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What Do Americans Think About Federal Tax Options to Support Public Transit, **Highways, and Local Streets and Roads? Results from Year Five of a National Survey** Asha Weinstein Agrawal, PhD, and Hilary Nixon, PhD

MTI Project 1328

June 2014

This research brief summarizes results from the fifth year of a national survey project exploring public support for raising federal transportation revenues through gas, mileage, and sales taxes.

Linking transportation tax increases to safety, maintenance, and the environment can increase support.

The surveys in the third, fourth, and fifth years also added a focus on understanding support for public transit.

## **Study Methods**

Secretary Norman Y. Mineta A random-digit-dial telephone survey conducted from March 4 to April 7, 2014, and April 23 to April 30, 2014, tested national support for federal gas, mileage, and sales tax options to raise revenue for transportation purposes. The survey presented multiple variations on the concepts of mileage and gas taxes to gauge relative support levels among the options.

> A total of 1,503 adults completed the survey in English or Spanish. For the full sample, which included both landline and mobile phone numbers, the margin of error was  $\pm 2.53$  percentage points at the 95 percent confidence level.

The purpose of this project is to assess trends in public support for federal transportation taxes; thus, most survey questions were the same for all five years.

# Findings

Key 2014 findings related to raising taxes include:

- Of the 11 transportation tax options tested, 5 had majority support.
- Linking tax increases to safety, maintenance, or environmental benefits increased support at least ten percentage points among all the sociodemographic groups tested.
- Support levels varied considerably by the type of tax. When taxes were described with no information other than the tax type, a new sales tax was much more popular than either a gas tax increase or a new mileage tax.

Key 2014 findings specific to public transit include:

- A large majority (79 percent) said that expanding and improving transit services in their state should be a high or medium government priority.
- The majority did not support increasing gas taxes or transit fares to improve transit, but more than three-fifths (64 percent) supported spending current gas tax revenues on transit.
- Just over one-third of respondents knew of the federal government's role in funding public transit.

Looking at trends from 2010 to 2014, public opinion about the federal transportation tax options tested has changed little; all five surveys found approximately the same support levels, though there has been a slight upward trend in support levels in 2013 and 2014.

# **Policy Recommendations**

#### Careful program design can increase support for higher gas taxes or a new mileage tax.

The survey results show that the low support levels for a gas tax increase or a new mileage tax can be raised by modifying how the tax is structured and described. For example, an increase in support is seen under any of the following scenarios:

- Revenues are dedicated to specific purposes popular with the public.
- A tax increase is phased in over several years.
- Information about the annual cost to drivers is provided.

# Emphasizing environmental, safety, and maintenance benefits can increase support for transportation taxes, including taxes for transit.

Devoting revenues to maintenance and safety can increase support levels substantially across the entire population. Also, linking a transportation tax to environmental benefits can strongly increase support among most population subgroups. Linking transit with environmental benefits may be a particularly successful way to increase support for transit revenues.

Tax Options	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)
Gas tax options, presented as a 10¢ increase with:					
No additional detail	23	24	20	23	25
The increase, phased in over 5 years at $2\phi$ per year	39	39	39	42	41
Revenues spent to reduce local air pollution	30	48	41	53	54
Revenues spent to reduce global warming	42	45	41	50	51
Revenues spent to maintain streets, roads, & highways	_**	62	58	67	69
Revenues spent to reduce accidents & improve safety	_**	56	54	62	63
Revenues spent to add more modern, technologically advanced systems	_**	50	46	58	57
Respondents informed of the annual tax burden for the typical driver	32	36	31	40	42
Mileage tax options					
1¢ per mile	21	22	21	19	19
1¢ per mile average, but vehicles that pollute more pay more, and vehicles that pollute less pay less	33	36	41	39	43
National 0.5% sales tax	43	45	49	51	49

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\* Sum of those who said they "strongly" or "somewhat" support the option. \*\* Options not included in the 2010 survey.

### **About the Authors**

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# To Learn More

For more details about the study, download the full report at transweb.sisu.edu/project/1328.html

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