




Punch the Gas Tax: What does it cost you?

The gas tax is in the news at both the state and federal level as lawmakers struggle to **balance budgets** and **maintain infrastructure.**

For me the discussion is difficult to understand because **the scale** is so wildly on the **opposite ends of the spectrum**. When talking **gas tax** it's always talked about in **cents per gallon**. When talking **transportation funding** it's always talked about **in millions (or billions) of dollars needed**. How can you decide whether **you're for or against** a gas tax increase when you don't know **the most important** piece of info: **what does it cost me?**



To bring the conversation **into focus**, let's take a look at the gas tax in Washington State. It is set to become the **3rd highest** in the **Country** in 2015. This tax is the **primary funding source** for all interstate, state and some local **road construction and maintenance projects**.



What does the gas
tax cost you?

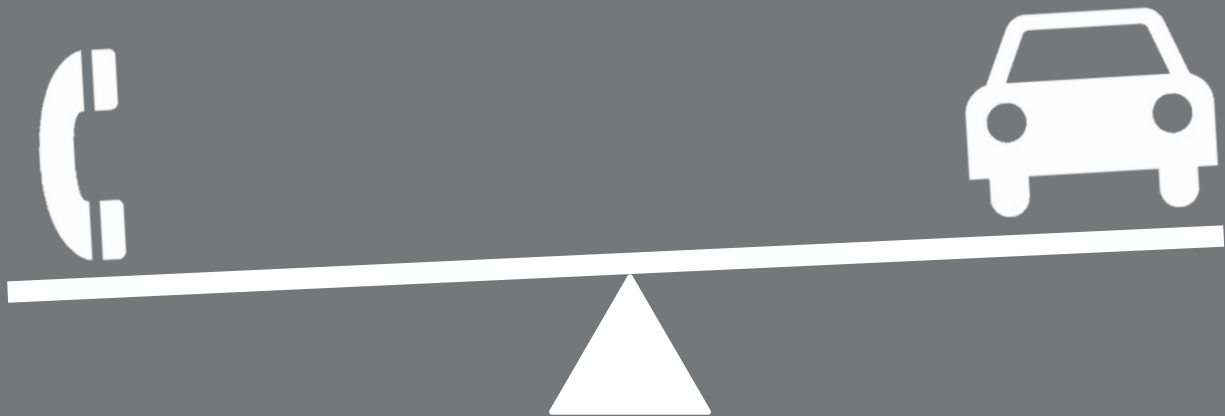
About

\$40

per month

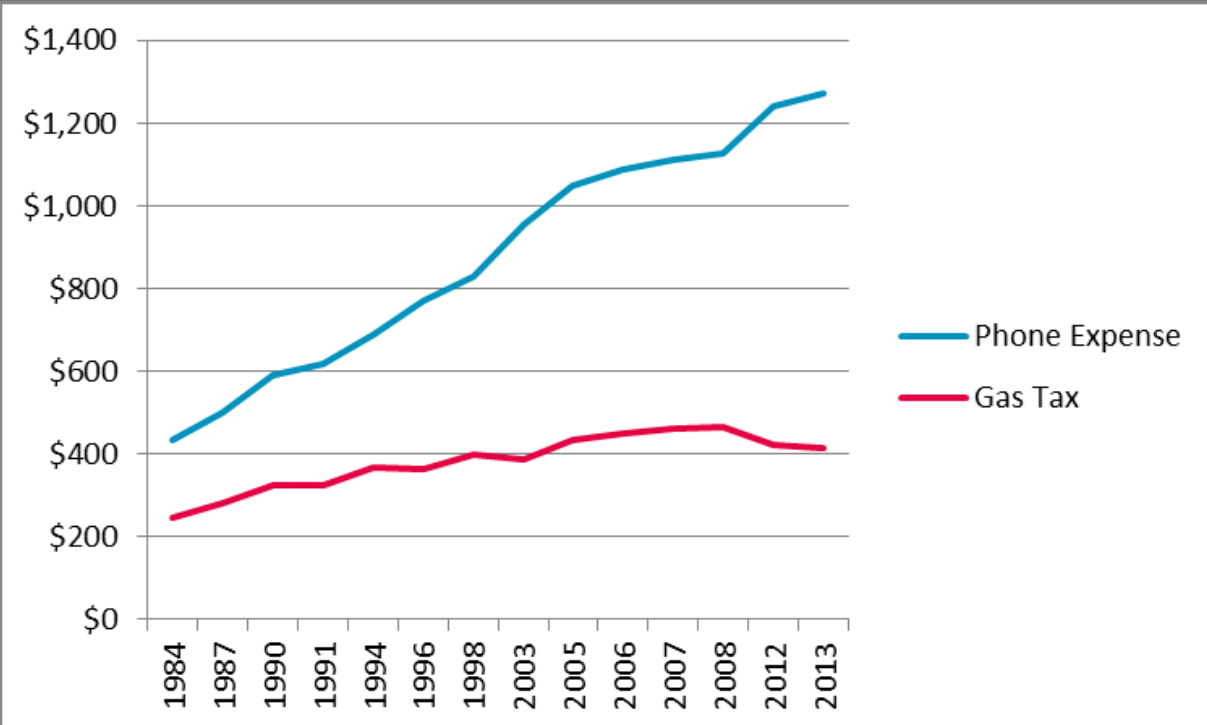
in Washington State
for the average
driver

As an **advocate for transportation infrastructure**, I'd like to **compare numbers** of what average spending is for **gas tax** in Washington to the average American spending on **telephone service**. This is not a comparison I'm making to say anyone should have to choose between one or the other.

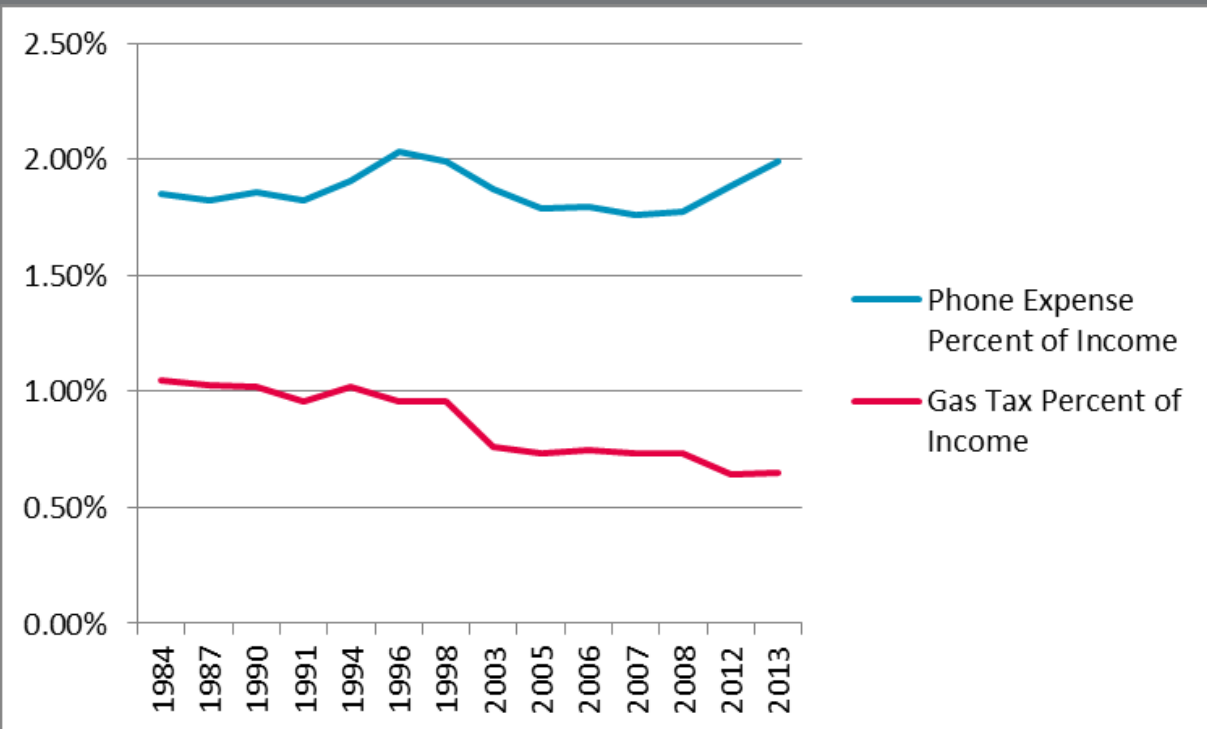


Rather it's a **comparison of two things** I feel are central to how we **define our quality of life**: the ability to **communicate** with one another and to have **mobility for work and play** as well as the **movement of goods and services**.

Average American Annual Phone Expense and Washington Gas Tax Expense



As a Percent of Total Income



Sources:

- Bureau of Labor and Statistics, Consumer Expenditure Survey, Reports: CXUINCBEFTXLB0401M, CXUGASOILLB0401M, CXUPHONELB0401M, <http://data.bls.gov/cgi-bin/srgate>

- Department of Energy, FACT #835: AUGUST 25, AVERAGE HISTORICAL ANNUAL GASOLINE PUMP PRICE, 1929-2013, <http://energy.gov/eere/vehicles/fact-835-august-25-average-historical-annual-gasoline-pump-price-1929-2013>

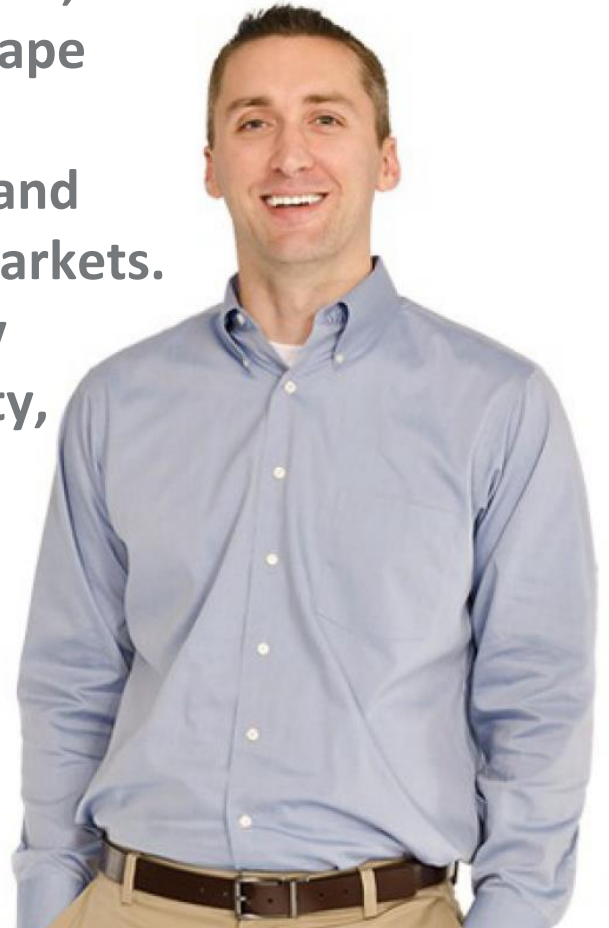
After seeing the numbers **in a scale we can all understand** and **comparing it** to other **essentials to our quality of life**, does \$40 per month seem like **a fair price** for maintaining the road infrastructure **we all depend on?**

It's **less than a third** of our monthly phone bills, plus there's no long term contracts or costly overruns for going over your monthly allotments. In many ways, **you control** how much you pay **based on decisions** you make about how much to drive and what you drive.

And keep in mind these are the numbers for Washington State, the **3rd highest rate** in the Country, so this cost is almost the worst case scenario and it still seems like a **pretty good deal** to me!

Written by Zack Martin, P.E.

I'm a proud member of MacKay Sposito, a dynamic consulting firm that provides civil engineering, public involvement, construction management, landscape architecture, planning and land surveying services in the energy, land development, and public works markets. We've bucked economic trends by building our foundation on honesty, dedication and relationships.



Is this something you're interested in? If so, email me [here](#) and we can discuss. I hope this information is helpful and productive in efforts to find funding solutions for transportation infrastructure.

I've also included some more numbers on the following page for those that like to dive into them.

Below is some of the data used and an interesting historical perspective on the gas tax rates in Washington State:

Year	Federal Gas Tax (\$/gal)	Washington State Gas Tax (\$/gal)	Total Gas Tax (\$/gal)	Average Price of Gas (\$/gal)
1921	\$0.000	\$0.010	\$0.010	
1924	\$0.000	\$0.020	\$0.020	
1929	\$0.000	\$0.030	\$0.030	\$0.21
1931	\$0.000	\$0.040	\$0.040	\$0.17
1932	\$0.010	\$0.040	\$0.050	\$0.18
1933	\$0.015	\$0.050	\$0.065	\$0.18
1934	\$0.010	\$0.050	\$0.060	\$0.19
1940	\$0.015	\$0.050	\$0.065	\$0.18
1949	\$0.015	\$0.065	\$0.080	\$0.27
1952	\$0.020	\$0.065	\$0.085	\$0.27
1956	\$0.030	\$0.065	\$0.095	\$0.29
1960	\$0.040	\$0.065	\$0.105	\$0.31
1961	\$0.040	\$0.075	\$0.115	\$0.31
1967	\$0.040	\$0.090	\$0.130	\$0.32
1977	\$0.040	\$0.110	\$0.150	\$0.59
1979	\$0.040	\$0.120	\$0.160	\$0.63
1981	\$0.040	\$0.135	\$0.175	\$1.19
1982	\$0.040	\$0.120	\$0.160	\$1.31
1983	\$0.090	\$0.160	\$0.250	\$1.22
1984	\$0.090	\$0.180	\$0.270	\$1.16
1987	\$0.091	\$0.180	\$0.271	\$0.86
1990	\$0.091	\$0.220	\$0.311	\$1.00
1991	\$0.141	\$0.230	\$0.371	\$1.14
1994	\$0.184	\$0.230	\$0.414	\$1.11
1996	\$0.183	\$0.230	\$0.413	\$1.23
1998	\$0.184	\$0.230	\$0.414	\$1.06
2003	\$0.184	\$0.280	\$0.464	\$1.59
2005	\$0.184	\$0.310	\$0.494	\$2.30
2006	\$0.184	\$0.340	\$0.524	\$2.59
2007	\$0.184	\$0.360	\$0.544	\$2.80
2008	\$0.184	\$0.375	\$0.559	\$3.27
2012	\$0.184	\$0.375	\$0.559	\$3.64
2013	\$0.184	\$0.375	\$0.559	\$3.53
2015	\$0.184*	\$0.445	\$0.629*	
2016	\$0.184*	\$0.494	\$0.678*	

* Projected

- Sources:
- Washington Dept of Revenue, WASHINGTON'S TAX HISTORY, A Brief Overview of the Development of State and Local Taxes in Washington, http://dor.wa.gov/docs/reports/2010/tax_reference_2010/06taxhistory.pdf
 - Tax Foundation, Federal Gasoline Excise Tax Rate, 1932-2008, <http://taxfoundation.org/article/federal-gasoline-excise-tax-rate-1932-2008>
 - Department of Energy, FACT #835: AUGUST 25, AVERAGE HISTORICAL ANNUAL GASOLINE PUMP PRICE, 1929-2013, <http://energy.gov/eere/vehicles/fact-835-august-25-average-historical-annual-gasoline-pump-price-1929-2013>