



**U-1
State Highway
Fund Receipts and
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State Motor Fuels
Taxes and Fuel
Use**

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Driving Privileges
and ID Cards in
Other States for
Those Who Cannot
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Presence**

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Transportation

U-2 State Motor Fuels Taxes and Fuel Use

For many years, the state sources that provide the most funding for transportation programs have been motor fuels taxes, sales tax, and registration fees.

This article provides information regarding Kansas motor fuels taxes and fuels use.

Per gallon amounts of motor fuels taxes. Kansas' motor fuels taxes are 24¢ a gallon on gasoline and 26¢ a gallon on diesel fuel, unchanged since 2003. The table below lists the effective dates of tax increases for motor fuels. The increases in 1989 through 1992 were part of the Comprehensive Highway Plan as it was enacted in 1989, and those in 1999 and 2001 were part of the original ten-year Comprehensive Transportation Program enacted in 1999. No increases in fuels taxes are associated with the Transportation Works for Kansas (T-Works) bill enacted in 2010.

Increases in Motor Fuels Tax Rates, 1925 - 2014

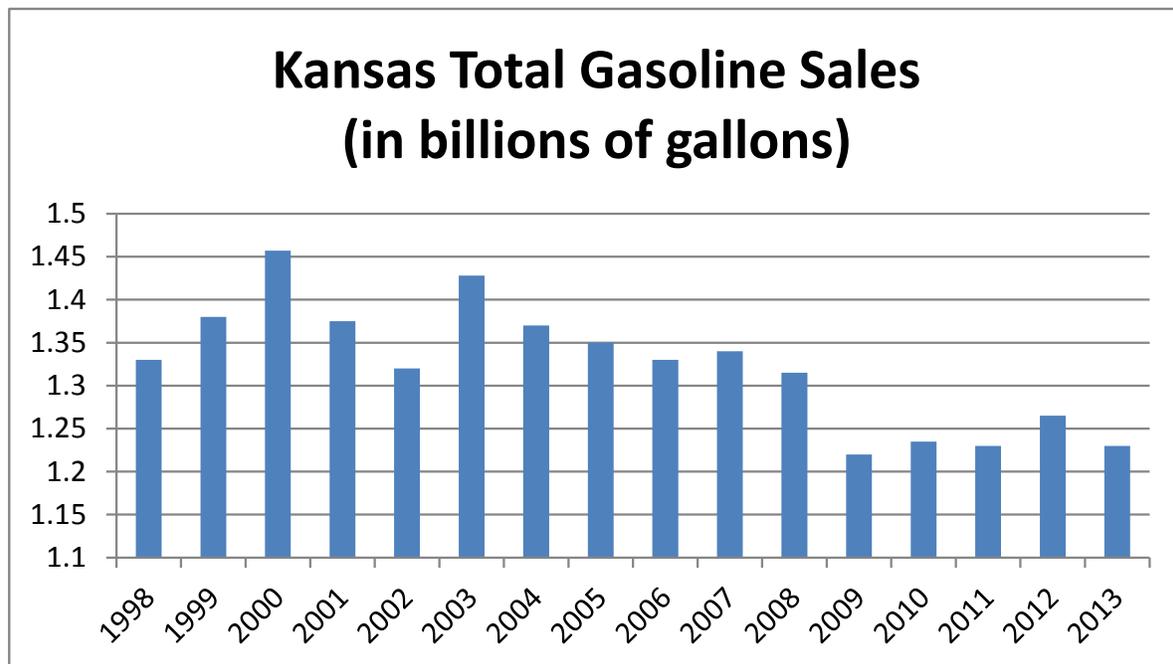
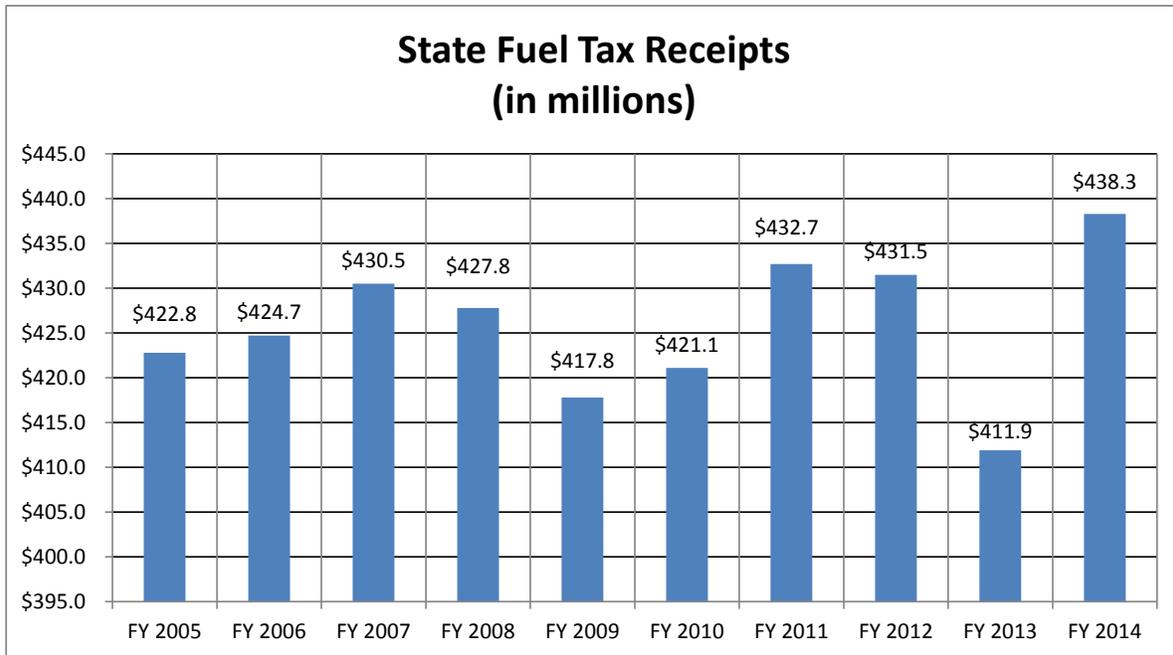
Effective Date	Gasoline	Diesel
1925	2¢	--
1929	3¢	--
1941	--	3¢
1945	4¢	4¢
1949	5¢	5¢
1956	--	7¢
1969	7¢	8¢
1976	8¢	10¢
1983	10¢	12¢
1984	11¢	13¢
1989	15¢	17¢
1990	16¢	18¢
1991	17¢	19¢
1992	18¢	20¢
1999	20¢	22¢
2001	21¢	23¢
2002	23¢	25¢
2003	24¢	26¢

A tax of 17¢ a gallon was imposed on E-85 gasohol beginning in 2006. Certain fuel purchases, including aviation fuel and fuel used for nonhighway purposes, are exempt from taxation.

A federal fuels tax of 18.4¢ a gallon for gasoline, gasohol, and special fuels and 24.4¢ a gallon for diesel fuel also is included in fuel prices. The amount of federal tax per gallon has not increased since 1993, although increases have been proposed in Congress.

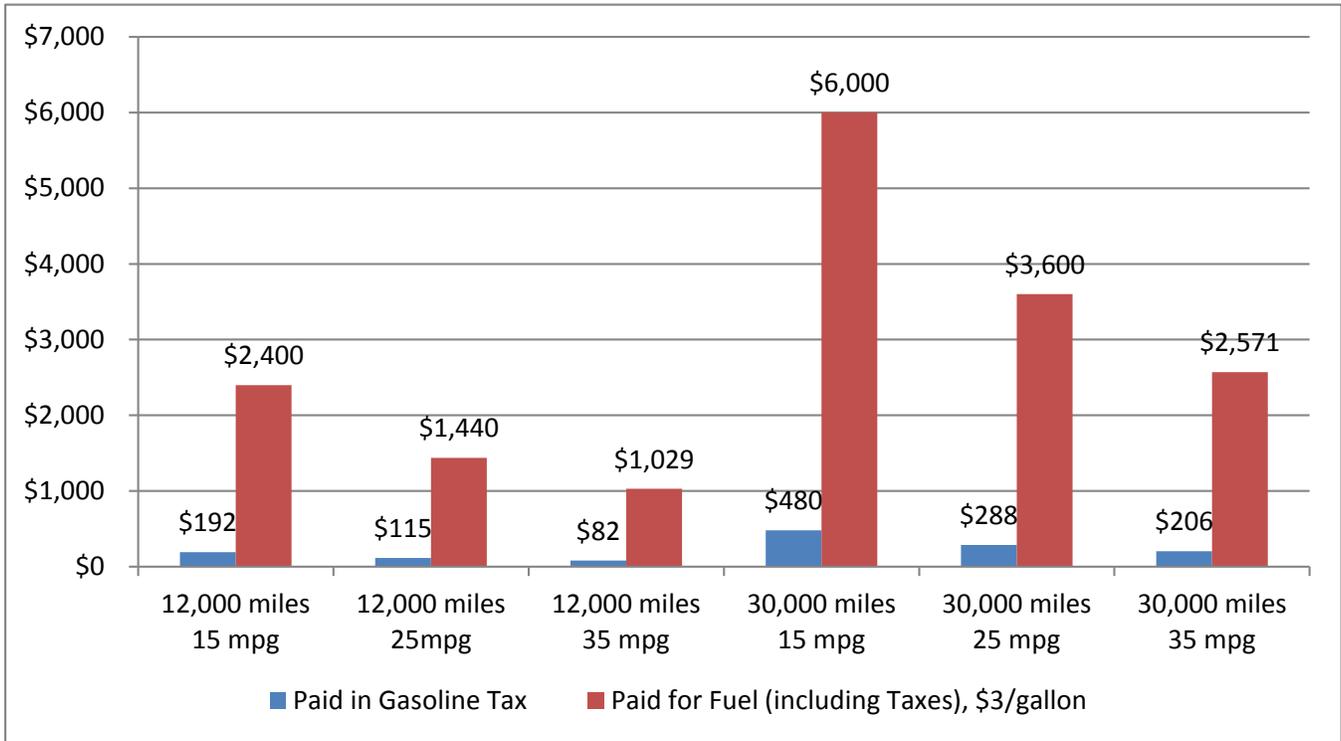
Combined state, local, and federal gasoline taxes across the country as of October 1, 2014, averaged 49.3¢ a gallon and ranged from a low of 30.8¢ a gallon in Alaska and 32.9¢ a gallon in New Jersey to 68.7¢ a gallon in New York and 68.9¢ a gallon in California. The equivalent rate for Kansas was 42.4¢ a gallon.

Fuels usage and tax revenues. Kansas fuels tax revenues and gasoline usage fluctuate, as illustrated in the graphics below.



Amounts households spend. According to the Bureau of Labor Statistics in the U.S. Department of Labor, U.S. households spend a median of \$9,004 on transportation in 2013, an increase from \$8,293 in 2011. In 2013, \$2,418 (27 percent) of the transportation total was spent on gasoline. If fuel prices are between \$3 and \$4 a gallon, state fuel taxes account for between 6 percent and 8 percent of the amount motorists spend on fuel.

State Gasoline Tax Portion of Overall Annual Gasoline Cost, if Price is \$3/gallon



Sources: Reports, Monthly Motor Fuel Reported by States, U.S. Department of Transportation, Federal Highway Administration, Office of Highway Policy Information, Motor Fuel and the Highway Trust Fund. <http://www.fhwa.dot.gov/policyinformation/motorfuel/may14/index.cfm> and reports for previous years, current year information accessed October 13, 2014

KDOT budget documents submitted to KLRD, September 2014, and in previous years

Press release, "Consumer Expenditures – 2013," For release: 10:00 a.m. (EDT), Tuesday, September 9, 2014 USDL-14-1671; U.S. Department of Labor, <http://www.bls.gov/news.release/cesan.nr0.htm>, accessed October 14, 2014

American Petroleum Institute, Combined local, state, and federal gasoline taxes: <http://www.api.org/oil-and-natural-gas-overview/industry-economics/fuel-taxes>

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