

6 FUNDING & EXPENDITURES

Receipts from the Federal taxation of motor fuel, along with a number of other highway-related taxes, are deposited in the Federal Highway Trust Fund. The Trust Fund has two accounts, highway and mass transit, and is dedicated to funding Federal surface transportation programs. In this way, taxes on highway users are used to fund highway facilities. The Trust Fund has provided a stable funding source for highway programs since it was established in 1956.

Table 6-1. Federal Highway-User Fees

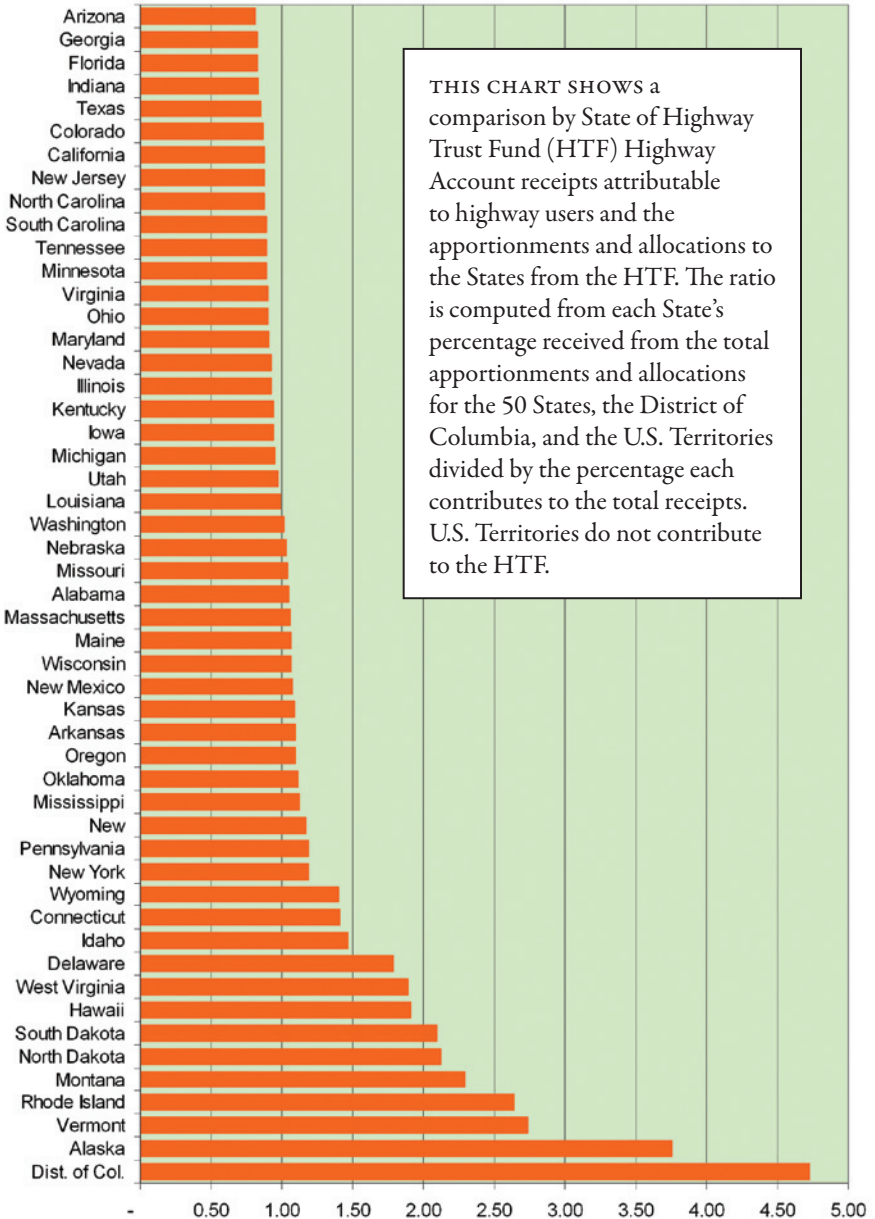
Motor Fuels	Cents per Gallon
Gasoline	18.4
Gasohol	18.4
Diesel and Kerosene Fuel	24.4
Special Fuels	18.3
Liquefied Petroleum Gas	13.6
Liquefied Natural Gas	11.9
Other Special Fuels	18.4

Other User Fees	Rate
Tires	Tax is imposed on tires sold by Manufacturers, Producers, or importers at the rate of \$.0945 (\$.04725 in the case of a bias ply or super single tire) for each 10 lbs of the maximum rated load capacity over 3,500 lbs.
Truck and Trailer Sales	12% of retailer's sales price for tractors and trucks over 33,000 lbs gross vehicle weight (GVW) and trailers over 26,000 lbs GVW. The tax applies to parts and accessories sold in connection with vehicle sales.
Heavy Use Vehicles	Trucks 55,000–75,000 lbs. GVW, \$100 plus \$22 for each 1,000 lbs (or fraction thereof) in excess of 55,000 lbs. Trucks over 75,000 GVW, \$550.

REVENUE SOURCES OF the Federal Highway Trust Fund include the Federal fuel tax and a variety of other fees. The Federal gasoline tax rate has not changed since 1996.

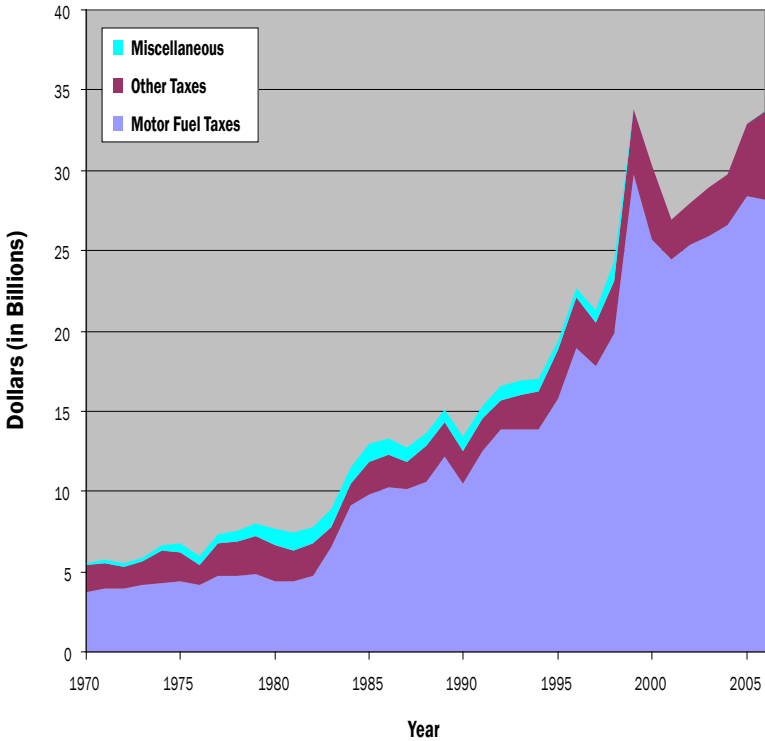
Data Source for Table 6-1 and Figure 6-1: U.S. Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Highway Statistics

Figure 6-1. Ratio of Relative Trust Apportionments/Allocations to Relative Trust Fund Payments, 2006



FUNDING & EXPENDITURES

Figure 6-2. Highway Trust Fund Receipts, 1970–2006

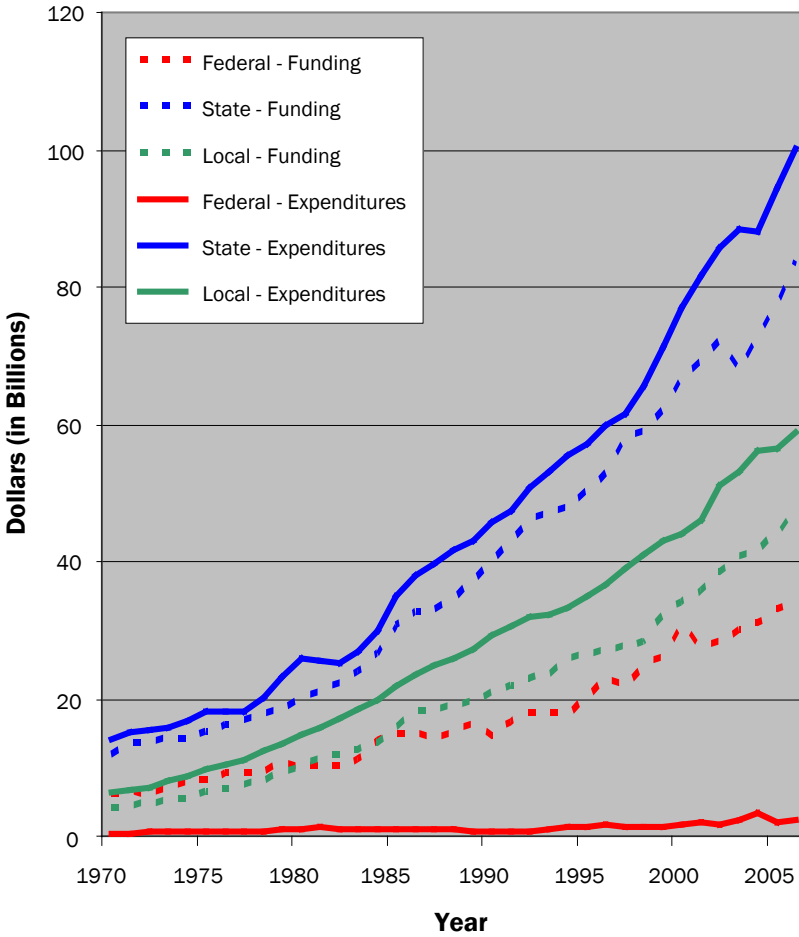


THE FUEL TAX rates have been changed several times since the highway trust fund was established. Variation in the amount of fuel sales also affects receipts. Fuel tax is collected by the Internal Revenue Service at the fuel refinery level.

Note: Under a Congressional mandate known as the Delayed Deposit Provision, about 5 billion dollars of FY 1998 Highway Trust Fund revenue was delayed until FY 1999.

Data Source for Figure 6-2, 6-3, 6-4, and 6-5: U.S. Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Highway Statistics

Figure 6-3. Highway Funding and Expenditures by Local, State, and Federal Governments, 1970–2006



TOTAL HIGHWAY FUNDING by all units of government—Federal, State, local—reached \$161 billion in 2006. The Federal share has been declining, from roughly 2.0 percent in 1970 to less than 1.4 percent in 2006.

FUNDING & EXPENDITURES

Figure 6-4. State Disbursements for Highways by Type in Dollars, 2006

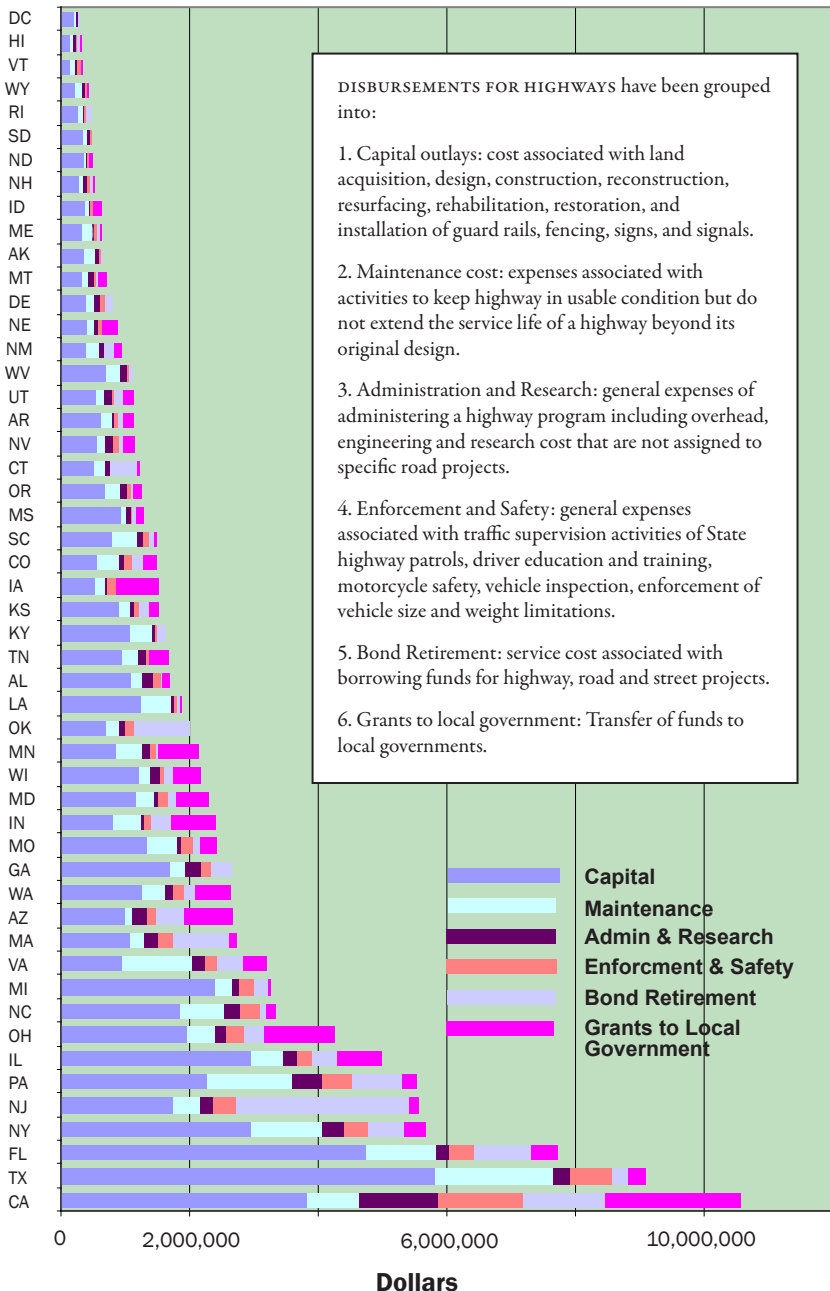
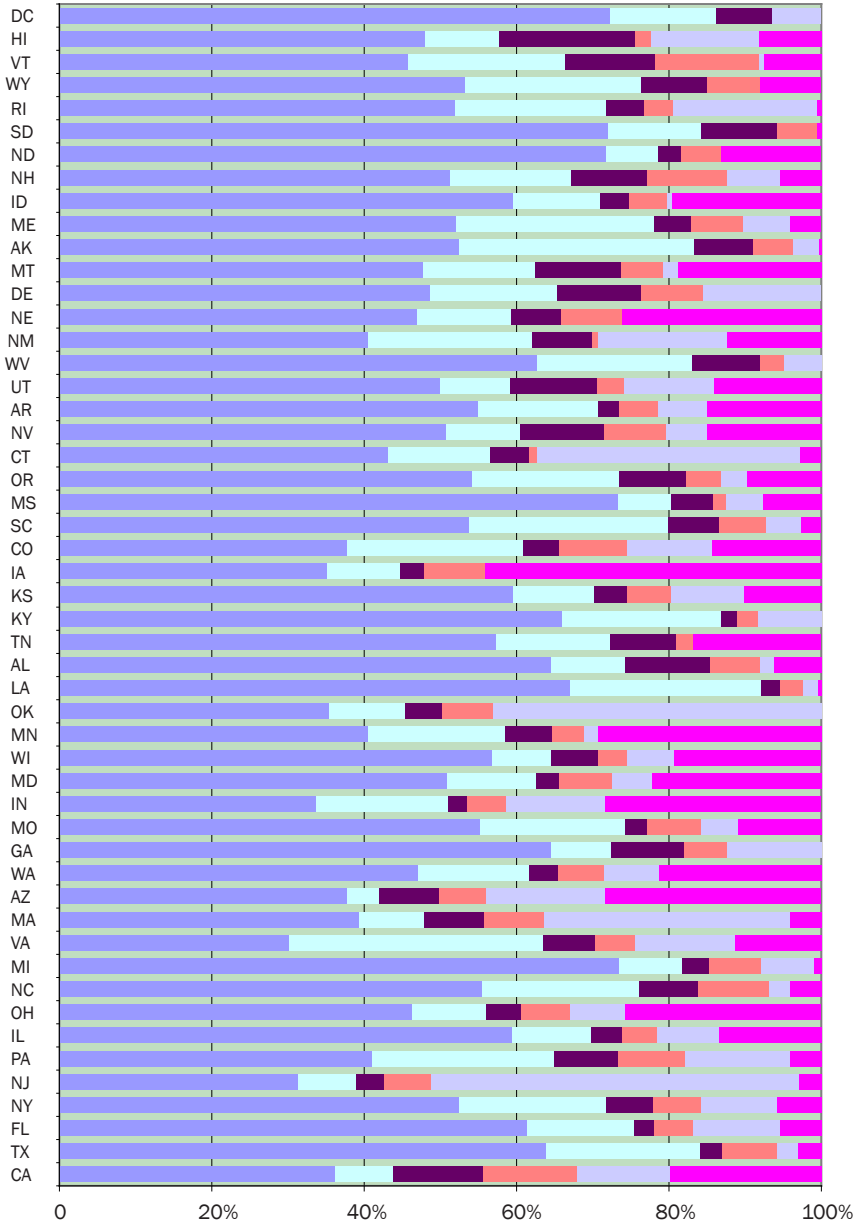
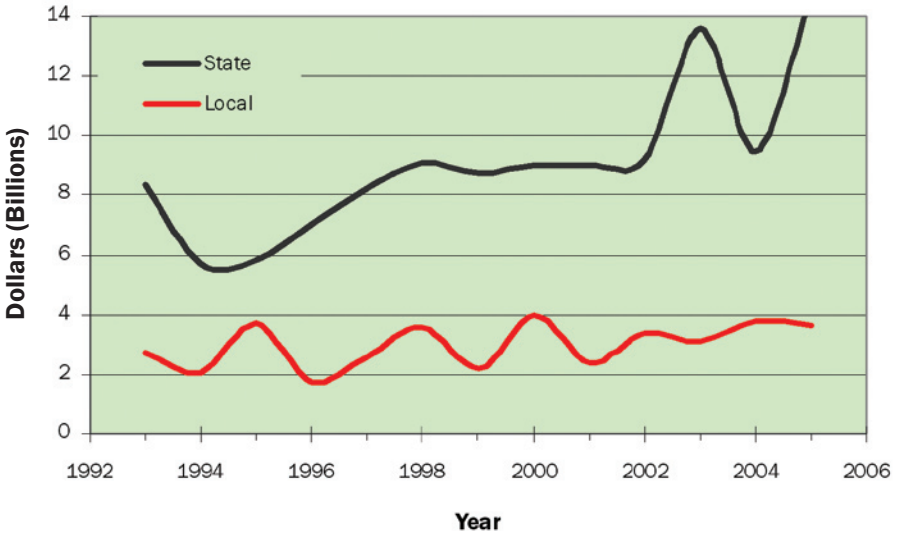


Figure 6-5. State Disbursements for Highways by Type as Percentage of Total, 2006



FUNDING & EXPENDITURES

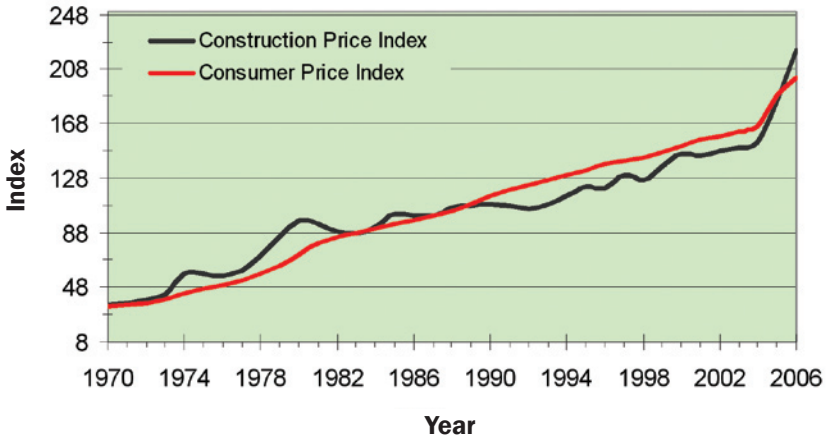
Figure 6-6. Toll Facility Revenue



REVENUE FROM TOLL is typically the only funding source for repaying money borrowed to construct a toll road and to provide for its ongoing maintenance and operations. Over the last 14 years, toll revenue has been increasing at an annual rate approaching 2 percent as compared with an annual 5 percent growth rate of the FHWA HTF.

Data Source: U.S. Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Highway Statistics

Figure 6-7. Highway Construction Price Trends and Consumer Price Index



THE CONSUMER PRICE Index (CPI) measures the changes in the cost of purchasing products and services. The CPI is computed by the Bureau of Labor Statistics. The higher the number is, the faster the product or service rises in price over time. FHWA prepares a similar cost index for highway construction activities. The Federal-aid highway Construction Index (CI) is computed by FHWA's Office of Program Administration. It is a composite indicator covering the unit costs of excavation, resurfacing, and construction, and reflects cost changes for materials such as reinforcing steel, bituminous concrete, portland cement and other ingredients for highway projects across the country.