Introduction

The fuel tax, Florida’s primary source of transportation funding, has served its purpose well since 1921. For decades this consumption-based tax has provided a steady source of revenue for funding the state’s transportation needs. However, economic pressures associated with the recession that began in 2006 resulted in a shift in both driving habits and fuel economy standards that have rendered the fuel tax as an unsustainable primary source of funding for our transportation system. Transportation funding shortfalls are predicted to grow more acute in the coming years as improved vehicle fuel efficiency and more alternative fueled vehicles reduce federal, state, and local fuel tax receipts by billions of dollars. This presentation lays the foundation for identifying viable alternative funding sources to replace or supplant the fuel tax before diminishing fuel tax receipts reaches a crisis level.

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Recommendation

For informational purposes only.