



Caltrans Division of Research,
Innovation and System Information

Research



Results



Planning, Policy,
and Programming

What Do Americans Think About Federal Tax Options to Support Public Transportation

A national random-digit-dial public opinion poll asking 1,501 respondents if they would support various tax options for raising federal transportation revenues.

WHAT IS THE NEED?

Over the past several decades, the transportation revenues available from state and federal gas taxes have fallen significantly, especially in terms of inflation-adjusted dollars per mile traveled. At the same time, the transportation system requires critical—and expensive— system upgrades. Among other needs, a large portion of the national highway system requires major rehabilitation, and there is growing desire at all levels of government to substantially upgrade and expand infrastructure to support public transit, walking, and bicycling. This dilemma of growing needs and shrinking revenues can be resolved in only two ways: either the nation must dramatically lower its goals for system preservation and enhancement, or new revenues must be raised. If the latter is to happen, legislators must be convinced that increasing taxes or fees is politically feasible. One portion of the political calculus that legislators make when deciding whether or not to raise new revenues is, of course, considering likely public support for—or opposition to—raising different kinds of taxes.

WHAT WAS OUR GOAL?

To summarize the results of year four of a national random-digit-dial public opinion poll asking 1,501 respondents if they would support various tax options for raising federal transportation revenues, with a special focus on understanding support for increasing revenues for public transit. Eleven specific tax options tested were variations on raising the federal gas tax rate, creating a new mileage tax, and creating a new federal sales tax. Other

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What Do Americans Think About Federal Tax Options to Support Public Transportation

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Caltrans provides a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability.

questions probed various perceptions related to public transit, including knowledge and opinions about federal taxes to support transit.

In addition, the survey collected data on standard socio-demographic factors, travel behavior (public transit usage, annual miles driven, and vehicle fuel efficiency), and attitudinal data about how respondents view the quality of their local transportation system and their priorities for government spending on transportation in their state. All of this information is used to assess support levels for the tax options among different population subgroups.

WHAT DID WE DO?

This research presents the results from a six year annual telephone survey investigating public opinion about a variety of transportation tax options at the federal level. Specific taxes were tested with ten variations on raising the federal gas tax rate or creating a new mileage tax, as well as one option for creating a new federal sales tax. In addition, the survey collected standard socio-demographic data, some travel behavior data, and respondents' views on the quality of their local transportation system, and their priorities for government spending on transportation in their state. All of this information is used to assess support levels for the tax options among different population subgroups.

The survey questionnaire described the various tax proposals in only general terms, so the study results cannot be assumed to reflect support for any actual proposal put forward. Nevertheless, the results show likely patterns of support and, more important, the public's likely relative preferences among different transportation tax options. In the 2012 survey (the third year), questions were added to probe public perceptions related to public transit, including knowledge and opinions about federal taxes to support transit. Several new

transit-related questions were added to explore respondents' knowledge of whether different levels of government help to pay for transit, their opinion about whether gas tax revenues should be spent on transit, and their support for different Congressional options to raise additional revenues to support improved and expanded transit.

WHAT WAS THE OUTCOME?

The survey results show that a majority of Americans would support higher taxes for transportation—under certain conditions. For example, a gas tax increase of 10¢ per gallon to improve road maintenance was supported by 67 percent of respondents, whereas support levels dropped to just 23 percent if the revenues were to be used more generally to maintain and improve the transportation system. For tax options where the revenues were to be spent for undefined transportation purposes, support levels varied considerably by what kind of tax would be imposed, with a sales tax much more popular than either a gas tax increase or a new mileage tax.

With respect to public transit, the survey results show that most people want good public transit service in their state. In addition, two-thirds of respondents support spending gas tax revenues on transit. However, questions exploring different methods to raise new revenues found relatively low levels of support for raising gas tax or transit fare rates. Also, not all respondents were well informed about how transit is funded, with only about half knowing that fares do not cover the full cost of transit.

WHAT IS THE BENEFIT?

The results of the six years of survey data suggest several key implications for policymakers who wish to craft transportation revenue increases in ways that will maximize public support:

- The basic concept of a gas tax increase is not popular, but there are ways to structure such an increase that would significantly boost its acceptability.



- The basic concept of a mileage tax is not popular, but there are ways to structure such a tax that would increase its acceptability.
- Linking a transportation tax to environmental benefits can increase public support.
- Demographic change in the US population may increase support for transportation taxes.

LEARN MORE

This report and further information can be found on the Mineta Transportation Institute website at:
<http://transweb.sjsu.edu/project/1428.html>