

Alternative Transportation Revenue Options

Revenue in Millions
FY 2010-2015



FUNDING MECHANISM	TOTAL REVENUES	OPTION 1 SALES TAX	OPTION 2 GAS TAX	OPTION 3 OIL TAX
Existing HTF Sources	\$255,413 ¹	\$255,413	\$255,413	\$255,413
New sources:				
Sales tax on motor fuels @ 2.5%	\$93,949	\$93,949		
Freight Waybill Tax/trucks only @ 2%	\$86,840 ²	\$86,840		
Gas guzzler tax on all new passenger & light duty vehicles not meeting CAFE ³	\$61,200 ⁴	\$61,200		
Increase gas tax \$.20 + index	\$180,984		\$180,984	
Increase diesel tax \$.20 +index	\$55,163		\$55,163	
Impose a \$8/barrel surcharge on crude oil ⁵	\$187,200 ⁶			\$187,200
Impose a \$8/barrel surcharge on imported refined oil products	\$16,973			\$16,973
Impose a \$8/barrel surcharge on exported refined oil products	\$32,093			\$32,093
Common sources with all alternatives:				
Container Tax @ \$20/TEU	\$8,013	\$8,013	\$8,013	\$8,013
Secure 5% of customs revenues	\$10,904	\$10,904	\$10,904	\$10,904
Additional transfers from General Fund	\$ 9,000.0	\$ 9,000.0	\$ 9,000.0	\$ 9,000.0
Potential Revenues 2010-2015	\$997,732 ⁷	\$525,319	\$519,477	\$519,596

1 This includes a present annual transfer of about \$1.5 billion from the General Fund to the transit account of the HTF. This estimate assumes these transfers would continue at the present level through 2015

2 Waybill tax on all modes (truck, ship, rail) @1% = \$51,513. An alternative.

3 Trucks over 33,000 lbs.GVW, and trailers over 26,000 lbs GVW, already pay a 12% excise tax on retailers sales price and should be exempted from a gas guzzler tax to avoid double taxation. Trucks between 6000-33,000 lbs. are an open issue. Some are taxed on a weight/distance basis in some states.

4 Repeals Energy Tax Act of 1978 exemption for vehicles over 6000 lbs. Gross Vehicle Weight Rating (GVWR) and raises start of gas guzzler tax imposition from below 22.5 mpg to be-

low 27.5 mpg, and indexes to CAFÉ standard increases. Uses same tax table as ETA of 1978 for excise tax per mph below benchmark CAFÉ standard.

5 Tax would be on both crude oil imports and domestic production. Scored at 70% of total revenues since transportation sector is responsible for about 70% of domestic oil consumption.

6 If transportation received 10% of any climate auction revenues the yield would be about \$8 billion annually starting in 2013 (earliest start for receipt of such revenues). Could then reduce surcharge to \$6/bbl.

7 Transfer of at least \$26 billion to capitalize the National Infrastructure Reinvestment Corp. (NIRC).