



20% Of Utah's EV Drivers Use Miles Travelled Tax (MIRS, 6/5/24)

Utah is among four states to phase in a mileage-based fee for vehicles in lieu of a flat tax, and while it hasn't been universally embraced by drivers, the numbers are looking up, according to a state transportation official who has overseen the program.

Nathan **LEE**, the Director of Technology and Innovation for the Utah Department of Transportation, told reporters today that among electric vehicle (EV) owners, 80 percent are paying what is now a flat \$130.25 annual fee while the other 20 percent are paying a one-cent-per-mile, vehicle-miles-traveled tax.

"It's increasing every month, and we think that probably has to do with the volume of electric vehicles on the market," Lee said.

Under the program, vehicle owners can contract with OnStar, for example, to track their miles and report them to the state for collection.

For now, Utah is enrolling all electric vehicles into its Road Usage Charge program, but the plan is to start rolling all vehicles into the plan by 2032 as more cars become fuel efficient and drivers spend less on a gas tax.

By 2032, the tax on EVs is projected to be \$314 a year or 1.9 cents per mile traveled.

Lee was brought to Michigan as a guest of the County Road Association of Michigan (CRA), which is pushing the envelope on a vehicle miles traveled system to respond to consumer trends and more fuel-efficient vehicles.

The House and Senate both included a miles traveled tax pilot program in their budget proposals that would be lead by a Road Usage Charge committee to test ways to collect revenue that doesn't include a fuel tax or registration fee (See "[Miles Traveled Tax Would Hit The Road In House, Senate Budgets](#)," 4/24/24).

CRA officials note that, with more fuel-efficient cars on the roads over the last decade, states are seeing less purchasing power with the gas tax as a way to fund their road improvements. Aside from the pandemic year of 2020, the 4.245 million gallons of gas sold in Michigan in 2023 was the lowest amount of gas sold in Michigan since at least 1999, CRA reports.