

# New tax on electric vehicles penalizes consumers and won't solve road funding problems in Arizona



## Maximum Justifiable Fee

# \$53

The max justifiable fee for EV drivers in Arizona is \$53. If the state gas tax is doubled to \$0.36 per gallon, Arizona's max justifiable fee increases to \$103, finds **Consumer Reports**.\*

*\* Any fee above this amount is 'punitive.' Max fee determined by average state fuel taxes paid by drivers of new gas-powered vehicles in Arizona.*

## EV taxes don't fund road repair

Even if Arizona institutes a \$53 annual EV tax for drivers, the new funding would only account for 0.23% of the state's road maintenance fund by 2025.

## Why EV taxes are a poor choice

- Arizona's **gas tax accounts for only 34%** of state's road funding.
- EV taxes can **discourage consumers** from purchasing a fuel-efficient or gas-free vehicle, which help reduce ground-level ozone levels.
- If a state decides to institute an EV tax it should **delay implementation** until EVs are widely adopted and a more serious source of revenue.
- Flat fixed fees **don't charge people based on how much they drive**.
- EV taxes are collected as a lump sum, which is **especially burdensome for low-income drivers**, because it does not spread out costs over time like the gas tax.

