



What Do Americans Think About Federal Transportation Tax Options? Results from Year 2 of a National Survey

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This research brief summarizes the results of Year 2 of a national survey that explored public support for raising federal transportation revenues through gas, mileage, and sales taxes.

Support for higher gas taxes or a new mileage tax can be significantly increased by careful program design.

Study Method

A random-digit-dial telephone survey, conducted from March 1 to April 6, 2011, tested national support for federal sales, gas, and mileage taxes that would raise revenue for transportation purposes. Multiple variations on the mileage-tax and gas-tax concepts were presented, to test relative support levels among the different options.

A total of 1,519 adults (18 years or older) completed the survey in either English or Spanish. For the full sample, which included both land-line and cell-phone numbers, the margin of error was ± 2.5 percentage points at the 95% confidence level.

This survey is the second year of a project to assess how public support for federal transportation taxes may change over time; most of the questions asked are identical to ones included in a 2010 survey.

Findings

The 2011 results show that a majority of Americans would support higher taxes for transportation—under certain conditions (see the table). For example, a gas tax increase of 10¢ per gallon to improve road maintenance was supported by 62% of respondents, whereas support levels dropped to just 24% if the revenues were to be used more generally to maintain and improve the transportation system. For tax options where the revenues were to be spent for undefined transportation purposes, support levels varied considerably by what kind of tax would be imposed, with a sales tax much more popular than either a gas tax increase or a new mileage tax.

Comparing the results from 2010 and 2011 shows that American public opinion about the taxes polled has changed little in the past year. The 2011 survey found Americans just as willing to support tax increases for transportation as they were in 2010.

The survey compared public support for alternative versions of the mileage and gas taxes. The “base” cases tested against alternatives were a flat-rate mileage tax of 1¢ per mile and a 10¢ per gallon gas-tax increase with no additional information given. All variants of these base cases increased the level of support significantly. For example, varying the mileage tax by the vehicle’s pollution level increased support by 14 percentage points. For the gas tax, most notably,

dedicating the tax proceeds to maintaining streets, roads, and highways increased support by 38 percentage points.

Comparison of Respondent Support for the Tax Options in 2010 and 2011

Tax option	2011	2010
Gas tax: 10¢ increase with revenue spent on projects to maintain streets, roads, and highways	62%	--*
Gas tax: 10¢ increase with revenue spent on projects to reduce accidents and improve safety	56%	--
Gas tax: 10¢ increase with revenue spent on projects to add more modern, technologically advanced systems	50%	--
Gas tax: 10¢ increase with revenue spent on projects to reduce local air pollution	48%	30%
Gas tax: 10¢ increase with revenue spent on projects to reduce global warming	45%	42%
Sales tax: 0.5¢	45%	43%
Gas tax: 2¢ increase per year for 5 years	39%	39%
Mileage tax: rate varies by vehicle's pollution level (average rate of 1¢ per mile)	36%	33%
Gas tax: 10¢ increase with information about average driver's annual costs	36%	32%
Gas tax: 10¢ increase (no other information given)	24%	23%
Mileage tax: flat rate of 1¢ per mile	22%	21%

* Not surveyed in 2010.

Policy Implications

Support for higher gas taxes or a new mileage tax can be increased by careful program design.

The survey results show that the very low support levels for a one-time gas-tax increase or a new mileage tax can be raised by modifying how the tax is structured and the way it is described. Dedicating the revenue to purposes popular with the public, spreading out the increase over several years, and providing information about how much the increase will cost drivers annually are all options for improving support levels.

Linking a transportation tax to environmental benefits can increase support.

The survey found that linking a transportation tax to environmental benefits can strongly increase support. For example, support for the mileage tax rose significantly when the flat-rate tax was converted to a tax with a rate that varied according to the vehicle's pollution level.

About the Authors

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To Learn More

For more details about the study, download the full report at transweb.sjsu.edu/project/1031.html

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