

Taxes are a Gas!

**By Reg P. Wydeven
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When I was in high school, my parents had a 1976 Cadillac Seville. The car was about 37 feet long and weighed approximately 14 metric tons. In other words, it was a tank. Many days my folks would let me drive it to school. They felt safe knowing that if anything collided with the Caddy, the Caddy would probably win.

The only problem with the car was that I had to either stop on the way to or from school to fill up with gas. Because of its size and weight, it got about 129 feet to the gallon. So taxes on gasoline were not cool with that car.

Today, with so many hybrid cars or totally electric cars, people aren't filling up their tanks as much. As a result, federal and state gas tax revenues are tanking.

Dollars from gasoline tax are generally used to repair and maintain highways. While I like paying less tax, hearing about the Leo Frigo Memorial Bridge in Green Bay sagging is also a bit disconcerting.

Fueled by sagging gas tax revenues, some states are experimenting with basing taxes on the amount of miles driven by motorists, as opposed to the amount of gas they consume.

Oregon is implementing the largest per-mile tax plan starting in 2015. The State is asking for 5,000 volunteers to pay a 1.5¢ per mile tax instead of the traditional 30¢ per gallon gas tax. Other states, including California, Minnesota, Nevada and Washington will be introducing smaller pilot programs.

The federal government is also driven to implement a new tax plan, as the federal gas tax of 18.5¢ per gallon has not been increased in 20 years. Last year, the U.S. Senate passed a bill giving the green light to a \$90 million per-mile tax pilot project involving 10,000 cars. The House put the brakes on the bill after receiving complaints from representatives from rural states who claim the law would unfairly tax their constituents who have longer commutes than urban drivers.

The programs borrow technology from the insurance industry, which uses a device that plugs into the diagnostic port of cars. The device transmits to the insurance company whether a driver brakes sharply or speeds, which may impact the drivers' insurance premium. In addition, the device indicates how many miles the vehicle is driven. Companies such as Progressive Insurance offer these devices to their customers, often in exchange for a discount on their premium.

Drivers are fuming over the proposals. Many claim a mandatory per-mile tax plan is an invasion of privacy, as a GPS device tracks their movement. In addition, a per-mile tax may encourage me to stick with my '76 Caddy instead of upgrading to a Prius. While my tax would be the same with either car, the Caddy is certainly less eco-friendly.

Unfortunately something has to be done to raise revenues or else we'll all be moving to flat, dry states where there are no bridges that need to be maintained.