

# TRANSPORTATION

# Reality Check

**Myth #6:** Michigan has one of the highest gas taxes in the country. Our roads are awful, so road agencies must be wasting our money.

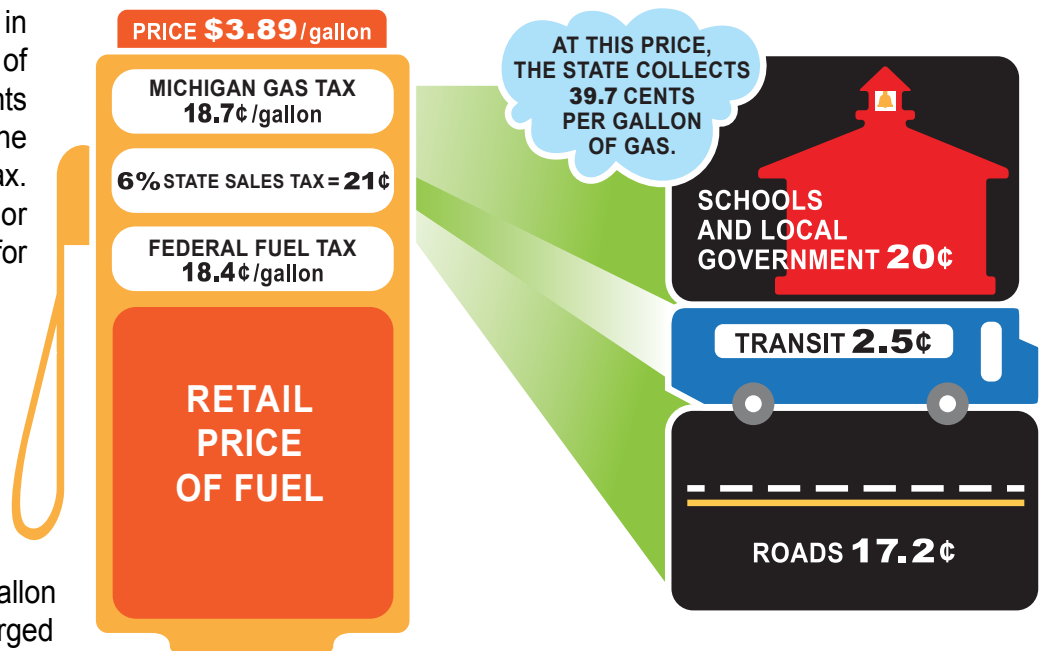
**Reality:** Michigan's taxes that fund transportation are among the lowest in the country, and our road conditions reflect that level of investment.

Each time you purchase gasoline in Michigan, you're paying a couple of road-user fees as well: the 18.7 cents per gallon state gas tax, and the 18.4 cents per gallon federal fuel tax. Whether gas costs \$2 per gallon or \$4 per gallon, the amount collected for those two taxes remains the same.

But you also pay the Michigan 6 percent sales tax. When gas is \$3.89 per gallon, that amounts to another 21 cents per gallon in taxes.

When those three taxes are added up, it puts Michigan in the top tier of states for the amount charged per gallon of fuel. Trouble is, the sales tax charged for gasoline doesn't go to roads; except for a small percentage that supports transit, the sales tax on gas actually funds schools and local government.

Based on the amount of tax charged on gasoline that is invested in roads, Michigan is 40th in the U.S. In investment per lane mile, Michigan is 33rd. Investment per vehicle-mile traveled? We're 47th. And per capita, we're dead last in the country.



*It's true, when it comes to taxes charged on fuel, Michigan is one of the highest. But when you look at how much funding we invest in our roads, we're bringing up the rear. Road agencies aren't being wasteful, they're just doing the best they can with the limited resources available.*

For more on this transportation myth, visit [www.michigan.gov/realitycheck](http://www.michigan.gov/realitycheck)