

TRANSPORTATION DEVELOPMENT CREDITS (TOLL CREDITS)
SECTION 5311 Rural Transit Program

FACT SHEET

Transportation Development Credits (formerly referred to as Toll Revenue Credits) provides a credit toward a project's local share for certain expenditures with toll revenues. The amount of credit toward local share to be earned by a State is based on revenues generated by toll authorities within the State. Under the provisions of 23 U.S.C. 120(j), FHWA oversees the determination of transportation development credit within each State. For the Federal Transit Administration (FTA), the effect of utilizing transportation development credits means that FTA, in essence, provides 100 percent of the total net project cost up to the maximum grant award amount.

- Starting with the FY 2011-2012 grant cycle, Transportation Development Credits (Toll Credits) may be used to fulfill a project's minimum local share requirement.
- This means FTA provides 100-percent of the total project cost not to exceed the FTA maximum apportionment amount.
- FTA 5311 funds will be used in conjunction with Toll Credits to support operating and capital assistance projects. Toll Credits will pay for the previously required local match equivalent to 44.67% for operating assistance and 11.47% for capital assistance.
- **Toll Credits cannot exceed the minimum required local share match percentage**

Example 1:

FTA calculates a total project dollar amount using toll credits for a 5311 **Capital project** as shown in the example:

Total Apportionment:	\$ 300,000
Grant Award (88.53%)	\$ 265,590 (FTA)
Local Share (11.47%)	<u>\$ 34,410</u> (Toll Credits)
	\$ 300,000

Example 2:

FTA calculates a total project dollar amount using toll credits for a 5311 **Operating project** as shown in the example:

Total Apportionment:	\$ 300,000
Grant Award (55.33%)	\$ 165,990 (FTA)
Local Share (44.67%)	<u>\$ 134,010</u> (Toll Credits)
	\$ 300,000

Example 3:

FTA calculates a total project dollar amount for a 5311 project that exceeds the max FTA grant award, as shown in the example: In this example Toll Credits will not be needed.

Total Project Cost:	\$ 500,000
FTA Apportionment	\$ 300,000 (FTA)
Local Share Overmatch	\$ 200,000