

What Do Americans Think About Federal Tax Options to Support Transportation? Results from Year Ten of a National Survey

Project 1927
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This research brief summarizes results from the tenth year of an annual survey project exploring national support for raising federal transportation revenues through gas taxes or mileage fees.

Study Methods

A nationally representative sample of 2,723 respondents completed the survey between April 23 and May 14, 2019. The survey was administered online, using a survey platform and panel of respondents managed by Qualtrics. Online panels are a reasonable method for reaching the public, as a 2019 study by the Pew Research Center found that 90% of Americans are online.

The survey questionnaire was designed to test public knowledge and opinions related to support for variants on increasing the federal gas tax rate and replacing the federal gas tax with a mileage fee. Multiple variations on the gas tax and mileage fee concepts were presented to test relative support levels among these options.

Because this survey project assesses trends in public support for federal transportation taxes, five of the gas tax variants on the survey are identical to those in past surveys.

Findings

Large majorities value transportation improvements across modes. When respondents were asked to indicate their priorities for how federal gas tax revenues are spent, large majorities supported both road and public transit-related options. Maintaining both local streets and roads and highway and freeways were high or medium priorities for 92% of respondents. Public transit programs were also very popular; for example,

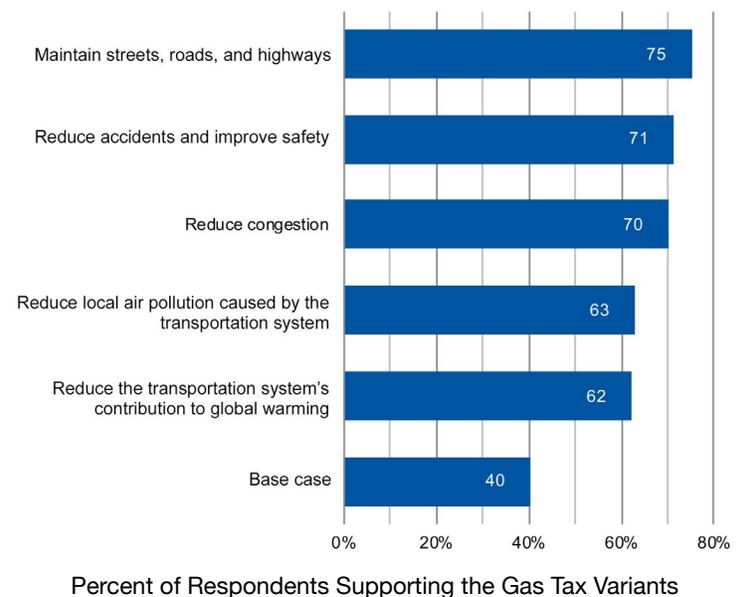
expanding public transit into new areas was a high or medium priority for 81%.

People do not have an accurate understanding of how much they pay in federal gas taxes.

Most respondents did not know the federal gas tax rate or have an accurate estimate of how much they pay annually in federal gas tax. For example, when asked to estimate the federal gas tax rate, 19% of respondents thought it is at least 76¢ per gallon, far higher than the actual rate of 18.4¢ per gallon.

Support for raising the gas tax rate depends on how the revenue will be spent.

When it comes to earning public support, all gas taxes are not alike. Policymakers can increase support by crafting tax measures that dedicate the revenues to purposes the public values (see figure). For example, people want better maintenance—and will pay for it. The gas tax variant with proceeds dedicated for maintenance was the most popular variant tested, with 75% supporting this increase. This was close



to double the 40% who supported the “base case” gas tax for which the proceeds would be dedicated more generally to “transportation.”

Support for raising the gas tax has risen slowly but steadily since 2010.

Support for raising the gas tax has risen slowly but steadily since 2010. For all five of the gas tax variants that were tested throughout the survey series, support has risen. In 2019, support for all variants is at least 13 percentage points higher than it was in 2010.

Linking transportation taxes to environmental objectives can increase support. Several survey questions suggest that linking a transportation tax increase to environmental benefits can increase support. The gas tax increase variants that linked the increase to projects reducing air pollution and global warming both had clear majority support (63% and 62%, respectively), and the green mileage tax variant was more popular than the flat-rate version (50% as compared to 45% support, respectively).

People prefer paying a mileage fee “at the pump” rather than being billed periodically. Respondents were asked if they would like pay for mileage fees at the pump or time of vehicle charging, monthly, or annually. The first option was the most popular of the three (47%) and the annual billing option the least popular (23%).

People hold nuanced views on mileage fees with respect to equity and privacy. Results from the survey suggest that privacy and equity are issues of concern to the public, but also that people are willing to consider different sides to these issues. Almost half of respondents who first agreed that mileage fees are an invasion of privacy also agreed with the follow-up statement: “I’m already tracked everywhere I go through my phone, so having my mileage tracked for a mileage fee wouldn’t really bother me.”

Policy Implications

Policymakers can increase support for transportation tax measures through careful program design. Support will be higher for tax measures that dedicate the revenues to purposes the public values, most notably maintenance. Spending to improve safety and reduce environmental impacts is also popular. With respect to mileage fees, the way the rates are structured and payments collected will also impact support. Support is likely to be higher for a tax that is collected at the time of purchasing fuel or charging a vehicle, as well as one that varies the tax rate such that less polluting vehicles pay somewhat less.

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To Learn More

For more details about the study, download the full report at transweb.sjsu.edu/research/1927



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