

Summary of State Use of Weight-Distance Tax

Kentucky

The Kentucky Highway Use Tax is a weight-distance tax based on the mileage traveled by heavy trucks traveling within the state of Kentucky. The Highway Use Tax is applicable to vehicles with combined gross weight or licensed weight in excess of 59,999 pounds, excluding farm licensed vehicles. The weight distance tax is set at \$0.0285 per mile. Highway Use Tax collections in 2010 and 2009 totaled \$70.4 and 75.0 million, respectively.

New Mexico

The state of New Mexico charges a weight-distance tax on vehicles with a declared gross vehicle weight of greater than 26,000 pounds. The tax is based on the weight of the vehicle and the number of miles traveled on New Mexico roads. New Mexico utilizes graduated tax rates based on the declared gross vehicle weight. The tax rate ranges from \$0.01101 per mile for a vehicle weighing between 26,001 to 28,000 pounds to \$0.04378 per mile for a vehicle weighing 78,001 pounds or more. Discounted rates apply (66 percent of the stated rate) for vehicles used primarily for one-way hauling, vehicles for which 45 percent or more of travel within a year is traveled without a load, and for any vehicles that are individually classified by the department to be eligible for the reduced rates.

All receipts generated by the weight-distance tax are transferred to the State Road Fund. In 2007, the State of New Mexico collected approximately \$88.4 million in weight-distance tax revenue.

New York

The New York Highway Use Tax is a weight and distance based tax charged on vehicles with either a gross weight of more than 18,000 pounds or an unloaded truck/tractor weight of more than 8,000 or 4,000 pounds, respectively. All mileage within the state, except those miles traveled on the toll-paid portion of the New York Thruway, is subject to the Highway Use Tax. The primary tax rates used start at \$0.0084 per mile for vehicles weighing between 18,001 to 20,000 pounds. The tax rate per mile for vehicles weighing 78,001 to 80,000 pounds is \$0.0546 per mile. For vehicles over 80,001 pounds, an additional tax of \$0.0028 is added per ton. During state fiscal year 2008-2009 the Highway Use Tax generated approximately \$81,000,000.

Oregon

The state of Oregon currently charges a weight-mile tax on vehicles with a gross weight of over 26,000 pounds. Tax rates per mile vary according to the gross weight of the vehicle. Unlike other states which charge a weight-mile tax, Oregon does not collect diesel taxes on heavy trucks. As such, weight-mile tax rates in Oregon are significantly higher than in other states. Tax rates range from \$0.0492 per mile for vehicles weighing 26,001 through 28,000 pounds to \$0.1638 per mile for vehicles weighing between 78,001 and 80,000 pounds. For vehicles over 80,000 pounds rates range from \$0.1296 to \$0.2304 and vary according to weight and number of axles. The 2009-2011 Oregon DOT budget assumed that the weight-mile tax would generate a total of \$630 million. These funds are deposited into the State Highway Fund which distributes funds to State, Counties, and Cities at a ratio of 60 percent, 24 percent, and 16 percent.

6/24/11

Status of Electric Vehicle Registration Fee Proposals

Washington

The Washington State Senate approved a measure which would require an annual registration fee of \$100 on electric vehicles. The registration fee would be applied on all electric vehicles which can travel greater than 35 miles per hour. If funds of less than \$1,000,000 are collected annually all proceeds from the registration fee would be placed in the motor vehicle fund. Upon collecting \$1,000,000 or more annually funds would be distributed on a 70 percent, 15 percent, 15 percent basis to the motor vehicle fund, the transportation improvement fund, and the rural arterial preservation account.

The state, which had approximately 1,300 registered electric vehicles in 2010, is planning for infrastructure improvements which would create charging stations within the state, such as along Interstate 5. The state expects significant increases in the number of registered electric vehicles and lawmakers tout this bill as a way to ensure that all motorists pay a "fair share" of operation and maintenance of the highway system.

While passed by the Senate, Senate Bill 5251 was not taken up by the full House before adjournment on May 26, 2011 and thus was not approved during the session.

Oregon

Unlike Washington, the proposed Oregon road usage charge on electric vehicles and hybrid electric motor vehicles is slated to be applied based on the total miles driven annually by the electric vehicle. The House Bill 2328, with amendments made May 16th, would set the rate at 0.85 cents per mile beginning July 15th, 2015. Beginning July 1, 2018, the rate would increase to 1.56 cents per mile. Drivers of electric motor vehicle or plug-in hybrid vehicles could choose to pay an annual fee of \$300 in lieu of the per mile rate.

While new technology appears to be the most likely method suggested for reporting mileage information, the specific system which would be used to collect mileage information was not specified in the House Bill (HB 2328). However, the DOT would be required to permit at least one method of data collection that would not utilize vehicle location technology. Funds generated by this bill would be allocated based on a 50 percent, 30 percent, 20 percent distribution to the DOT, counties, and cities.

The bill will require a three-fifths majority and as of May 17, 2011 was referred to Ways and Means.