

# The BOLD Act

## A Federal Transportation Tax & Revenue Reform/Investment Package

### Reductions

- Reduce gasoline and diesel taxes by 5 cents per gallon and index new rate annually to CPI (gasoline -27% and diesel -20%)
- Eliminate heavy truck/tractor/trailer sales, annual use and tire taxes
- Combined revenue reduction of \$15 to \$16 billion/year

### Enhancements

- Initiate 6.25 percent Highway Transportation Services Tax (HTST); raises an average \$47B/year
  - First \$25B used to capitalize new National Infrastructure Bank to help finance large-scale port, inland waterway, airport, rail, pipeline, highway, bridge and public transit projects
  - Revenues then deposited in new HTF National Highway Freight Network (NHFN) Account and dedicated to NHFN investments
- Raise Oil Spill Liability Tax \$6.75 per barrel on transportation-use oil; raises an average \$10B/year
  - Dedicated to HTF
- Initiate one-time, 10-year gas tax equivalent charge at first sale of alternative fuel vehicles; raises \$2B/year
  - \$870 for electric-only; \$435 for electric/gasoline hybrid; \$740 for 85 percent ethanol-powered
  - Dedicated to HTF Mass Transit Account

### Results

- Eliminates HTF structural deficit permanently
- Returns program to 100 percent user-based funding streams
- Ties growth in primary user funding source to economic growth
- Re-establishes Constitutionally-mandated federal role as program priority: Investment level would support all economically justifiable improvements on 48,000-mile Interstate Highway System (IHS) and upgrade additional 18,000-miles of Critical Urban and Rural Freight Corridors that connect IHS to major ports, inland waterways, airports, rail hubs—the National Freight Highway Network designated by Congress in the FAST Act.
- Creates permanent revenue stream for Mass Transit Account that grows as adoption of alternative fueled vehicle use grows
- New HTF mix: 56% HTST, 19% gas tax; 13% per barrel; 10% diesel; 2% alternative fuel
- Investment in NHFN \$46B in FY 2021, small bump and inflationary increases in other programs
- Eliminates “donor-donee” state politics in program