

The rise of electric vehicle (EV) sales will lead to a gap of \$1 trillion in fuel tax revenues in the US

The gas tax is no longer an effective road funding model. US road funding is close to the breaking point unless states launch road usage charging

WASHINGTON DC, UNITED STATES OF AMERICA, March 23, 2023 /EINPresswire.com/ -- The gas tax is no longer an effective road funding model. The rise of electric vehicle (EV) sales will lead to a gap of \$1 trillion in fuel tax revenues over the next 20 years. US road funding is close to the breaking point unless states launch [road usage charging](#).



As the Inflation Reduction Act will trigger the take-off of EVs in America, states must find sustainable road funding solutions to replace the fuel tax in the next 2-3 years.”

Frederic Bruneteau

For each EV sold, the government (state and federal) will lose \$3,000 in motor fuel tax revenues over the vehicle’s life. By 2030, as EVs will make up more than 50% of vehicle sales, the US will lose over \$20 billion in revenues in that year alone.

Road Usage Charging (RUC) appears to be the most credible solution to offset this decline. At least 38 US states have started to explore the possibility of charging vehicles for the actual miles driven. However, only Oregon, Utah and Virginia have implemented permanent RUC programs and these only cover EV drivers who choose to participate.

As the US road infrastructure is crumbling with 26% of roads and 12% of bridges currently in poor condition, states must implement RUC legislation to provide funding for necessary improvements.

That is exactly why [PTOLEMUS Consulting Group](#) has published the [Road Usage Charging United States Report](#) and its associated market forecasts and simulation tool.

According to Frederic Bruneteau, Managing Director at PTOLEMUS, “Many states have played with the concept of RUC but few have made it an actual road funding mechanism. As the Inflation Reduction Act will trigger the take-off of EVs in America and Tesla just launched its electric semi-truck, states must find sustainable road funding solutions. If states want an

effective solution to replace or complement the fuel tax, they will need to make decisions in the next 2-3 years. Every year of delay will cost them dearly”.

PTOLEMUS’ research provides an in-depth assessment of the current and future road financing in the US. This includes an examination of the financial, political, and technological context behind RUC, a detailed assessment of RUC vs. other major funding solutions, 4 in-depth profiles of US states at the forefront of RUC initiatives, and a comparison of RUC in the US and in Europe.

This 330-page report also offers the first RUC diagnostics and simulation tool for road and transport decision makers. Complete with 2022-2040 Excel forecast models for the US and Colorado covering motor fuel tax revenues forecast, RUC fees & revenues scenario, and RUC costs scenario. And a quantitative and qualitative analysis on which states would benefit most from a RUC scheme.

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PTOLEMUS Consulting Group is the first strategy consulting & research firm entirely focused on connected & autonomous mobility. It has performed almost 50 consulting assignments in the domain of RUC and electronic tolling. It assists all leading mobility stakeholders including road agencies, vehicle manufacturers, tolling solutions and services providers and Mobility Service Providers in defining and deploying their strategies.

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