

## Overview of State Transportation Funding Mechanisms

<p><b>Alternative Fuels &amp; Electric Vehicles State Sales Taxes/Fees</b></p>	<p>Virginia has begun charging registration fees for hybrid, electric, or alternative-fuel vehicles. In Washington, the government has created a \$100 annual fee for electric vehicle owners. Other states, including North Carolina, Pennsylvania, Indiana, Florida, and Vermont, have also passed similar alternative fuels and electric sales tax legislation.</p>
<p><b>Fuel Taxes</b></p>	<p>These taxes are excise taxes on fuel sales, and the revenues generated goes towards funding transportation. States use the fuel tax revenues differently—where some use the funds only for highways and roads, while others use the funds for multimodal transportation projects or general transportation uses. All states have fuel taxes as a state revenue source for transportation.</p>
<p><b>General Funds</b></p>	<p>General funds in the states are made up of income taxes, property taxes, sales taxes, and others. As of 2013, 34 states have general funds as a state revenue source for transportation.</p>
<p><b>Interest Income</b></p>	<p>As of 2013, thirty-seven states have interest income as a state revenue source for transportation.</p>
<p><b>Motor Vehicle/Rental Car Sales Tax</b></p>	<p>This is another traditional transportation funding source that has been found in 29 states—as of 2013.</p>
<p><b>Sales Taxes on Gasoline/Diesel</b></p>	<p>Sales taxes on fuel are another way that states generate revenues for transportation. As of 2013, 14 states use this as a revenue source for transportation at the state level.</p>
<p><b>Tolls</b></p>	<p>This is a form of road pricing, where fees are collected in exchange for usage of a toll road, toll bridge, etc. As of 2013, 24 states use tolls as a transportation revenue source.</p>
<p><b>Vehicle Registration Fees</b></p>	<p>At least 48 states collect various types of vehicle registration fees. Most of the states use the funds to pay for state transportation projects; 2 states do not use these revenues to fund transportation.</p>
<p><b>Vehicle Weight Fees</b></p>	<p>37 states use vehicle weight fees as a transportation funding source at the state level.</p>