

Fact Sheet: The Gas Tax in Massachusetts

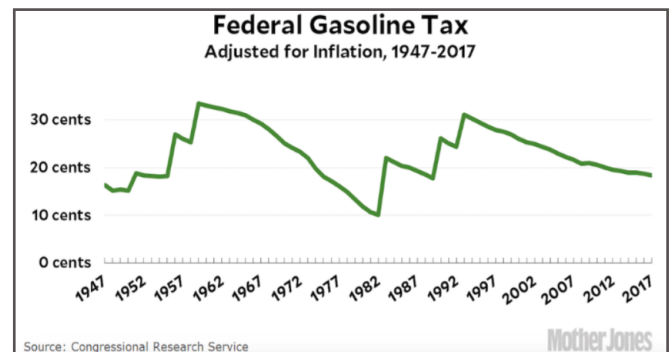
An Essential Tool for Fixing Our Transportation System

What is the gas tax?

Drivers pay both a **federal** and **state** gas tax for every gallon of fuel they buy at the pump. The federal gas tax is 18.4 cents per gallon. The state gas tax is 26.6 cents per gallon, including all fees. According to law, state gas tax revenue may only be spent on transportation. The gas tax is an essential source of funding for our roads, bridges, and other important transportation infrastructure.

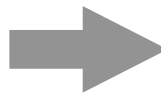
Where does State and Federal gas tax revenue go?

The federal gas tax, which has not been raised since 1993, funds about 90% of federal transportation spending. These funds help pay for a portion of interstate highways, regional highways, and some transit projects, in addition to some USDOT oversight and operations.



State gas tax revenues -- totaling more than \$800 million per year -- go into a state budget account known as the **Commonwealth Transportation Fund (CTF)**.

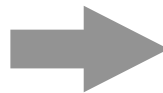
Gas Tax Revenue



Commonwealth
Transportation Fund

The Commonwealth Transportation Fund pays for a few different things that make our transportation system work. The first is a transfer to the Massachusetts Transportation Trust Fund (MTTF), where it is used for road and bridge operations, maintenance, and oversight.

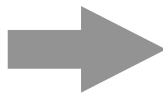
Commonwealth
Transportation Fund



Massachusetts
Transportation Trust Fund

The second payment goes towards debt services issued by the Commonwealth for capital investments to build and repair roads and bridges throughout Massachusetts.

Commonwealth
Transportation Fund



MassDOT Capital Investments

An additional payment is a transfer to help fund the MBTA and the 15 Regional Transit Authorities across Massachusetts.

Commonwealth
Transportation Fund



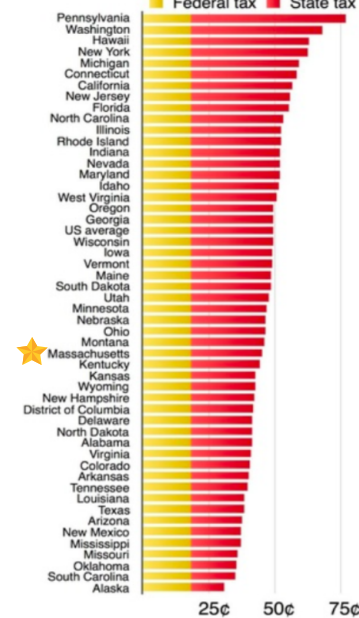
MBTA and RTAs

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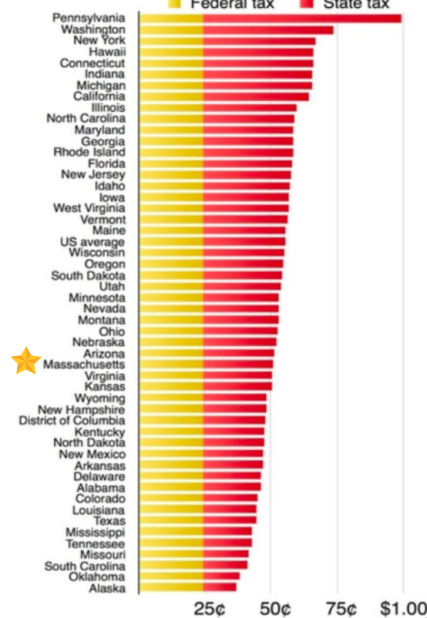
Gas Taxes

(Jan 2017)



Diesel Taxes

(Jan 2017)

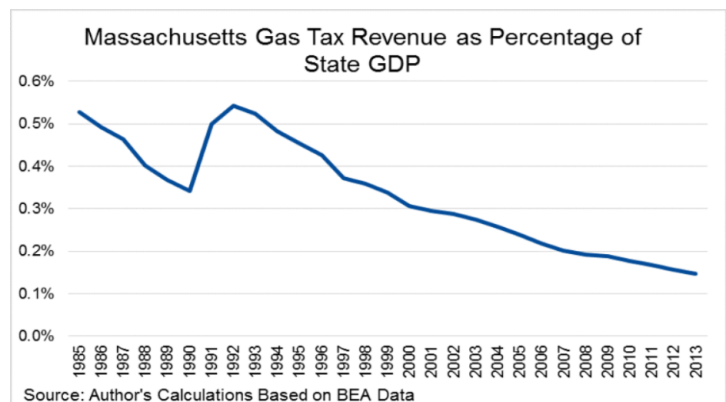
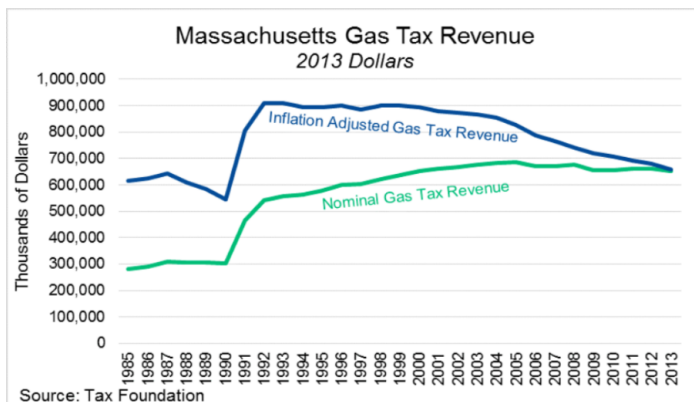


How does Massachusetts Compare?

Massachusetts has been falling behind. The Massachusetts gas tax is about 2 cents lower than the national average, and lower than 29 other states, including many of our neighbors. However, a recent poll conducted by **MassINC Polling Group** showed that more than 60% of voters support raising the gas tax if the funds are used for transportation-related purposes such as fixing, maintaining, and improving our transportation system.

Why should drivers consider supporting an increase in the gas tax?

- The gas tax has declined in value because it does not increase in-line with transportation costs. Like most things, the cost of building and maintaining our roads and transit has grown over time, but the gas tax has not kept up.
- The state gas tax was not raised between 1991 and 2013. In that time, it lost 41% of its purchasing power due to inflation. It was last raised in 2013, but only by 3 cents.
- Fuel-efficient vehicles and changes to driving habits mean that drivers are putting more wear-and-tear on our roads even as the revenue generated from the gas tax remains relatively flat.



For more information:

www.mass.gov/info-details/dor-motor-fuel-excise

www.eia.gov/tools/faqs/faq.php?id=10&t=10

itep.org/category/policy-briefs/

CLF/T4MA Report: Keeping on Track