

10 cent gas tax increase proposal in Alabama: What you need to know

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Alabama is considering an increase in the gasoline tax.

Alabama's infrastructure is in need of repair. To cover the cost, Gov. Kay Ivey has proposed a 10-cent-a-gallon gas tax.

Here's what you need to know:

First, what is the current state tax on gasoline?

Alabama's current state gas tax is [18 cents per gallon](#). It increases to 19 cents per gallon for diesel fuel.

What other gas taxes do we currently pay?

There's a federal excise tax of 18.4 cents per gallon of gasoline and 24.4 cents per gallon on diesel. Cities and counties in Alabama can also levy a gas tax, ranging from the most common – 1 cent – up to 6 cents in places like Flomaton and Chickasaw.

How does Alabama's gas tax stack up nationally?

Alabama has one of the lowest gas taxes in the nation. The lowest is in Alaska – 14.65 cents – followed by Missouri and Mississippi, both of which hover under 18 cents. The highest gas taxes are paid in Pennsylvania (58.7 cents); California (54.36 cents); and Washington (49.4 cents).

What would change under Ivey's tax plan?

Ivey's Rebuild Alabama Infrastructure plan would increase the gas tax over three years, eventually reaching 10 cents. The plan calls for a 6 cent increase this year, 2 cents in 2020 and 2 cents in 2021. The same increases would apply to diesel fuels. The tax would be tied to an index designed to coincide with the rising costs of building roads.

When was the last time Alabama's gas tax was increased?

Alabama's 18 cents-per-gallon tax hasn't changed since 1992.

How much money would the tax generate?

Each 1 cent increase is estimated to be worth \$32 million in new revenue; the full 10-cent increase would raise more than \$300 million.

How much money would the state get? What about counties and cities?

Sixty-six percent of the new revenue, roughly \$198 million over three years, would go to the state. Twenty-five percent would go to counties and 8 percent to cities. A separate portion will go to finance a bond issue to widen and deepen the shipping channel in Mobile Bay.

How will the money be spent?

According to Ivey, revenue from the tax would be "used for transportation infrastructure improvement, preservation and maintenance projects."

In making her case for the tax increase, Ivey cited a report by the University of Alabama's Alabama Transportation Institute and Alabama Transportation Policy Research Center that found cars and trucks are putting approximately 69 billion miles on Alabama's roadways annually, a 17 percent increase over the past 15 years.

"With more travelers on the road, areas of congestion and public safety are a major concern. One-third of all traffic fatalities are estimated to be a direct result of a deficient roadway feature, according to the American Society of Civil Engineers," the governor's office said in a press release.

How bad are Alabama's roads?

[According to TRIP](#), a national transportation research group, 30 percent of major roads and highways in Alabama are in poor or mediocre condition. Driving on rough roads costs the average Alabama driver \$507 annually in additional vehicle operating costs – a total of \$2 billion statewide.

ALABAMA ROADS PROVIDE A ROUGH RIDE

Due to inadequate state and local funding, 30 percent of major roads and highways in Alabama are in poor or mediocre condition. Driving on rough roads costs the average Alabama driver \$507 annually in additional vehicle operating costs – a total of \$2 billion statewide.

Location	Poor	Mediocre	Fair	Good
Anniston-Oxford-Gadsden	20%	13%	13%	53%
Birmingham	21%	20%	15%	44%
Florence	34%	17%	11%	38%
Decatur-Huntsville	16%	20%	18%	45%
Mobile	14%	18%	16%	52%
Montgomery	14%	16%	11%	59%
Tuscaloosa	35%	20%	16%	29%
Alabama Statewide	14%	16%	17%	53%

Thirty percent of Alabama's roads are in poor or mediocre condition, a study found.

operate on a 15 year schedule. Alabama counties are currently operating on an average resurfacing schedule of 56 years, according to the governor's office.

Bridge issues, too

Seven percent of the state's bridges are deemed structurally deficient, TRIP noted. Most bridges are designed to last 50 years before a major overhaul or replacement. In Alabama, 49 percent of the state's bridges were built in 1969 or earlier.

According to the governor's office, the state is currently operating on a bridge replacement schedule of 186 years.

Opposition

Ivey's plan is not without its critics.

The state Republican Executive Committee passed a resolution opposing a gas tax increase without an offsetting tax decrease. A political action committee, Stop the Alabama Gas Tax, has also formed.

"Gov. Kay Ivey has just proposed the largest gas tax increase in the history of Alabama, more than double that of any Democrat governor in the state's history," Ralph Long, chairman of Stop the Alabama Gas Tax, said. "Her proposal is a knife in the back to voters. We elected her to clean up Montgomery's abundant fiscal woes, not increase our taxes to satisfy Montgomery lobbyists."

What's next?

The gas tax is expected to be taken up early in the next session of the Alabama Legislature, which starts Tuesday. Ivey has also indicated she would consider calling a special session to take up the matter.