



# Mileage Tax Could Drive More Middle-class Residents From California

A proposal to charge California drivers for every mile they drive threatens to bring an end to a way of life in the Golden State.

For decades, the California lifestyle was almost synonymous with Californians' love affair with the automobile. The Golden State's freeways were legendary, and Californians' fascination with cars was celebrated in a number of car-themed songs during the 1960s (e.g., "The Little Old Lady From Pasadena," "Little Deuce Coupe"). The scenes of teenagers cruising in their cars in American Graffiti were based on the memories of the film's director, George Lucas, during his own teenage years in early 1960s Modesto.

But the combination of impossibly heavy traffic on those beloved freeways, the state's imposition of ultra-strict automobile emissions requirements, and increasingly higher gasoline taxes have diminished considerably the joy that Californians experienced driving their cars. A recent article in *The New American* reported that thanks to a gas tax increase that just went into effect on November 1, California residents are now paying 12 cents more per gallon of gas and 20 cents more for a gallon of diesel fuel.

But that's not all of the bad news for drivers in the Golden State, noted the article. Starting next year, Californians will be subject to a new fee ranging from \$24 to \$175 added to the cost of vehicle registration, depending on the worth of the vehicle. Zero-emission vehicles will face \$100 annual fees starting in 2020.

However, there is even more bad news for California drivers. Bay Area television station KPIX reported on December 11 that in preparation for a plan to charge drivers for every mile they drive, the state recently road-tested a mileage monitoring plan called the California Road Charge Pilot Program.

KPIX quoted State Senator Scott Wiener (D-San Francisco) who maintains that it's time to start looking at charging drivers by the mile rather than by the gallon.

"If you own an older vehicle that is fueled by gas, you're paying gas tax to maintain the roads. Someone



#### Written by Warren Mass on December 14, 2017



who has an electric vehicle or a dramatically more fuel efficient vehicle is paying much less than you are. But they are still using the roads," Wiener said.

"People are going to use less and less gas in the long run," according to Wiener. "We want to make sure that all cars are paying to maintain the roads," he added.

This is apparently one of those "dammed if you do, damned if you don't" conundrums. For years, environmentalists, who are found more often than not on the liberal side of the political spectrum, have been pushing for electric and fuel-efficient vehicles to reduce emissions into the atmosphere. Now, liberal Democrats in the California legislature such as Wiener want to punish drivers who drive such vehicles by eliminating their tax advantage and making them pay for every mile they drive!

Wiener even has an answer for those who wonder how the state would track the number of miles each driver travels. "The reality is that if you have a smart phone your data of where you are traveling is already in existence," Wiener said, not considering the Orwellian "Big Brother" implications of such a proposal.

KPIX also quoted Randy Rentschler, of the Metropolitan Transportation Commission, who said another way to generate revenue would be to raise the gas tax and raise the vehicle registration fee for electric cars. "If you buy a small car that gets great fuel economy, we don't get enough money to repair the roads ... but the fact of the matter is people are buying trucks," Rentschler said.

However, noted the KPIX reporter, raising vehicle registration fees and taxing people with fuel-efficient, hybrid, or electric vehicles could also discourage people from purchasing such vehicles, which are key to reducing vehicle emissions and improving air quality.

While the movement to impose the mileage tax in California is just now gaining traction, the idea has been around for some time. An August 2015 article from *Breitbart* observed that California Democrats were already floating the proposal. The writer of that article made an observation about the proposal that should have been obvious to anyone who gave it some thought:

[California] State officials say they need the tax increase, because gas tax collections to pay for roads and bridges has been shrinking. But the real culprit for lower tax revenues is that California's middle class is being forced by high taxes to move out of state and drive less. A mileage tax increase will just increase middle class pain and generate even lower tax revenue for roads and bridges....

State officials pretend the falling gas tax revenue is partly due to the tiny number of electric vehicles on the road and mostly due to cars getting better mileage. But gas tax collection around the U.S. has continued to increase most years, despite average vehicle gas mileage increasing every year for the past 6 decades. It is only California that has had falling gas tax revenue for the last decade....

If California adds on another mileage tax, more of the middle class will leave and the rest will drive less. Once again, the higher effective tax rate will generate less tax collection.

The writer's predictions that more of California's middle class will leave the state are well founded. An article in *The New American* in November 2012 commented on what has been called the "U-Haul Index" — which measures what people are paying to move into, or out of, California. Renting a 20-foot truck one way from San Francisco to San Antonio, Texas, for example, costs \$1,693. Going in the other direction, however, costs only \$983 for the same truck.



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The article quoted economist Mark Perry, who publicized the "U-Haul Index," who wrote:

The American people and businesses are voting with their feet and their one-way truck rentals to escape California and its forced unionism, high taxes, and high unemployment rate for a better life in low-tax, business-friendly, right-to-work states like Texas.

The New American writer observed: "It isn't all about taxes, however. [California's] regulatory environment and yawning fiscal deficits are chasing companies away to more favorable locales.

The article concluded: "The U-Haul index is right: More and more people think it's worth it to pay extra to get out of California."

This writer once lived in California and enjoyed being there. The Golden State is perhaps unmatched for its weather, picturesque scenery, and outdoor-friendly lifestyle. But the policies of its far-left state government have made this beautiful place an economic wasteland where it is extremely difficult to conduct business or maintain a middle-class standard of living.

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