation funding, but that the fee was essentially as equitable as the state's current gas tax. Texas continues to show an interest in a vehicle miles traveled tax or fee and has conducted other exploratory studies regarding the issue.

Website visited 2015.

[U.S. Dep't of Transp., Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\) \(last visited Oct. 15, 2015\)](#)

## Utah

### Utah, Fuel Tax Rates

#### **GAS TAX** (§ 59-13-201)

Utah imposes a state motor fuel tax on gasoline equal to \$0.2450 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including an applicable fee, was \$0.2451 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4291 per gallon.

Utah's gasoline tax is scheduled to increase as of January 1, 2016. Effective that date, the current gas tax is replaced with a 12-percent tax on the average rack price of a gallon of motor fuel. Until December 31, 2018, the statewide average rack price of a gallon of motor fuel is based on the previous fiscal year statewide average rack price of a gallon of regular unleaded motor

fuel. Beginning on January 1, 2019, the statewide average rack price of a gallon of motor fuel will be determined by calculating the previous three fiscal years average. However, the statewide average rack price of a gallon of motor fuel generally:

- may not be less than \$2.45 per gallon, which amount may be adjusted under certain conditions based on the change in the Consumer Price Index; or
- may not exceed \$3.33 per gallon.

### **DIESEL TAX** (§ 59-13-301)

Utah imposes a state motor fuel tax on diesel equal to \$0.2450 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including an applicable fee, was \$0.2451 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.4891 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Propane and electricity (§ 59-13-301(3)(b))*

Propane and electricity used to operate motor vehicles are exempt from Utah's fuel taxes.

#### *Compressed natural gas (§ 59-13-301(12)(a))*

Utah imposes a tax on compressed natural gas at the following rates per gallon equivalent:

- \$0.1050 until June 30, 2016;
- \$0.1250 from July 1, 2016, until June 30, 2017;
- \$0.1450 from July 1, 2017, until June 30, 2018; and
- \$0.1650 as of July 1, 2018.

*Liquified natural gas (§ 59-13-301(12)(b))*

Utah imposes a tax on liquified natural gas at the following rates per diesel gallon equivalent:

- \$0.1050 until June 30, 2016;
- \$0.1250 from July 1, 2016, until June 30, 2017;
- \$0.1450 from July 1, 2017, until June 30, 2018; and
- \$0.1650 as of July 1, 2018.

*Hydrogen (§ 59-13-301(12)(c))*

Utah imposes a tax at the following rates on hydrogen used to propel a motor vehicle:

- \$0.1050 until June 30, 2016;
- \$0.1250 from July 1, 2016, until June 30, 2017;
- \$0.1450 from July 1, 2017, until June 30, 2018; and
- \$0.1650 as of July 1, 2018.

*Other clean fuels (§ 59-13-102(2); -201(1)(c))*

Subject to the specific amounts set forth above, Utah generally imposes a tax equal to 3/19 of the rate imposed by Utah Code § 59-13-201(1)(a) or (b) on all motor fuels that meet the definition of "clean fuel." No tax is imposed on propane or electricity.

"Clean fuel" means:

- propane, compressed natural gas, liquified natural gas, electricity, or hydrogen; or
- any motor or special fuel that meets federal clean fuel vehicle standards.

Statutory sections 59-13-102, 59-13-201, and 59-13-301 amended 2015; API website updated 2015.

[Utah Code §§ 59-13-102, -201, -301 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

Utah, Programs Funded

**CONSTITUTIONAL RESTRICTIONS**

Utah's constitution restricts the use of revenues from the state's fuel tax to the following:

- statutory refunds and adjustments;
- collection and administration costs;
- constructing, maintaining, and repairing state and local roads;
- driver education;
- enforcing state motor vehicle and traffic laws; and
- paying the principal of and interest on certain obligations.

### **STATUTORY PROVISIONS**

*Transportation fund (§§ 59-13-201(5); 72-2-102, -103)*

Fuel tax revenues are credited to the transportation fund. After deducting administrative costs and fuel tax on fuel used in motorboats, the commission refunds into the Off-Highway Vehicle Account an amount equal to 0.5% of the motor fuel tax revenues collected under § 59-13-201.

The state's transportation fund is exclusively dedicated to highway purposes.

Except as otherwise provided, the amount transferred from the transportation fund each year may not exceed a combined total of \$11,600,000 to the following:

- the Department of Public Safety;
- the State Tax Commission;
- the Division of Finance; and
- any other state agency that is not a part of the Department of Transportation.

However, specified funds are exempt from this limitations.

Two-elevenths of the taxes collected from the motor fuel tax and the special fuel tax, exclusive of the formula amount appropriated to the B and C road fund and the collector road fund, is used for highway rehabilitation.

*Class B and class C roads (§ 72-2-107)*

An amount equal to 30 percent of the amount computed using the formula set forth in Utah Code § 72-2-107 is appropriated from the transportation fund to a class B and class C roads account. The director of finance annually transfers \$500,000 of this amount to the department as dedicated credits for the State Park Access Highways Improvement Program.

Effective July 1, 2015, the funds available for use on class B and class C roads is apportioned among counties and municipalities as follows:

- 50 percent based on the class B roads weighted mileage within each county and the class C roads weighted mileage within each municipality; and
- 50 percent based on the county's or municipality's population.

This amount may be adjusted if certain conditions are met.

A municipality or county may use the class B or class C road funds:

- for bonds to pay the costs of constructing, repairing, and maintaining class B or class C roads;
- for matching federal funds for the construction of secondary roads; and
- up to 30 percent to the county or municipality to pay the costs of asserting, defending, or litigating local government rights on class B, C, or D roads.

*Tollway Special Revenue Fund (§ 72-2-120)*

Tolls are deposited in a "Tollway Special Revenue Fund." The fund must be used to establish and operate tollways and related facilities.

Section 72-2-102 enacted 1998; § 72-2-103 amended 2002; § 72-2-110 amended 2009; §§ 72-2-106 and 72-2-107 amended 2010; § 72-2-120 amended 2011; §§ 59-13-201 and 72-2-108 amended 2015; Utah Const. art. XIII, § 5

Utah Code §§ 59-13-201; 72-2-102, -103, -106, -107, -108, -110 (2015); Utah Const. art. XIII, § 5

## Utah, Tolls and Other Relevant Fees

### **TOLLS**

Research located only one tollroad in Utah: the Adams Avenue Parkway, which charges a cash toll of \$1.00. Utah also has high occupancy toll lanes on I-15 around Salt Lake City.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

Generally, a special fuel user must, before using fuel in a qualified motor vehicle, apply to the commission for a special fuel user permit. However, in place of this special fuel user permit, a user may purchase a special fuel user trip permit, which is valid for the earlier of 96 hours or until the qualified vehicle leaves the state. The fee for the special fuel user trip permit is \$25.

Section 59-13-303 amended 2005; websites visited 2015.

[Utah Code § 59-13-303 \(2015\)](#); [Adams Avenue Parkway, Inc., Prices \(last visited Nov. 4, 2015\)](#); [Utah Dep't of Transp., Express Lanes \(last visited Nov. 4, 2015\)](#)

## Utah, Vehicle Miles Traveled Taxes

Utah does not assess a vehicle miles traveled tax.

## Vermont

### Vermont, Fuel Tax Rates

#### **GAS TAX** (§§ 3106, 3106a)

Vermont imposes a state motor fuel tax on gasoline equal to \$0.1210 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including assessment fees, was \$0.3073 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4913 per gallon.

The assessment fee includes the following variable components assessed on each gallon of motor fuel sold by the distributor:

- a motor fuel transportation infrastructure assessment that equals the greater of (a) \$0.0396 or (b) two percent of the tax-adjusted retail price; and
- a fuel tax assessment that equals the greater of (a) \$0.134 per gallon or (b) four percent of the tax-adjusted retail price or \$0.18 per gallon, whichever is less.

A distributor must also pay a \$0.01 per gallon license fee.

### **DIESEL TAX** (§ 3003)

Wisconsin imposes a state motor fuel tax on diesel equal to \$0.28 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including applicable fees, was \$0.32 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5640 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Natural gas tax (§§ 3101, 9741)*

Natural gas used to propel a motor vehicle is not subject to the state's gasoline tax, but it is subject to state's sales and use tax.

Statutory section 3101 amended 2011; §§ 3003 and 3106a amended 2013; §§ 3106 and 9741 amended 2015; API website updated 2015.

[Vt. Stat. tit. 23, §§ 3003, 3101, 3106, 3106a; tit. 32, 9741 \(2015\); American Petroleum Inst., \*State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*](#)

## Vermont, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provision was located.

### **STATUTORY PROVISIONS**

*General appropriations from the transportation fund (§§ 11, 11a, 3106)*

Vermont statutes provide that transportation-related revenues, including those derived from motor fuel taxes and sales and use taxes on natural gas used to propel a motor vehicle, are deposited into the transportation fund.

Generally, transportation funds may be distributed only for the following:

- the Agency of Transportation;
- the Transportation Board;
- Transportation Pay Act Funds;
- constructing transportation capital facilities;

- transportation-related debt service;
- operating certain information centers; and
- the Department of Public Safety.

The transportation funds appropriated to the Department of Public Safety may not exceed:

- \$22,750,000 in fiscal years 2015 and 2016; and
- \$20,250,000 in fiscal year 2017 and after.

Three-eighths of one cent of the gasoline tax is also dedicated as follows:

- 76 percent to the Fish and Wildlife Fund; and
- 24 percent to the Department of Forests, Parks, and Recreation for natural resource management.

The fuel tax assessment must be used exclusively for transportation purposes.

*Rehabilitation of historic bridges (§ 11d)*

The transportation agency may transfer funds to the division for historic preservation to be used as follows:

- to repair, rehabilitate, restore, and maintain historic bridges;
- for grants to municipalities or other "responsible parties" to repair and maintain historic bridges;
- to plan and engineer studies to preserve historic bridges; and
- to move, store, or otherwise preserve historic bridges.

*Use of motor fuel transportation infrastructure assessments (§ 11f)*

Proceeds from the motor fuel transportation infrastructure assessments levied by Vt. Stat. tit. 23, §§ 3003(a) and 3106(a) are deposited into the transportation infrastructure bond fund. That fund is first used to cover debt service obligations of transportation infrastructure bonds. Any remaining amounts are used as follows:

- to rehabilitate, reconstruct, or replace state bridges, culverts, roads, railroads, airports, and necessary buildings that have an estimated remaining useful life of at least 10 years;
- to rehabilitate, reconstruct, or replace municipal bridges, culverts, and highways that have an estimated remaining useful life of at least 10 years; and
- up to \$100,000 per year for administrative operating costs.

*Appropriations to agency of transportation (§ 12)*

Amounts appropriated from the transportation fund to the agency of transportation must be used as follows:

- to construct and maintain state highways, railroads, and airports;
- to municipalities to support certain town highways and bridges;
- for administration costs;
- to pay debt service for highway bonds;
- to operate public transit systems, railroads, and airports; and
- to operate the department of motor vehicles.

*State aid for town highways (§ 306)*

Vermont's annual town highway appropriation is distributed as follows, using a formula based on highway mileage:

- six percent to class 1 town highways;
- 44 percent to class 2 town highways; and
- 50 percent to class 3 town highways.

Each town must use its funds for:

- town highway construction, improvement, and maintenance;
- the nonfederal share for public transit assistance; or
- bicycle routes.

Amounts are also appropriated for:

- multilane class 1 town highways with more than two lanes;
- state aid for certain town highway bridges;
- repairing damage from disasters;
- state aid for town highway structures; and
- the Class 2 Town Highway Roadway Program.

*Motor Fuel Transportation Infrastructure Assessment fee (§ 9741)*

The "Motor Fuel Transportation Infrastructure Assessment" fee is dedicated to the Vermont Transportation Infrastructure Bond Fund. The fund is first used to repay bonds issued to finance highway or bridge construction. Any remaining amounts are allocated to the construction costs of long-lived transportation assets.

*One-cent license fee (§ 3106a)*

The license fee of \$0.01 per gallon is deposited into the Petroleum Cleanup Fund.

Section 12 enacted 1985; § 3106a enacted 1987; § 11d amended 1995; §§ 11 and 11f amended 2011; §§ 11a, 306, 9741, and 3106 amended 2015.

[Vt. Stat. tit. 19, §§ 11, 11a, 11d, 11f, 12, 306; tit. 23, 3106, 3106a; tit. 32, § 9741 \(2015\)](#)

## Vermont, Tolls and Other Relevant Fees

### **TOLLS**

The Vermont Agency of Transportation notes that the state has approximately 2,700 miles of toll-free state highways, but it does not identify any toll roads. However, the U.S. Department of Transportation notes one toll bridge and the following three Vermont mountain toll roads:

- Equinox Skyline;
- Mt. Mansfield Toll Road; and
- Burke Mountain Toll Road.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

Website dated 2015.

[Vermont Agency of Transp., \*History\* \(last visited Nov. 9, 2015\)](#); [U.S. Dep't of Transp., \*Table 1-3: Vermont Toll Roads: 2001\* \(last visited Nov. 9, 2015\)](#)

## Vermont, Vehicle Miles Traveled Taxes

Vermont does not assess a vehicle miles traveled tax.

## Virgin Islands

### Virgin Islands, Fuel Tax Rates

#### **GAS TAX** (§§ 91, 96)

The Virgin Islands imposes a fuel tax of \$0.14 per gallon on gasoline "manufactured, sold, consumed, imported or otherwise disposed of in the Virgin Islands."

The territory also imposes an additional gasoline conservation tax on gasoline manufacturers, producers, and importers.

#### **DIESEL TAX** (§ 91)

The Virgin Islands imposes a fuel tax of \$0.14 per gallon on diesel fuel "manufactured, sold, consumed, imported or otherwise disposed of in the Virgin Islands."

#### **ALTERNATIVE FUEL TAXES** (§ 91)

No specifically relevant provisions were located. The Virgin Islands imposes its fuel tax on gasoline, fossil fuel, and diesel fuel "manufactured, sold, consumed, imported or otherwise disposed of in the Virgin Islands."

Statutory section 96 amended 1980; § 91 amended 2012.

V.I. Code tit. 33, §§ 91, 96 (LexisNexis 2014)

## Virgin Islands, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant provisions were located in the territory's Revised Organic Act of 1954.

### **STATUTORY PROVISIONS**

#### *General purpose of highway user's tax (§ 70)*

The general purpose of the territory's highway user's tax is to provide additional funding for highway construction and maintenance.

#### *Road and highway construction program (§ 45)*

Funds to carry out the projects the Road and Highway Construction Program authorizes are derived from:

- the federal internal revenues for emergency relief and essential public projects; and
- other special funds established for road or highway construction, maintenance, or extension.

#### *Virgin Islands Water and Power Authority Generating and Infrastructure Fund (§ 3039a)*

The Virgin Islands Water and Power Authority Generating and Infrastructure Fund is composed of sums received under the fuel tax system established by V.I. Code, tit. 33, § 91, and other specified sums. The fund must be used exclusively as follows:

- to fund new energy and power generating units and heat recovery steam generators that are energy efficient and convertible to natural gas for the St. Thomas/St. John District and for the St. Croix District; and
- to assist with the issuance of bonds for the Virgin Islands Water and Power Authority.

#### *Highway users' tax (§ 3003a)*

The highway users' tax proceeds (among other amounts) are deposited into the Transportation Trust Fund, which is first used to make payments on the Virgin Islands Public Finance Authority's bonds. Any surplus is deposited as follows:

- an amount equal to the lesser of the surplus or the amount of driver's license fees and motor vehicle registration fees to the General Fund; and
- any remaining amount to the Road Fund.

Section 45 enacted 1958; § 70 amended 2010; § 3003a amended 2012; § 3039a amended 2013.

V.I. Code tit. 20, § 45; tit. 33, §§ 70, 3003a, 3039a (LexisNexis 2014)

## Virgin Islands, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in the Virgin Islands.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

However, note that generally any person, except a person who has purchased a new hybrid or fuel efficient vehicle, must pay a highway user's tax on the vehicle's unladen weight at the rate of \$0.16 per pound, with a minimum tax of \$25. The tax does not apply to specified vehicles, including new hybrid vehicle or any motor vehicle capable of attaining average fuel economy of at least 30 miles per gallon for small to midsize vehicles and 22 miles per gallon for an SUV purchased during the Annual Highway Users Holiday (12:01 am on December 15 and ending at 11:59 p.m. on December 31). This exemption does not apply to a motor vehicle that uses diesel fuel.

Also, until January 1, 2021, imports of the following are exempt from the customs duties and excise taxes:

- electric vehicles and the lithium-ion batteries they use;
- hybrid vehicles; and
- other alternative fuel vehicles.

Sections 72 and 74 amended 2009; § 1131 enacted 2012.

V.I. Code tit. 12, § 1131; tit. 33, § 72 (LexisNexis 2014)

## Virgin Islands, Vehicle Miles Traveled Taxes

The Virgin Islands does not assess a vehicle miles traveled tax.

## Virginia

### Virginia, Fuel Tax Rates

#### **GAS TAX** (§§ 58.1-2217(A), -2295)

According to the American Petroleum Institute, as of October 1, 2015, Virginia imposes a state motor fuel tax on gasoline equal to \$0.1983 per gallon. After adding certain fees and other taxes,

- the total state gas tax was \$0.2233 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4073 per gallon.

Because of statements in the 2013 Virginia transportation legislation and because Congress failed to pass certain legislation regarding Virginia's authority to force internet sellers to collect state and local taxes, the fixed portion of the state gasoline tax increased in 2015 to \$0.1620 per gallon and the tax rate increased to 5.1 percent of the average wholesale price of a gallon of unleaded regular gasoline.

The actual tax amount depends on the county in which the fuel is purchased. For example, Virginia has added the following local taxes:

- a 2.1-percent sales tax on motor fuels wholesalers located in the Northern Virginia Transportation District or certain contiguous transportation districts; and
- a 2.1-percent sales tax on motor fuels in the Hampton Roads Transportation District.

#### **DIESEL TAX** (§ 58.1-2217(B))

According to the American Petroleum Institute, as of October 1, 2015, Virginia imposes a state motor fuel tax on diesel equal to \$0.2333 per gallon. After adding certain fees and other taxes,

- the total state diesel tax was \$0.2603 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5043 per gallon.

Virginia statutes provided for a \$0.1750 tax per gallon of diesel fuel. However, as of January 1, 2015, the tax rate is six percent of the statewide average wholesale price of a gallon of diesel fuel for the applicable base period.

### **ALTERNATIVE FUEL TAXES**

#### *Blended fuel (§ 58.1-2217(C))*

Blended fuel that contains gasoline is taxed at the rate levied on gasoline. Blended fuel that contains diesel is taxed at the rate levied on diesel fuel.

#### *Alternative fuels (§§ 58.1-2201, -2249, -2250)*

Virginia levies a tax equal to the rate levied on gasoline and gasohol on the following:

- "liquid alternative fuel used to operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the purpose of supplying fuel to operate the vehicle"; and
- all other alternative fuels used to operate highway vehicles. (The commissioner determines the equivalent rate applicable to such other alternative fuels.)

The alternative fuel tax is not levied on alternative fuel produced by an agricultural operation's owner or lessee and:

- used exclusively for farm use by the owner or lessee; or
- used in any vehicle operated by the fuel's producer.

In this context, "alternative fuel" means a "combustible gas, liquid or other energy source that can be used to generate power to operate a highway vehicle and that is neither a motor fuel nor electricity used to recharge an electric motor vehicle or a hybrid electric motor vehicle."

Statutory sections 58.1-2201 and 58.1-2217 amended 2013; § 58.1-2249 amended 2014; § 58.1-2250 amended 2015; API website updated 2015.

[Va. Code §§ 58.1-2217, -2249, -2250 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## Virginia, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provisions were located.

### **STATUTORY PROVISIONS**

*General disposition of fuel tax revenues until July 1, 2016 (§ 58.1-2289)*

Effective until July 1, 2016, unless otherwise provided by statute, fuel tax revenues (less refunds) are paid into the state treasury and constitute special funds in the Commonwealth Transportation Fund. Before distributing the vehicle fuel tax revenues for transportation purposes:

- the governor may transfer out the amount necessary to inspect gasoline and motor grease measuring and distributing equipment, and to inspect and analyze gasoline for purity;
- certain amounts from fuel used in agricultural equipment are transferred to the Virginia Agricultural Foundation Fund; and
- certain amounts from fuel used to propel a commercial watercraft are transferred to the Game Protection Fund.

The remaining revenues are distributed as follows:

- 80 percent to the Highway Maintenance and Operating Fund;
- 15 percent to the Transportation Trust Fund;
- four percent to the Priority Transportation Fund; and
- one percent to "meet the necessary expenses of the Department of Motor Vehicles."

*General disposition of fuel tax revenues as of July 1, 2016 (§ 58.1-2289)*

Effective July 1, 2016, unless otherwise provided by statute, the fuel tax revenues (less refunds) are paid into the state treasury and constitute special funds in the Commonwealth Transportation Fund. Before distributing the vehicle fuel tax revenues for transportation purposes:

- the governor may transfer out the amount necessary to inspect gasoline and motor grease measuring and distributing equipment, and to inspect and analyze gasoline for purity;
- certain amounts from fuel used in agricultural equipment are transferred to the Virginia Agricultural Foundation Fund; and
- certain amounts from fuel used to propel a commercial watercraft are transferred to the Game Protection Fund.

The remaining revenues are distributed as follows:

- 80 percent to the Highway Maintenance and Operating Fund;
- 11.3 percent to the Transportation Trust Fund;
- four percent to the Priority Transportation Fund;
- 3.11 percent to the Commonwealth Transit Capital Fund;
- one percent to "meet the necessary expenses of the Department of Motor Vehicles";
- 0.35 percent to the Commonwealth Mass Transit Fund and allocated pursuant to § 58.1-638(A)(4)(b)(1)(b); and
- 0.24 percent to the Commonwealth Mass Transit Fund and allocated pursuant to § 58.1-638(A)(4)(b)(1)(a).

*Transportation Trust Fund (§ 2.2-1509.2)*

The Transportation Trust fund is generally dedicated to transportation purposes, but state law allows the General Assembly or the governor to divert amounts in the budget bill, provided the act includes language setting out a plan that repays the funds within three years.

*Access road funds (§ 33.2-1509)*

Notwithstanding any other law, Virginia also appropriates from the funds derived from taxes on motor fuels and other transportation-related sources amounts for the Board to use as follows, after deducting administration costs but before the funds are distributed and allocated for any road or street purposes:

- funds to construct, reconstruct, maintain, or improve access roads within localities to economic development sites that meet specified criteria; and
- funds allocated to licensed, public-use airports.

*Access roads and bikeways to public recreational areas and historical sites (§ 33.2-1510)*

Effective until July 1, 2020, the Board sets aside \$3 million to be used to construct, reconstruct, maintain, or improve access roads and bikeways within localities. This fund is replenished each year to the extent deemed necessary, provided the balance in the fund plus the replenishment does not exceed \$3 million.

As of July 1, 2020, before making the allocations pursuant Va. Code § 33.2-358(D), the Board sets aside \$3 million initially to be used to construct, reconstruct, maintain, or improve access roads and bikeways within localities. At the close of each fiscal year, the Board replenishes the fund to the extent it deems necessary, provided that the balance in the fund plus the replenishment does not exceed \$3 million.

Section 2.2-1509.2 enacted 2003; §§ 33.2-1509, 33.2-1510, and 58.1-2289 amended 2015.

[Va. Code §§ 2.2-1509.2; 33.2-1509, -1510; 58.1-2289 \(2015\)](#)

## Virginia, Tolls and Other Relevant Fees

### **TOLLS**

Virginia has several toll facilities in northern Virginia, central Virginia, and Hampton Roads. The Virginia Department of Transportation identifies the following tollroads for passenger vehicles with the tolls as indicated:

- the Dulles Toll Road (varies from \$1.00 to \$2.50, depending on distance traveled);
- the Dulles Greenway (varies from no toll to \$6.20, depending on distance traveled and travel time);
- the 495/95 Express Lanes (varies depending on traffic congestion);
- the Downtown Expressway/ Powhite Parkway;
- the Pocahontas Parkway (varies from \$1.50 to \$3.25, depending on distance and travel times);
- the Chesapeake Expressway (varies from \$0.75 to \$6.00, depending on travel times and payment method); and
- the Richmond Metropolitan Transportation Authority roads (varies from \$0.20 to \$1.00).

Also, the Federal Highway Administration identifies five toll bridges and tunnels in Virginia. Those tolls vary based on the bridge, the travel time, and the payment method. The state also has several high-occupancy toll lanes.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES** (§ 58.1-2249)

Subject to an expiration date that is contingent on other occurrences, electric motor vehicles registered in Virginia are subject to a \$64 annual license tax.

### **OTHER FEES** (§ 58.1-2249)

Subject to an expiration date that is contingent on other occurrences, Virginia levies an annual license tax of \$64 per vehicle on alternative fuel vehicles, unless an exception applies.

Section 58.1-2249 amended 2014; state webpage dated 2015; federal website dated 2014.

[Va. Code § 58.1-2249 \(2015\)](#); [Va. Dep't of Transp., Virginia Toll Facilities \(Sept. 15, 2015\)](#) (contains links to numerous tollroad websites); [U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## Virginia, Vehicle Miles Traveled Taxes

Virginia does not assess a vehicle miles traveled tax.

## Washington

### Washington, Fuel Tax Rates

#### **GAS TAX** (§ 82.36.025)

Washington imposes a state motor fuel tax on gasoline equal to \$0.4450 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state gas tax plus the applicable federal tax was \$0.6290 per gallon.

The state fuel tax is scheduled to increase an additional \$0.0490 per gallon on July 1, 2016. At that time, the state tax will be \$0.4940 per gallon.

### **DIESEL TAX** (§ 82.36.025)

Washington imposes a state motor fuel tax on diesel equal to \$0.4450 per gallon. According to the American Petroleum Institute, as of October 1, 2015, the total state diesel tax plus the applicable federal tax was \$0.6890 per gallon.

The state fuel tax is scheduled to increase an additional \$0.0490 per gallon on July 1, 2016. At that time, the state tax will be \$0.4940 per gallon.

### **ALTERNATIVE FUEL TAXES**

#### *Special fuels (§ 82.38.020, .030, .080)*

Washington imposes a state motor fuel tax on special fuel equal to \$0.4450 per gallon. The state fuel tax is scheduled to increase an additional \$0.0490 per gallon on July 1, 2016. At that time, the state tax will be \$0.4940 per gallon.

"Special fuel" means:

- diesel fuel;
  
- propane;
  
- natural gas;

- kerosene;
- biodiesel; and
- any other combustible liquid or gas used to generate power to propel a motor vehicle on the state's highways.

The term does not include motor vehicle fuel, which is defined as gasoline and any other inflammable gas or liquid, the "chief use of which is as a fuel for the propulsion of motor vehicles or vessels."

*Vegetable oil (§ 82.38.080)*

Sales of waste vegetable oil used to manufacture biodiesel are exempt from the state's fuel tax.

Statutory sections 82.38.020 and 82.38.080 amended 2013; §§ 82.36.025 and 82.38.030 amended 2015; API website updated 2015.

[Wash. Rev. Code §§ 82.36.025](#) (as amended by [2015 Wash. Sess. Laws ch. 44](#)); [82.38.020](#), [.030](#) (as amended by [2015 Wash. Sess. Laws ch. 44](#)), [.080](#) (2015); **[American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)**

## Washington, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Washington's state constitution requires the proceeds from the state's vehicle license fees and fuel taxes to be placed in a special fund to be used exclusively for highway purposes, which include the following:

- necessary operating, engineering, and legal expenses connected with the administration of public highways, county roads, and city streets;
- constructing, reconstructing, maintaining, repairing, and improving public highways, county roads, bridges, and city streets;
- paying or refunding certain state or local obligations;
- paying authorized refunds for taxes paid on motor vehicle fuels; and
- collection costs.

### **STATUTORY PROVISIONS**

*General disposition of funds (§§ 46.68.070, 46.68.130; 82.38.290)*

All fuel taxes must be deposited into the motor vehicle fund, except one cent per gallon is deducted from each motor vehicle fuel marine use refund claim and deposited into the coastal protection fund. The motor vehicle fund must be used for proper road, street, and highway purposes. Any amounts remaining in the motor vehicle fund after the distributions provided by statute must be used solely for highway purposes.

*Distribution of statewide fuel taxes (§ 46.68.090)*

Amounts deposited in the motor vehicle fund from the motor vehicle fuel tax and special fuel tax are first applied to pay refunds and administrative expenses.

The remaining amount collected under Wash. Rev. Code § 82.38.030(1) is distributed as follows:

- 44.387 percent for highway purposes;
- 3.2609 percent for special category C projects, which are "projects that, due to high cost only, will require bond financing to complete construction";
- 2.3283 percent to the Puget Sound ferry operations account;
- 2.3726 percent to the Puget Sound capital construction account;
- 7.5597 percent to the transportation improvement account;
- 5.6739 percent to the transportation improvement account;
- 10.6961 percent to the state's cities and towns;
- 19.2287 percent to the state's counties;
- 1.9565 percent to the county arterial preservation account; and
- 2.5363 percent to the rural arterial trust account.

The remaining amount collected under Wash. Rev. Code § 82.38.030(2) is distributed to the transportation 2003 account (the "nickel account").

The remaining amounts collected under Wash. Rev. Code § 82.38.030(3) and (4) are distributed as follows:

- 8.3333 percent to the state's incorporated cities and towns;
- 8.3333 percent to the state's counties; and
- the remainder to the transportation partnership account.

The remaining amounts collected under Wash. Rev. Code § 82.38.030 (5) and (6) are distributed to the transportation partnership account. The 2015 and 2016 increases are distributed to the connecting Washington account.

*Distribution of amount allocated to cities and towns (§§ 46.68.110, .122, .124)*

Funds allocated to the state's incorporated cities and towns are distributed as follows:

- 1.5 percent for work supervision;
- 0.33 percent to fund the cities' share of the costs of highway studies;
- one percent to the small city pavement and sidewalk account, to be used to implement the city hardship assistance program and to maintain, repair, and resurface city and town streets in cities and towns with populations of less than 5,000; and
- the remaining balance is apportioned on the basis of population.

*Distribution of amount allocated to counties (§ 46.68.120)*

Funds to be paid to the counties are distributed as follows:

- 1.5 percent for work supervision;
- sums "required to be repaid to counties composed entirely of islands" are deducted;
- 0.33 percent to fund the counties' shares of the costs of highway studies; and
- the balance are distributed using formulas based on equal distribution, population, road cost, and money need.

*Electric vehicle fee proceeds (§ 46.17.323)*

Proceeds from the electric vehicle fee generally is deposited in the motor vehicle fund and used for highway purposes. However, if in any year the proceeds exceed \$1,000,000, the excess amount must be deposited as follows:

- 70 percent to the motor vehicle fund;
- 15 percent to the transportation improvement account; and
- 15 percent to the rural arterial trust account.

The additional \$50 fee charged for electric vehicle registrations that are due on or after July 1, 2016, is distributed as follows:

- the first \$1,000,000 to the multimodal transportation account; and

- any remaining amounts to the motor vehicle fund.

Statutory section 46.68.070 amended 1972; § 46.68.130 amended 1999; § 46.68.124 amended 2001; § 46.68.110 amended 2011; § 82.38.290 amended 2013; §§ 46.17.323 and 46.68.090 amended 2015; constitutional provision amended 1944.

[Wash. Rev. Code §§ 46.17.323](#) (as amended by [2015 Wash. Sess. Laws ch. 44](#)); [46.68.070](#), [.090](#) (as amended by [2015 Wash. Sess. Laws ch. 44](#)), [.110](#), [.122](#), [.124](#), [.130](#); [82.38.290 \(2015\)](#); [Wash. Const. art. II, § 40](#)

## Washington, Tolls and Other Relevant Fees

### **TOLLS**

The Washington Department of Transportation identifies the following tolls for passenger vehicles:

- SR 520 bridge (ranges from \$0 to \$5.55, depending on day and time);
- Tacoma Narrows Bridge (ranges from \$5.00 to \$7.00, depending on payment type; toll charged only on eastbound lanes);
- SR 167 HOT Lanes (ranges from \$0.50 to \$9.00, depending on congestion); and
- I-405 express toll lanes (ranges from \$0.75 to \$1.25, depending on congestion).

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES** (§ 46.17.323)

Washington assesses an electric vehicle registration renewal fee. An applicant renewing the annual vehicle registration for a vehicle that both (a) "uses at least one method of propulsion that is capable of being reenergized by an external source of electricity" and (b) can travel at least 30 miles

using only battery power, must pay a \$100 fee in addition to any other fees and taxes required by law. This fee is imposed:

- to mitigate the impact of vehicles on state roads and highways; and
- to evaluate the "feasibility of transitioning from a revenue collection system based on fuel taxes to a road user assessment system."

For vehicle registrations that are due on or after July 1, 2016, the vehicle owner must pay an additional \$50 fee.

The electric vehicle registration fee applies to annual vehicle registration renewals "until the effective date of enacted legislation that imposes a vehicle miles traveled fee or tax."

#### **OTHER FEES** (§ 82.38.075)

Washington imposes an annual license fee on the use of liquefied natural gas, compressed natural gas, or propane used in any motor vehicle. The annual license fee is in place of the fuel tax and determined using a formula based on the vehicle's weight and the motor vehicle fuel tax rate on July 1 of the preceding calendar year. The vehicle must display the decal or other identifying device issued upon payment of the annual fee.

Statutory section 82.38.075 amended 2014; § 46.17.323 amended 2015; website dated 2015.

[Wash. Rev. Stat. §§ 46.17.323](#) (as amended by [2015 Wash. Sess. Laws ch. 44](#)); [82.38.075 \(2015\)](#); [Wash. Dep't of Transp., Toll Rates \(last visited Nov. 5, 2015\)](#) (contains links to various toll roads)

### Washington, Vehicle Miles Traveled Taxes

Washington does not assess a vehicle miles traveled tax. However, the Puget Sound Regional Council has conducted a study of distance-based network congestion tolls. Results from the study indicated that drivers changed their travel behavior in response to the charges.

Website visited 2015.

[U.S. Dep't of Transp., \*Road Pricing: Study Reports: Mileage-based User Fees \(VMT Fees\)\* \(last visited Nov. 6, 2015\)](#)

## West Virginia

### West Virginia, Fuel Tax Rates

#### **GAS TAX** (§ 11-14C-5)

West Virginia imposes a flat state motor fuel tax on gasoline equal to \$0.2050 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including a variable component, was \$0.3460 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.53 per gallon.

Part of West Virginia's fuel tax is variable. The state tax includes an amount equal to five percent of the average wholesale gasoline price, provided that the wholesale tax rate cannot fluctuate more than 10 percent each year.

#### **DIESEL TAX** (§§ 11-14C-2, -5)

West Virginia imposes a flat state motor fuel tax on diesel equal to \$0.2050 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including a variable component, was \$0.3460 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.59 per gallon.

West Virginia classifies diesel as a special fuel, but not an alternative fuel. Part of West Virginia's fuel tax on fuels other than alternative fuels is variable. The state tax includes an amount equal to five percent of the average wholesale fuel price, provided that the wholesale tax rate cannot fluctuate more than 10 percent per year.

**ALTERNATIVE FUEL TAXES** (§§ 11-14C-2, -5)

West Virginia imposes a tax on alternative fuels. "Alternative fuel" is defined as a "combustible gas or liquid that is used or suitable for use as a motor fuel in an internal combustion engine or motor to propel or operate any form of vehicle, machine or mechanical contrivance." The term includes:

- butane;
  
- propane;
  
- compressed and liquefied natural gas;
  
- liquefied petroleum gas;
  
- natural gas hydrocarbons and derivatives;
  
- liquid hydrocarbons derived from biomass;
  
- P-series fuels; and
  
- hydrogen.

"Alternative fuel" does not include diesel fuel, gasoline, blended fuel, aviation fuel, or any special fuel. "Special fuel" includes gasoline, diesel, biodiesel, methanol, ethanol, E85, and any fuel mixture that contains eighty-five percent or more alcohol by volume, among others. Electricity is not an alternative fuel.

West Virginia levies a flat tax rate equal to \$.2050 per gallon equivalent of alternative fuel. The tax also has a variable component equal to five percent of the average wholesale price of the alternative fuel.

Statutory sections 11-14C-2 and 11-14C-5 amended 2013; API website updated 2015.

[W. Va. Code §§ 11-14C-2, -5 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

## West Virginia, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

West Virginia's constitution restricts the use of all revenues derived from motor vehicles or motor fuels solely to the following (after deducting refunds and administrative costs):

- the construction, reconstruction, repair, and maintenance of public highways;
- the payment of the interest and principal on road bonds; and
- the payment of obligations incurred to construct, reconstruct, repair, and maintain public highways.

### **STATUTORY PROVISIONS**

*Permitted deductions (§ 11-14C-23)*

A supplier may deduct from fuel tax proceeds an administrative discount of 0.1 percent of the amount of tax payable to the state up to \$5,000 per month.

*Disposition of tax (§ 11-14C-47)*

After administrative expenses are deposited into a separate account, the remaining fuel tax proceeds, less refunds, are paid into the state road fund. The proceeds may be used only:

- to construct, reconstruct, maintain, and repair highways;
- to match federal funds available for highway purposes; and
- to pay interest and sinking fund obligations on state bonds issued for highway purposes.

*State Road Fund (§ 17-3-1)*

Proceeds from the state's fuel taxes, in addition to numerous other amounts, are deposited to the state road fund, which must be used as follows:

- to pay principal and interest due on all state bonds issued for the fund's benefit;
- to pay the department's administrative expenses; and
- to maintain, construct, reconstruct, and improve state roads.

*Apportionment of state road fund (§ 17-3-6)*

Each year, the state road commissioner determines the amount of funds available to construct and reconstruct state roads for the next fiscal year. Of that amount, the commissioner may set aside as a "reserve fund" up to 20 percent to be used "in making desirable connections or economizing in construction." The remaining 80 percent (or, if a reserve fund is not set aside, then all of the funds) is appropriated in the following order:

- to construct, reconstruct, and maintain expressway and trunkline roads;
- to comply with federal-aid requirements;
- to maintain feeder and state local service roads; and
- to construct and reconstruct feeder and state local service roads.

*Allotment of funds for feeder and state local service roads (§§ 17-3-6a, -6b)*

Funds for feeder and state local service roads are distributed using statutory formulas. The commissioner may require local matching funds. The state road commissioner determines the total amount of funds available to construct, reconstruct, and maintain feeder and state local service roads during the year. Of that amount, the commissioner may set aside up to 20 percent as a reserve fund, to be used "in such manner as will best serve the interests of the state and the convenience of its inhabitants."

The remaining 80 percent (or, if a reserve fund is not set aside, then all of the funds) is appropriated in the following order:

- maintenance funds, which are allocated to the state's counties on the basis of the mileage of various road types or road surfaces in the county; and

- construction and reconstruction funds, which are allocated to the various counties on the basis of the unimproved mileage of feeder and state local service roads in the county.

Sections 17-3-6, 17-3-6a, and 17-3-6b amended 1967; § 17-3-1 amended 1997; § 11-14C-23 enacted 2003; § 11-14C-47 amended 2007; constitutional provision history unknown.

[W. Va. Code §§ 11-14C-47; 17-3-1, -6, -6a, -6b \(2105\); W. Va. Const. art. VI, § 52](#)

## West Virginia, Tolls and Other Relevant Fees

### **TOLLS**

West Virginia charges a toll for passenger vehicles on the West Virginia Turnpike that ranges from \$0.26 to \$2.00, depending on distance traveled and payment type. Yearly passes are available.

Also, the Federal Highway Administration identifies two toll bridges in the state.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

### **OTHER FEES**

No other relevant fees were located.

State website dated 2015; federal website dated 2014.

[W. Va. Dep't of Transp., Toll Rates \(last visited Nov. 6, 2015\); U.S. Dep't of Transp., Federal Highway Admin., Office of Highway Policy Information Field Manual, Appendix D, Toll-ID Table \(Mar. 2014\)](#)

## West Virginia, Vehicle Miles Traveled Taxes

West Virginia does not assess a vehicle miles traveled tax.

## Wisconsin

### Wisconsin, Fuel Tax Rates

#### **GAS TAX** (§§ 78.01, .015, .017)

Wisconsin imposes a state motor fuel tax on gasoline equal to \$0.3090 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including an applicable fee, was \$0.3290 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.5130 per gallon.

The tax rate is adjusted annually, using a formula that is based on the consumer price index.

#### **DIESEL TAX** (§§ 78.005, .01, .015, .017)

Wisconsin imposes a state motor fuel tax on diesel equal to \$0.3090 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including an applicable fee, was \$0.3290 per gallon; and
- the total state diesel tax plus the applicable federal tax was \$0.5730 per gallon.

The tax rate is adjusted annually, using a formula that is based on the consumer price index.

Since "motor vehicle fuel" is defined as including both gasoline and diesel fuel, the same state tax is applied to both.

## **ALTERNATIVE FUEL TAXES**

*General alternate fuel taxes (§§ 78.39, 405, .407, )*

An excise tax at a rate determined using a statutory formula is imposed on alternate fuels. "Alternate fuels" include all "combustible gases and liquids suitable for generation of power for propulsion of motor vehicles," except motor vehicle fuel or general aviation fuel.

*Personal renewable fuel production exemption (§ 78.01(2n))*

The first 1,000 gallons of renewable fuel that an individual produces each year are exempt from the motor vehicle fuel excise tax. This exemption applies only if the person uses the fuel in his or her personal vehicle and does not sell the fuel.

Statutory section 78.405 amended 1997; § 78.017 enacted 1997; §§ 78.015 and 78.39 amended 2005; §§ 78.005 and 78.01 amended 2013; API website updated 2015.

[Wis. Stat. §§ 78.005, .01, .015, .017, .405 \(2015\); American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)](#)

Wisconsin, Programs Funded

## **CONSTITUTIONAL RESTRICTIONS**

No relevant constitutional provision was located.

## **STATUTORY PROVISIONS**

*Dedication of taxes (Wis. Stat. Ann. § 25.40)*

Wisconsin's fuel tax and other transportation-related revenues are deposited into the state's transportation fund. Wisconsin statutes provide that payments from the transportation fund must be made only on the secretary of transportation's order.

The transportation fund may be appropriated only for the following purposes:

- planning, designing, constructing, reconstructing, expanding, rehabilitating, maintaining, or operating highway, airport, harbor, ferry, railroad, bicycle, or pedestrian facilities or service;
- acquiring transportation facilities or property necessary to construct or enlarge transportation facilities;
- costs associated with utility facilities within transportation facilities' rights-of-way or "with radio communications facilities and equipment owned or leased by, and services provided by, the department of transportation and used for law enforcement";
- assistance for transportation purposes to cities, villages, towns, or counties;
- spending federal transportation aid received for specified purposes;
- enforcing traffic laws;
- providing transportation safety programs;
- administering laws related to motor vehicles, driver licensing, or aeronautics;

- paying principal and interest on bonds issued for highway, railroad, or harbor improvements or other transportation facilities and administrative costs;
- making certain terminal tax distributions;
- promoting tourism;
- transferring to the conservation fund proceeds from fuel used by certain recreational vehicles;
- providing authorized refunds; and
- funding any other program administered by the department of transportation on January 10, 2006.

*Allocation of transportation fund (§ 20.395)*

Wis. Stat. § 20.395 provides a detailed breakdown of the allocation of the transportation fund, which includes numerous specified transfers for the following general categories:

- transportation aid payments, including payments to counties, municipalities, the intercity bus assistance program, and transportation employment and mobility, among others;
- local transportation assistance, including local bridge improvement, rail service, and harbor assistance, among others;
- state highway facilities;

- general transportation operations;
- motor vehicle services and enforcement; and
- debt services.

*Local aid distribution (§§ 85.20; 86.30)*

Wisconsin's local aid programs for roads, bridges, and transit are distributed using statutory formulas. For example:

- the urban mass transit operating assistance program allocates funds among qualified applicants subject to statutory limits based on a number of factors, including annual operating expenses; and
- general transportation aids are distributed to municipalities and counties using formulas based on the municipal or county average cost and mileage, with a statutory minimum and maximum payment based on the percentage increase and decrease from the previous year.

Sections 25.40 and 85.20 amended 2013; § 20.395 amended 2015.

[Wis. Stat. §§ 20.395; 25.40; 85.20 \(2015\)](#)

## Wisconsin, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Wisconsin.

## **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

No special fees on electric vehicles were located.

## **OTHER FEES**

No other relevant fees were located.

### Wisconsin, Vehicle Miles Traveled Taxes

Wisconsin does not assess a vehicle miles traveled tax.

## Wyoming

### Wyoming, Fuel Tax Rates

#### **GAS TAX** (§§ 39-17-103, -104)

Wyoming imposes a state motor fuel tax on gasoline equal to \$0.23 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state gas tax, including an additional license tax of \$0.01, was \$0.24 per gallon; and
- the total state gas tax plus the applicable federal tax was \$0.4240 per gallon.

#### **DIESEL TAX** (§§ 39-17-203, -204)

Wyoming imposes a state motor fuel tax on diesel equal to \$0.23 per gallon. According to the American Petroleum Institute, as of October 1, 2015:

- the total state diesel tax, including an additional license tax of \$0.01, was \$0.24 per gallon; and

- the total state diesel tax plus the applicable federal tax was \$0.4840 per gallon.

**ALTERNATIVE FUEL TAXES** (§§ 39-17-301, -303, -304)

As of July 1, 2015, Wyoming imposes a state tax of \$0.24 per gasoline gallon equivalent or diesel gallon equivalent on all alternative fuels. That amount is composed of a license tax of \$0.23 per gallon, gasoline gallon equivalent, or diesel gallon equivalent, and an additional license tax of \$0.01 per gallon, gasoline gallon equivalent, or diesel gallon equivalent.

"Alternative fuels" includes:

- pure methanol, ethanol, and other alcohols;
- blends of 85 percent or more of alcohol with gasoline;
- natural gas and liquid fuels produced from natural gas;
- liquefied petroleum gas or propane;
- coal-derived liquid fuels;
- hydrogen;
- electricity;
- pure biodiesel;

- fuels other than alcohol that are derived from biological materials;
- renewable diesel; and
- P-Series fuels.

Statutory sections 39-17-103, 39-17-104, 39-17-203, and 39-17-204 amended 2015; §§ 39-17-301, 39-17-303, and 39-17-304 enacted 2015; API website updated 2015.

Wyo. Stat. §§ 39-17-103, -104, -203, -204, -301, -303, -304 (LexisNexis 2015); [\*\*American Petroleum Inst., State Motor Fuel Taxes: Notes Summary, Rates Effective 10/01/2015 \(Oct. 5, 2015\)\*\*](#)

## Wyoming, Programs Funded

### **CONSTITUTIONAL RESTRICTIONS**

Wyoming's constitution restricts the use of taxes on vehicle fuels to:

- administrative costs;
- statutory refunds and adjustments;
- highway obligations;
- costs to construct, reconstruct, maintain, and repair (a) public highways; (b) county roads, bridges, and streets; and (c) alleys and bridges in cities and towns; and
- costs to enforce state traffic laws.

## **STATUTORY PROVISIONS**

### *Gasoline tax distribution (§ 39-17-111)*

Gasoline license taxes and fees are distributed pursuant to Wyo. Stat. § 39-17-111. After crediting to other accounts appropriate amounts for fuel used for aircrafts, snowmobiles, motorboats, and off-road recreational vehicles, the department deposits the balance into the following accounts within the state highway fund:

- 13.5 percent to county road funds to be used to improve and maintain county roads, which amounts are allocated using a formula based on area, population, and assessed valuation;
- 14 percent to county road construction funds, except that (a) an amount equal to the lesser of the contribution required for the cost of the university's technology transfer program or \$31,250.00 is distributed first, plus (b) an amount not to exceed \$150,000 per year is distributed to the University of Wyoming technology transfer program's county road inventory program, which amounts are allocated using a formula based on rural population and area;
- 15 percent to the highway fund, in an amount equal to the lesser of the contribution required of the cities and town for the cost of the university's technology transfer program or \$ 31,250.00, with the remainder distributed to incorporated cities and towns to be used in their street and alley programs, which amounts are allocated using a formula based on the gas taxes paid and population; and
- 57.5 percent to the state highway account.

Proceeds from the additional \$0.01 tax collected pursuant to Wyo. Stat. § 39-17-104(a)(iii) are deposited into the state highway fund.

### *Diesel tax distribution (§ 39-17-211)*

Proceeds from the diesel tax collected pursuant to Wyo. Stat. § 39-17-204(a)(ii) are deposited into the state highway fund. After deducting up to two percent of the tax proceeds for administrative costs, the remainder is distributed as follows:

- 20 percent to county road funds to improve and maintain county roads, which amounts are allocated using a formula based on area, rural population, and assessed valuation;
- five percent to municipal street funds to be used to improve and maintain municipal streets, which amounts are allocated using a formula based on population; and
- the remaining revenues to the state highway fund to maintain, construct, and reconstruct state highways.

The highway fund also contains the following:

- a multistate highway and fuel tax agreements account to be used to pay administrative costs of the multistate highway transportation agreement and the international fuel tax agreement; and
- a multi-lane highway funding account to be used for multi-lane highway or other similar transportation projects that the transportation commission prioritizes as enhancing safety and mobility and facilitating economic and population growth.

#### *Alternative fuel taxes (§ 39-17-311)*

Most alternative fuel license taxes and fees are distributed as follows after deducting appropriate amounts received from alternative fuel used for aircraft:

- 13.5 percent to county road funds to be used to improve and maintain county roads, which amounts are allocated using a formula based on area, rural population, and assessed valuation;
- 14 percent to county road construction funds, except that an amount equal to the lesser of the contribution required of counties for the cost of the university's technology transfer program or \$31,250.00 is first distributed to the highway fund; each county's share is allocated using a formula based on rural population and area;
- 15 percent to the lesser of (a) the contribution required of the cities and towns for the cost of the university's technology transfer program, or (b) \$ 31,250, with the remainder distributed to incorporated cities and towns to be used in their street and alley programs, which amounts are allocated using a formula based on alternative fuel sold and population; and
- 57.5 percent to the state highway account.

The \$0.01 additional tax collected pursuant to Wyo. Stat. § 39-17-304(a)(iii) is deposited into the state highway fund.

Alternative fuel license taxes related to liquefied natural gas, biodiesel, or renewable diesel are deposited in the state highway fund and distributed as follows after deducting up to two percent for administration costs:

- 20 percent to the county road fund to improve and maintain county roads, which amounts are allocated using a formula based on area, population, and assessed valuation;
- five percent to municipal street funds to improve and maintain municipal streets, which amounts are allocated using a formula based on population; and
- the remaining revenues to the state highway fund to maintain, construct, and reconstruct state highways.

Statutory sections 39-17-111 and 39-17-211 amended 2015; § 39-17-311 enacted 2015; Wyo. Const. Art. 15, § 16

Wyo. Stat. §§ 39-17-111, -211, -311 (LexisNexis 2015); Wyo. Const. Art. 15, § 16

## Wyoming, Tolls and Other Relevant Fees

### **TOLLS**

Research located no toll roads in Wyoming.

### **SPECIAL FEES APPLIED TO ELECTRIC VEHICLES**

Effective July 1, 2015, Wyoming requires owners of plug-in electric vehicles to pay an annual decal fee of \$50.

### **OTHER FEES**

No other relevant fees were located.

Section 31-3-102 amended 2015.

Wyo. Stat. § 31-3-102 (LexisNexis 2015)

## Wyoming, Vehicle Miles Traveled Taxes

Wyoming does not assess a vehicle miles traveled tax.