Electric vehicles owners pay their share of road taxes

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Pennsylvania gets nearly three-quarters of its highway maintenance funding from state and federal fuel taxes. But with electric vehicles becoming more popular (and internal combustion engine vehicles becoming more efficient) revenue generated from those taxes is on the decline.

This April, electric vehicle owners will begin paying an additional registration fee to help pay for wear and tear on Pennsylvania roads. It will replace the alternative fuels tax, which is essentially an honor system for electric vehicle users to pay a mileage tax and is poorly enforced.

EV owners will pay a \$200 fee when registering or renewing their registration this year. The fee would increase to \$250 in 2026 and then increase based on the consumer price index in 2027 and subsequent years. Owners of plug-in hybrid electric vehicles, which use gasoline and electricity, will pay 25% of the electric vehicle fee.

Pennsylvania joins at least 39 other states that charge a fee or tax on electric vehicles. When the fee takes effect, it will be the second highest in the nation after Texas. Pennsylvania's EV fee legislation faced opposition when it was initially introduced with a \$285 fee.

Even when it was reduced to \$250, environmentalists including state Rep. Greg Vitali (D-Delaware) who is chairperson of the Environmental and Natural Resource Protection Committee, said it could slow adoption of EVs, which are seen as key to reducing carbon emissions.