

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



**\$60**

The maximum justifiable fee for EV drivers in Colorado is \$60, 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 Colorado.*



EV taxes don't fund road repair	
EV tax	Contribution to road maintenance fund
\$60	0.2% by 2025
\$100	0.33% by 2025



## Why EV taxes are a poor choice

- Colorado's **gas tax accounts for only 27%** of state's road funding.
- EV taxes can **discourage consumers** from purchasing a fuel-efficient or gas-free vehicle, which help reach emissions and climate goals.
- 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.