Revealing State Gas Tax Diversions

By violating the users-pay/users-benefit principle, diverting gas tax revenue away from roads poses both immediate and long-term threats to transportation funding.

In the short-term, mandate a 10% annual decrease in the diversion rate and require that roads and highways meet certain quality thresholds before any revenue is diverted.

Longer-term, enact legislation or constitutional amendments that prevent the diversion of gas tax revenue.

Ultimately, mileage-based user fees should replace state gas taxes and distribute the exact costs of using highways onto the drivers using them.

Read the full policy brief by Baruch Feigenbaum and Joe Hillman at https://reason.org/policy-brief/how-much-gas-tax-money-states-divert-away-from-roads/