



REVENUE FOR ROAD AND BRIDGE FUNDING

PATRICK CONNER, P.E.

Lead Engineer – Asset Management



Local Technical Assistance Program

OVERVIEW

GAS TAX



Gasoline

\$0.184 Federal Gas Tax
\$0.33 Indiana Gas Tax
7% State Gas Use Tax

Special Fuel (SF)

\$0.244 Federal Deisel Tax
\$0.55 Indiana SF Tax



December 2022

DOR - \$2.842/gallon

\$0.184 Federal
\$0.33 Indiana Gas Tax
\$0.199 Indiana Gas Use Tax
\$0.713

OVERVIEW

ELECTRIC CAR AND HYBRID CARS



Electric Car Fee
\$150/year

Hybrid Car Fee
\$50/year

Total Revenue for CCMGF
\$0.5 million

IC 9-18.1-5-12

(f) The fee shall be deposited in the local road and bridge matching grant fund established by IC 8-23-30-2.

*Source: Indiana Handbook of Taxes, Revenues and Appropriations

SUMMARY:

DEDICATED LOCAL ROAD AND BRIDGE FUNDING

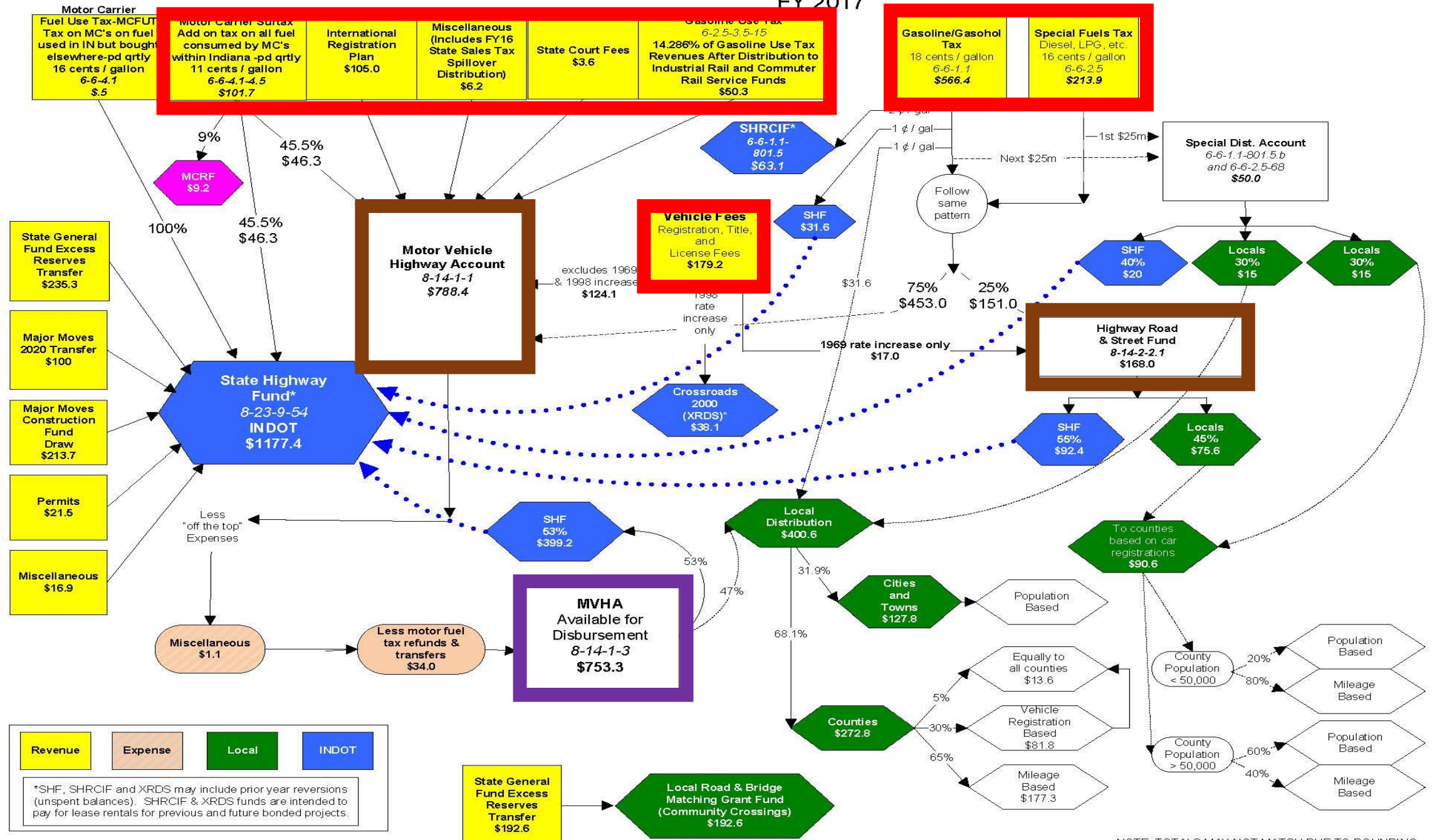
- ➡ MVH
- ➡ LRS
- ➡ Local Road and Bridge Matching Grant Fund (CCMGF)
- ➡ Wheel Tax and Excise Surtax
- ➡ Cumulative Bridge and Major Bridge Funds
- ➡ *Federal Aid*



Indiana Transportation Funding

(all \$ in Millions)

FY 2017





2016: HB 1001



2016: HB 1001



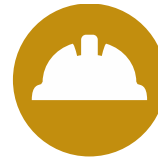
- ➡ Established Local Road and Bridge Matching Grant Fund (Community Crossings)
- ➡ Increased the maximum rates for Wheel Tax / Excise Surtax for Counties
- ➡ Allowed Municipalities to also adopt a Wheel Tax / Excise Surtax



2017: HB 1002



2017: HB 1002



- ➔ 10 cent/gal Gas Tax Increase
 - ➔ 10 cent/gal Special Fuel Tax Increase
 - ➔ 10 cent/gal Motor Carrier Surtax Increase
 - ➔ Increase in IRP
 - ➔ Eliminates sales tax on special fuel
 - ➔ New requirements on how MVH to be used
- *Annually Indexed

2017: HB 1002

- ➔ Eliminated the 1 cent/gal to INDOT
- ➔ Eliminated the 1 cent/gal to Local MVH
- ➔ Eliminated Special Distributions Account
- ➔ Changes the MVH distribution from 53/47 (INDOT/Local) to 60/40

Local Share	2018: 45.50%
	2019: 40.75%
	2020: 40.75%
	2021: 40.50%
	2022: 40.25%
	2023: 40.00%

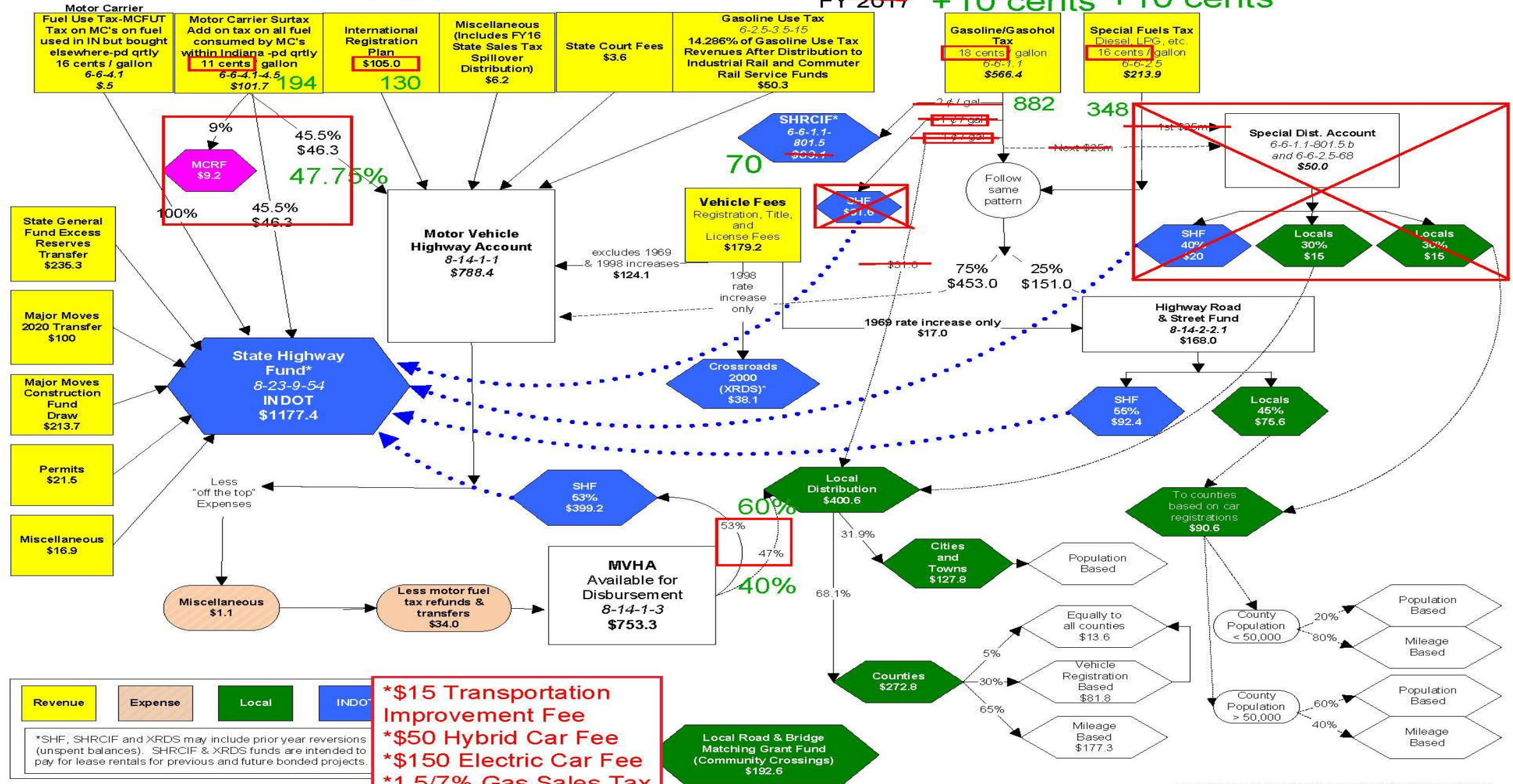
Indiana Transportation Funding

(all \$ in Millions)

~~FY 2017~~

+10 cents +25%

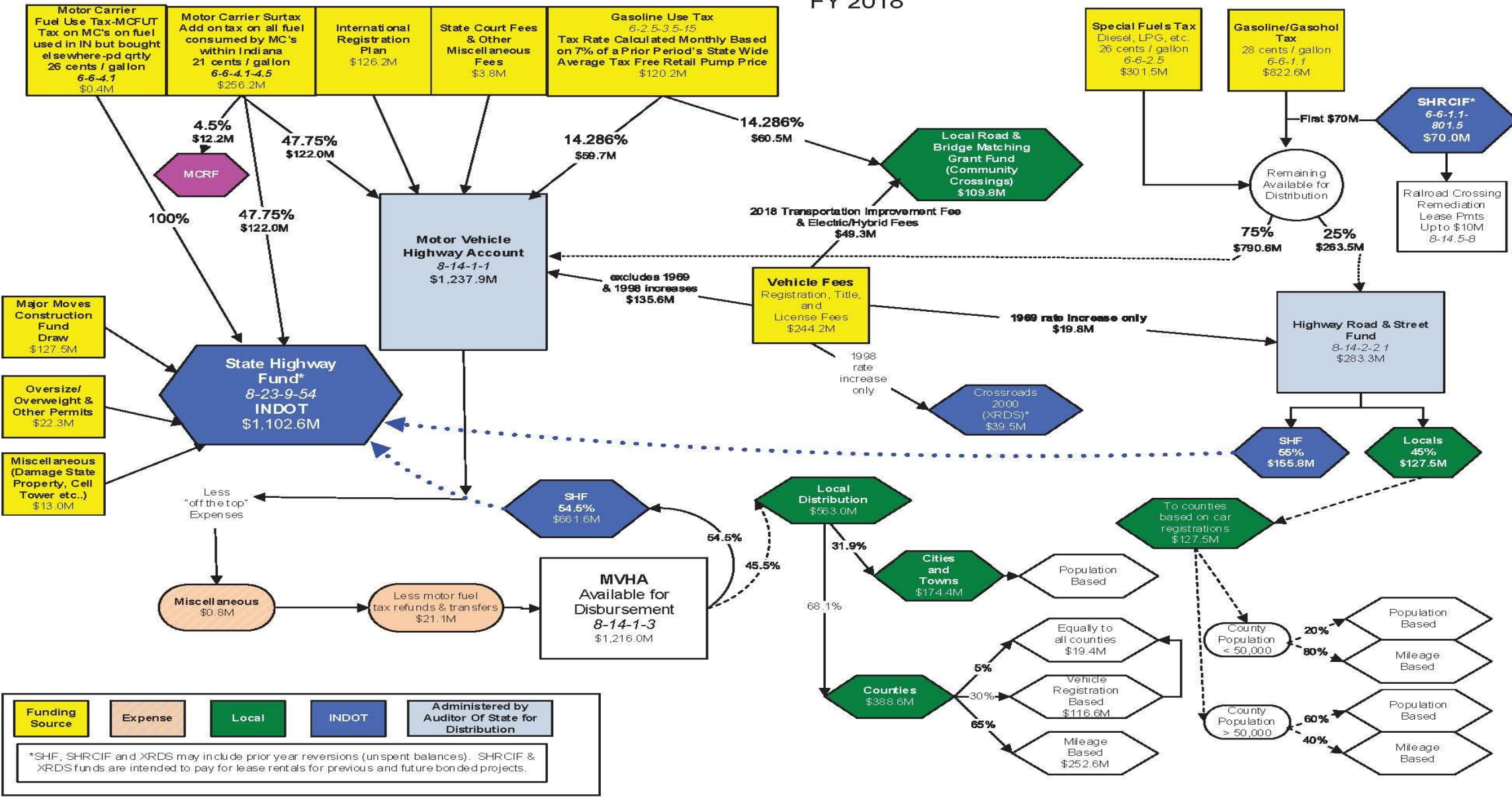
+10 cents +10 cents



NOTE: TOTALS MAY NOT MATCH DUE TO ROUNDING

Indiana Transportation Funding

(all \$ in Millions)
FY 2018



NOTE: TOTALS MAY NOT MATCH DUE TO ROUNDING




2018: HB 1290



HB 1290 (2018) IMPACT

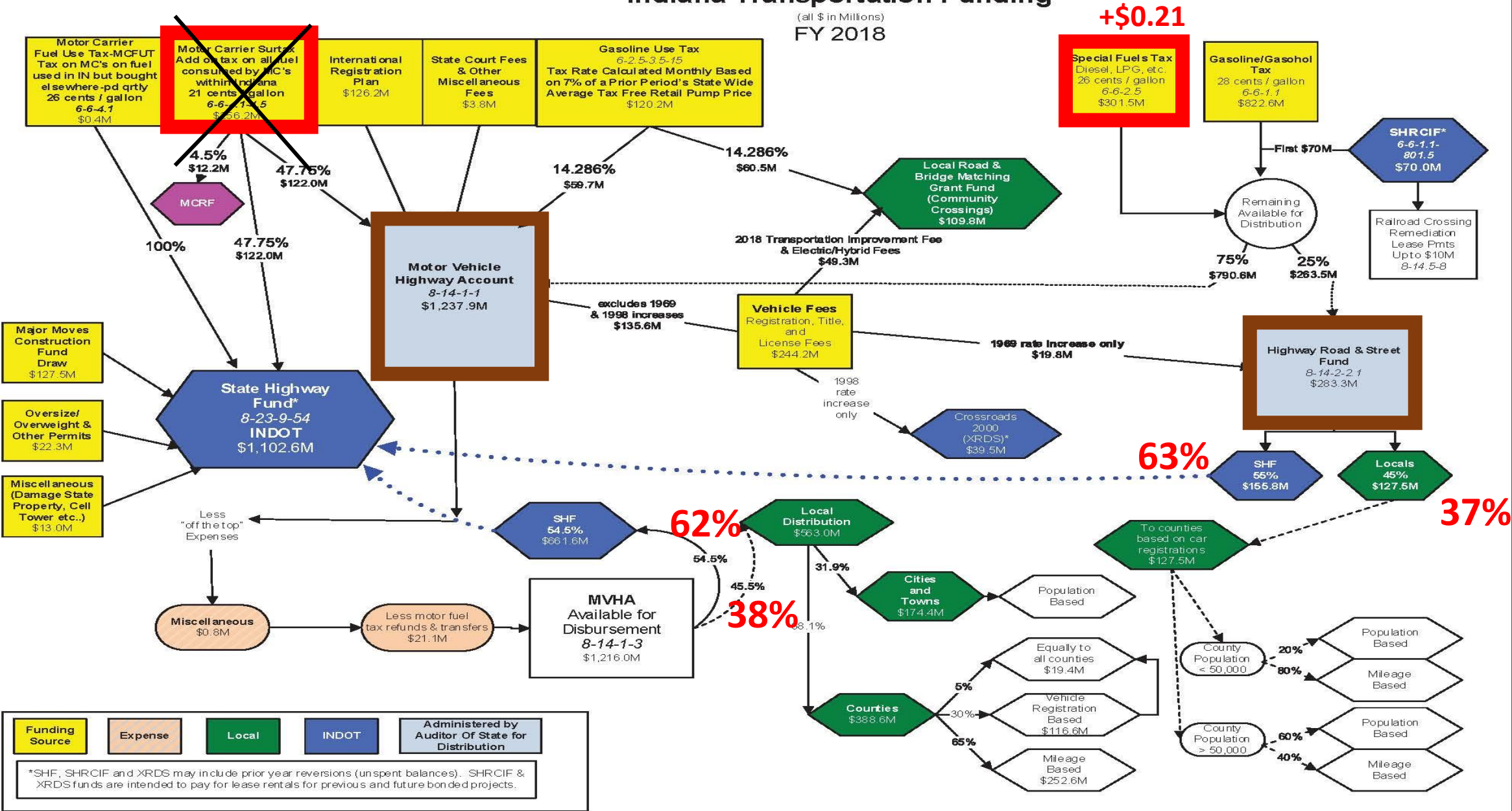
MVH AND LRS

HB 1290

- ➡ Changed 50% of MVH funds to be used for Construction, Reconstruction, or Preservation
 - ➡ Lowered the LRS distribution to locals from 45% to 37%
 - ➡ Changed the rate of Local MVH distribution over 5 years and (floor of 40%) to immediate 38%
 - ➡ Eliminated the Motor Carrier Surtax
 - ➡ Increased the Special Fuel Tax \$0.21/gallon
- 

Indiana Transportation Funding

(all \$ in Millions)
FY 2018

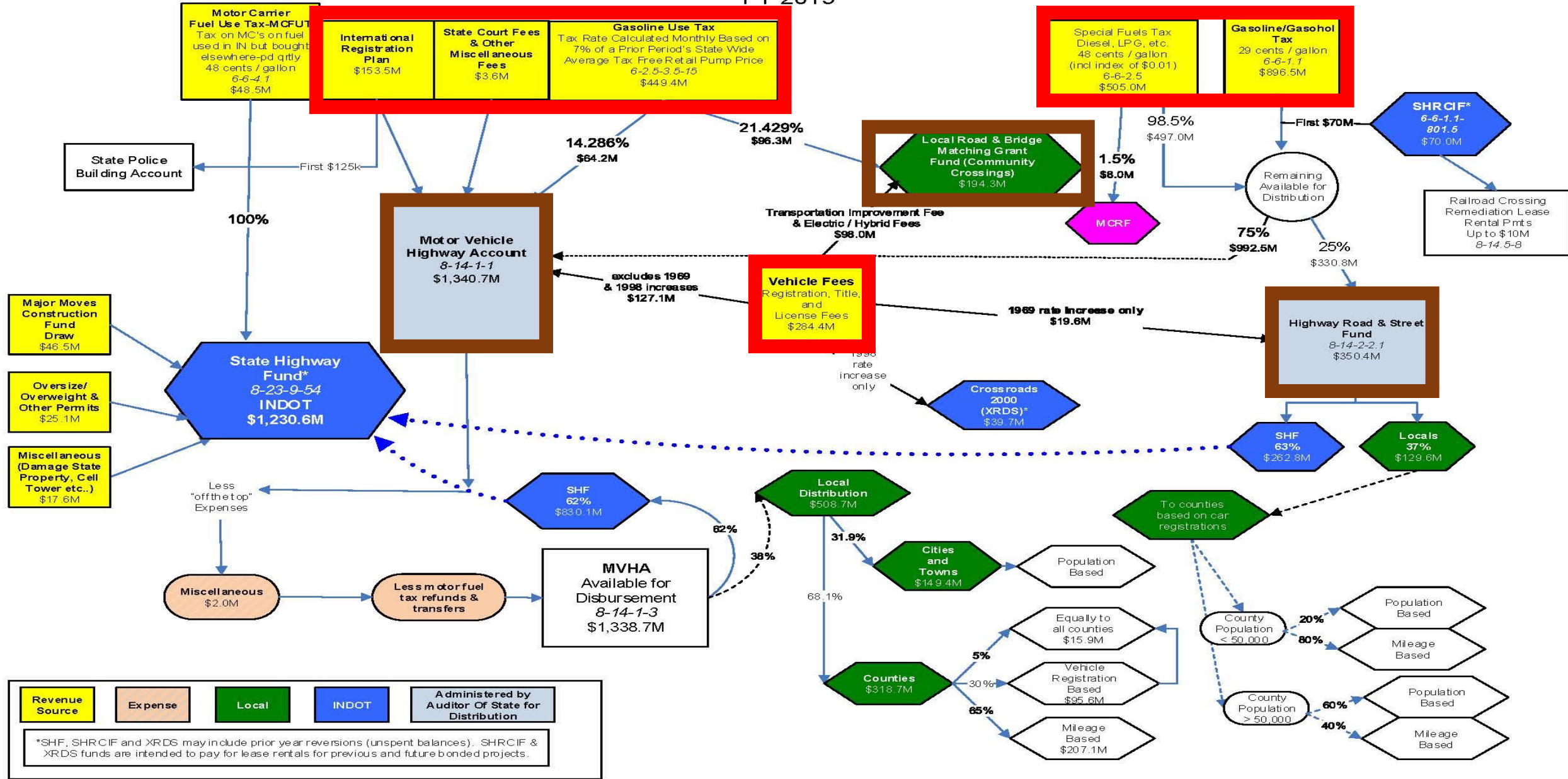


NOTE: TOTALS MAY NOT MATCH DUE TO ROUNDING

Indiana Transportation Funding

(all \$ in Millions)

FY 2019



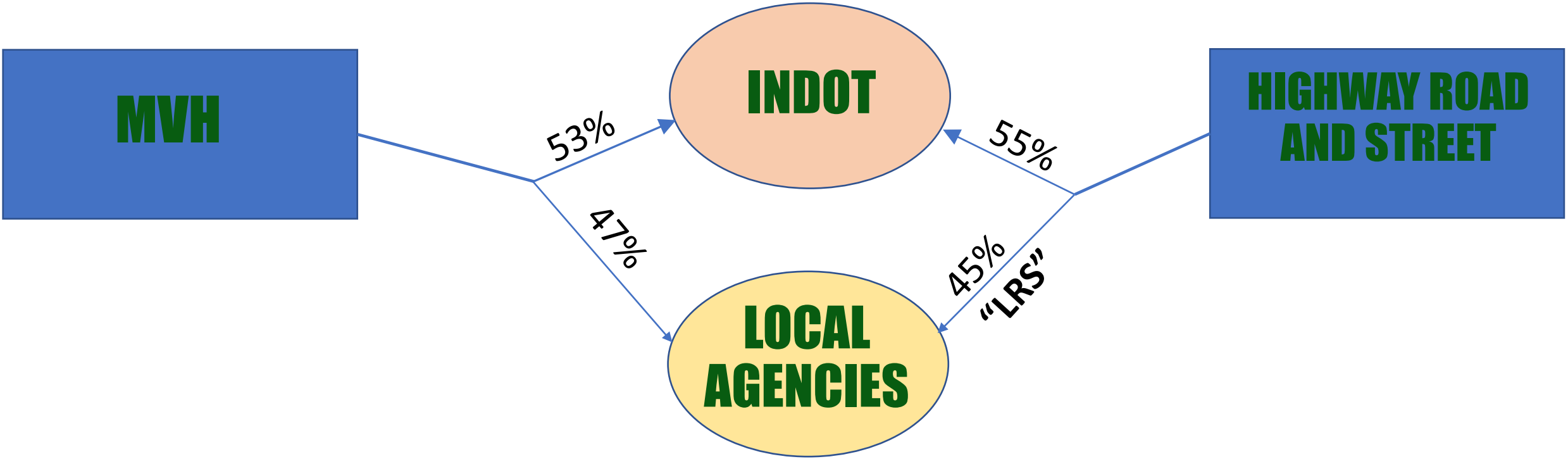
NOTE: TOTALS MAY NOT MATCH DUE TO ROUNDING

SUMMARY OF CHANGES

- 1) Community Crossings Matching Grant Program
- 2) Increase the allowable rates for Wheel Tax / Excise Surtax
- 3) Decrease in Local Share of MVH ~~over 5 years to 40%~~ **Reduced to 38%**
- 4) \$0.10 increase in Gas, Special Fuel, Motor Carrier Surtax
- 5) Fuel Taxes indexed (potentially increasing each year)
- 6) Eliminated dedicated pennies and Special Distributions
- 7) 50% Rule for MVH: Construction, Reconstruction, ~~Maintenance~~ **Preservation**
- 8) Lowered the Local Share of LRS to 37%
- 9) Transferred the Motor Carrier Surtax (\$0.21/gal) to Special Fuel Tax

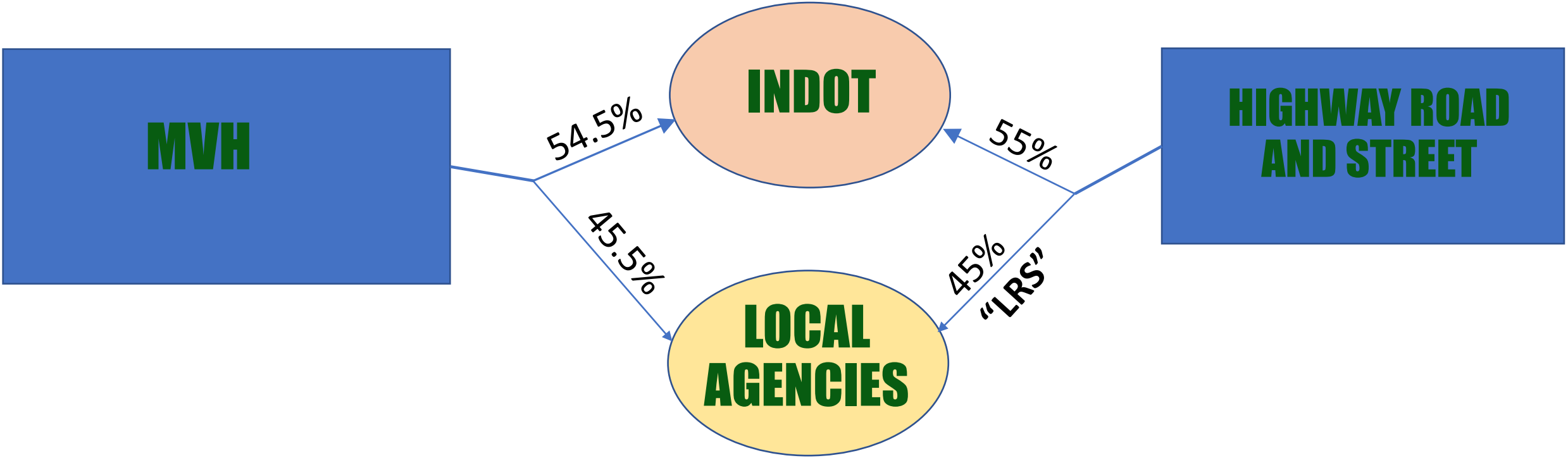
MVH AND LRS

FY 2017



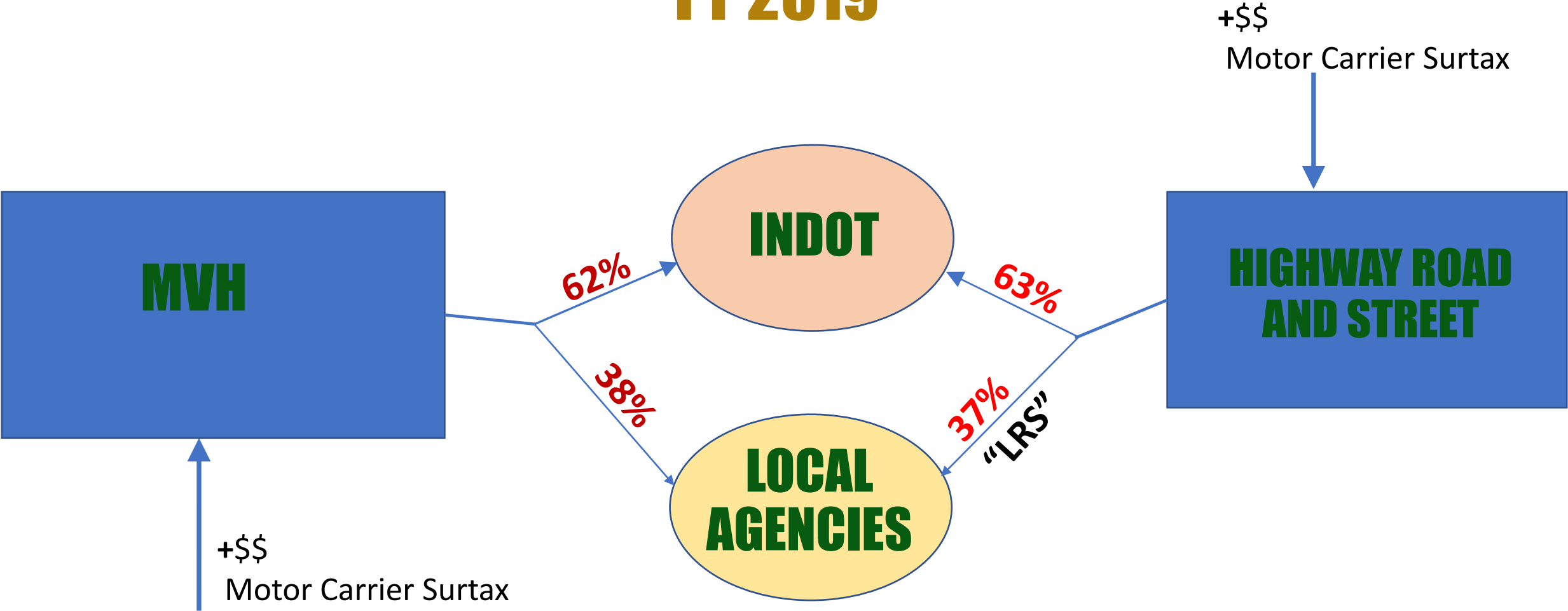
MVH AND LRS

FY 2018

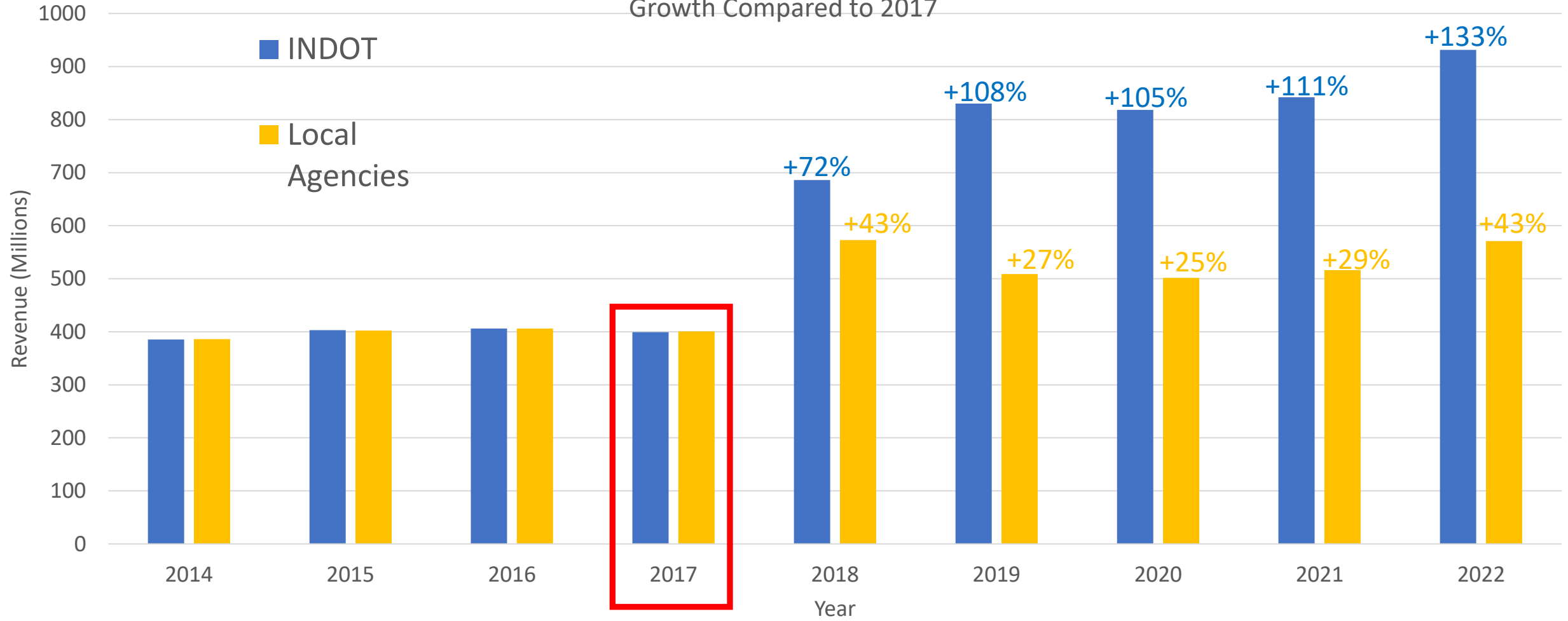


MVH AND LRS

FY 2019

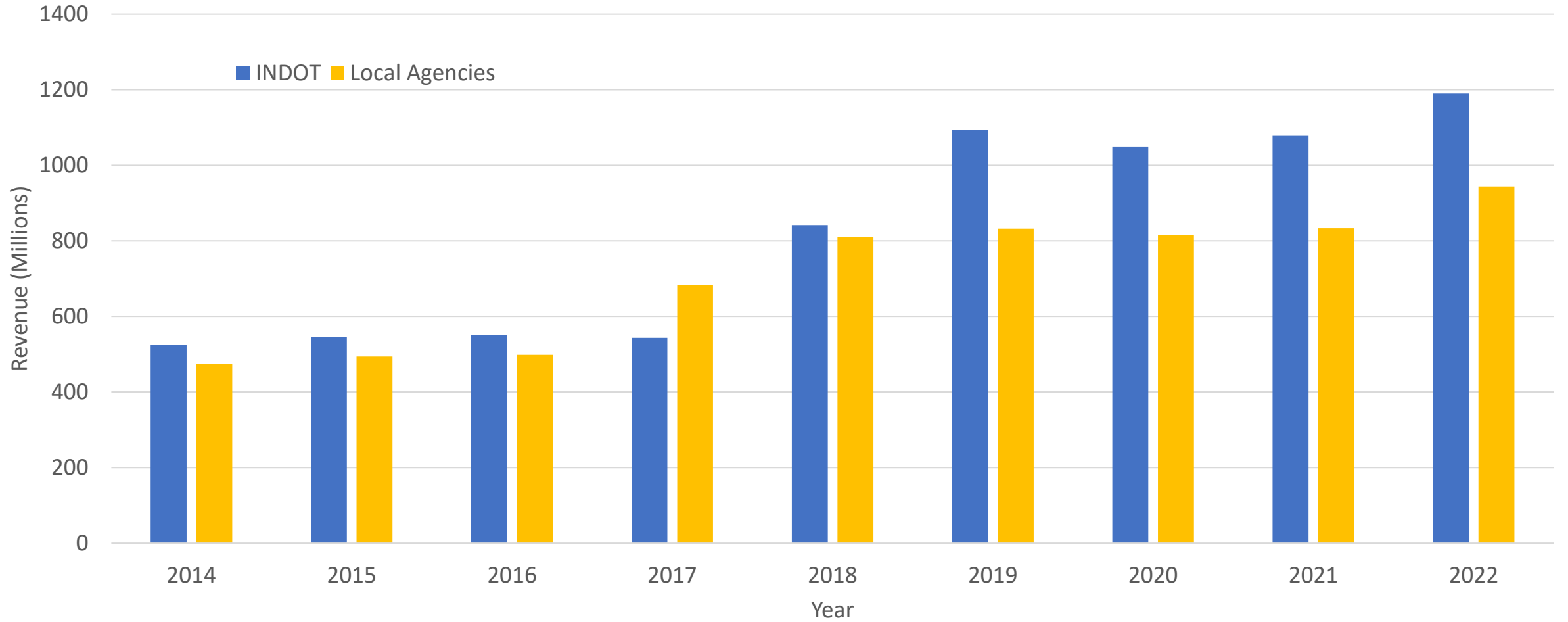


Motor Vehicle Highway Account Growth Compared to 2017



*Source: Indiana Handbook of Taxes, Revenues and Appropriations

Total MVH, LRS, and CCMGF

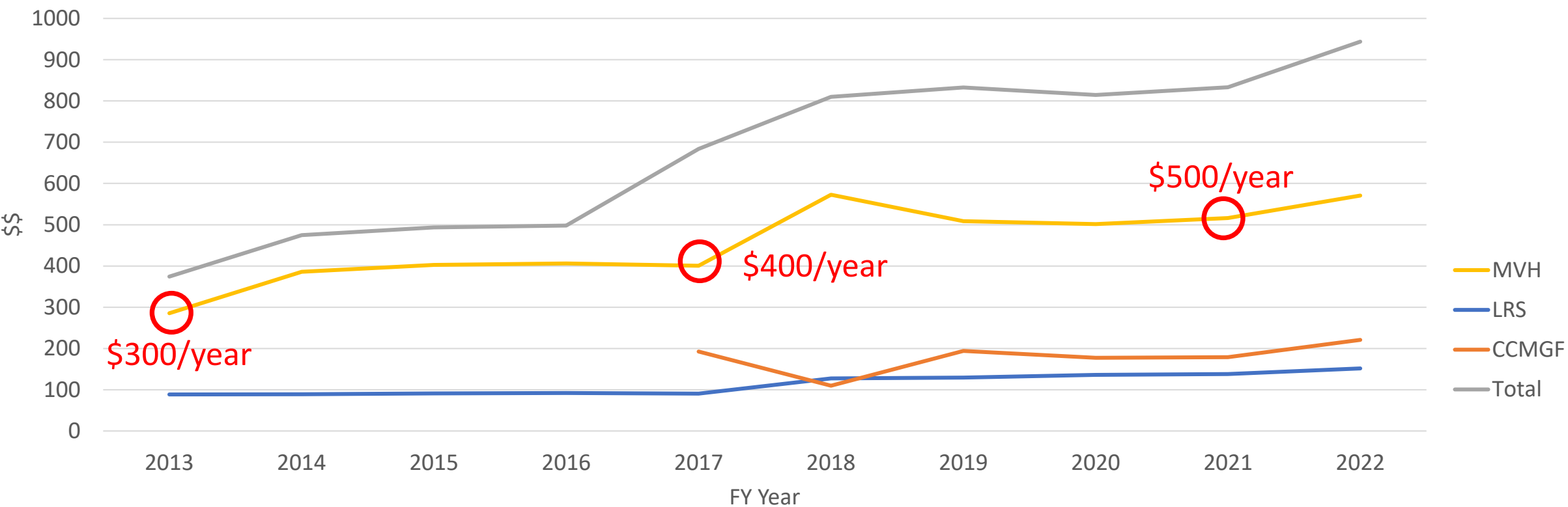


*Source: Indiana Handbook of Taxes, Revenues and Appropriations

LOCAL IMPACTS

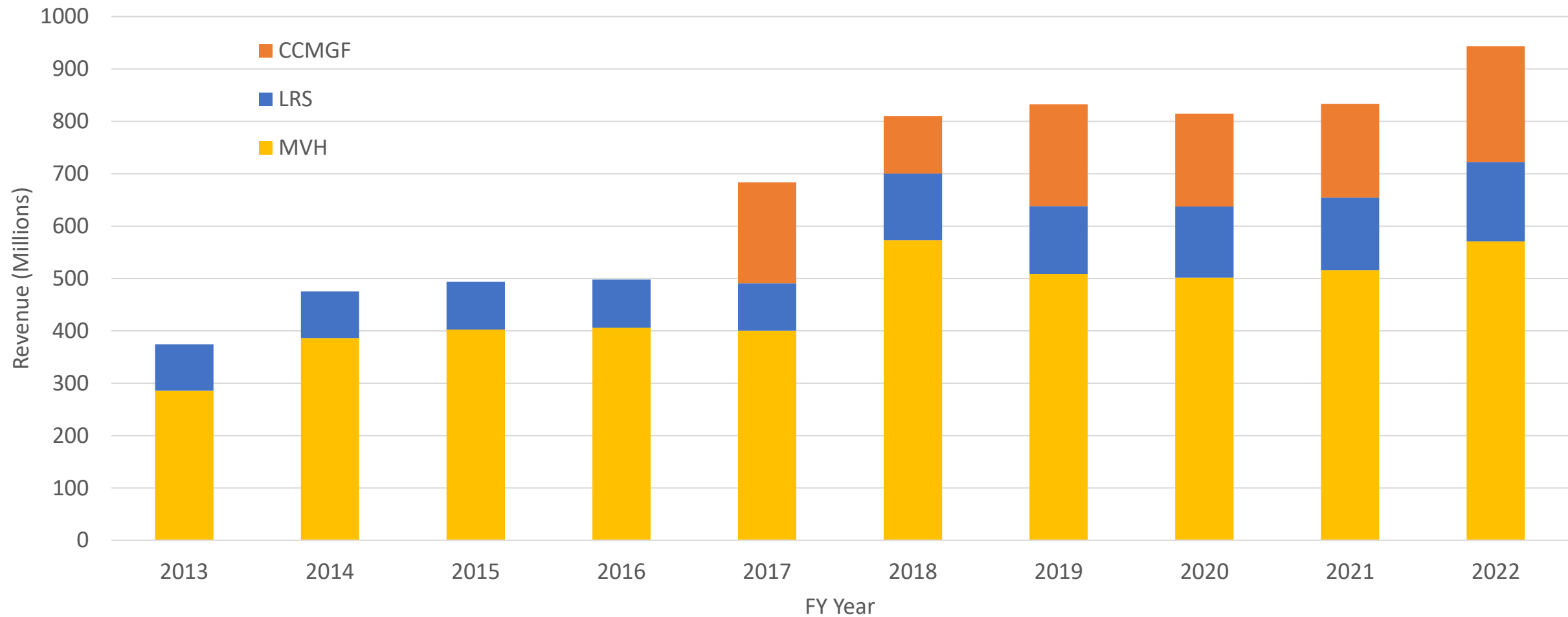
LOCAL FUNDING

State Generated Dedicated Road Funding for Locals



*Source: Indiana Handbook of Taxes, Revenues and Appropriations

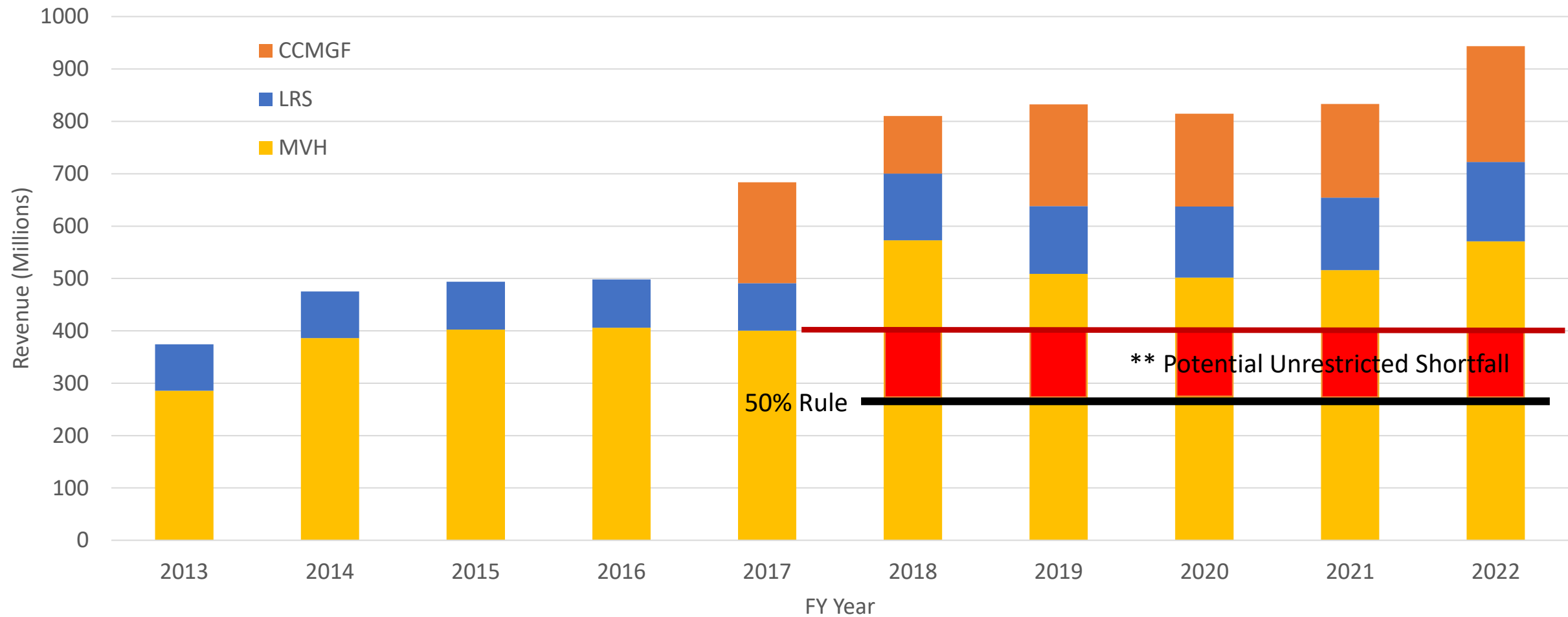
State Generated Dedicated Road Funding for Locals



*Source: Indiana Handbook of Taxes, Revenues and Appropriations



State Generated Dedicated Road Funding for Locals

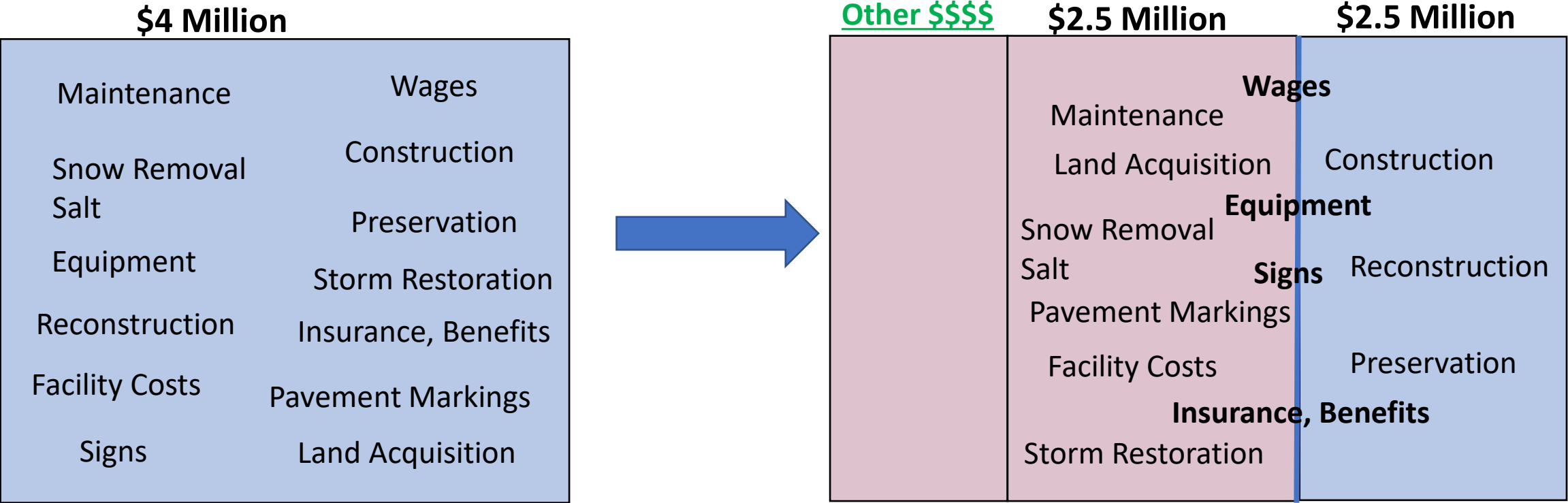


*Source: Indiana Handbook of Taxes, Revenues and Appropriations

MOTOR VEHICLE HIGHWAY ACCOUNT (MVH)

RESTRICTIONS: 50% RULE

➔ 50% of MVH Funds must be used on Construction, Reconstruction, and Preservation



MVH AND LRS REPORT

MVH FUNDS AND 50% RULE : HERE'S WHAT YOU CAN EXPECT

50% Rule for Construction, Reconstruction, Preservation

~30%
Increase



- June 2017 – \$226,833

- June 2021 – \$281,595

- MVH – Unrestricted - \$140,797.5

%50 Rule

-\$86,000

“Unrestricted” Activities

Wages

Insurance and Benefits

Fuel

Maintenance

Storm Cleanup

Event Cleanup

Winter Maintenance

Facility Costs

Mowing

Construction Reconstruction, Preservation

Fed- Aid Match

2020 Census



or



?



QUESTIONS?

CONTACT INFORMATION:
PATRICK CONNER
CONNERP@PURDUE.EDU

