Transportation Finance Issues How does Wisconsin fund transportation?

Wisconsin's segregated, unified Transportation Fund is unique

- The state's Transportation Fund is considered a "segregated fund" because it puts transportation revenues into a separate account apart from other revenues the state collects that are deposited into the General Fund.
- This account is the source of funding for all transportation modes highways, air, rail, transit, harbors, bicycle and pedestrian facilities. It also funds the Division of Motor Vehicles and the Wisconsin State Patrol.

Taxes and fees collected

Transportation system fees include:

- Highway fees such as state and federal gas taxes, vehicle registration fees, driver license fees and motor carrier fees
- Aviation taxes and fees such as aircraft registration fees, general aviation fuel taxes and the property tax on air carriers
- Railroad taxes such as the tax on rail property

Most state revenue comes from the gas tax

- About 59% of all transportation revenue comes from state sources. About 92% of this is generated from the state gas tax (30.9 cents per gallon) and vehicle registration fees (a flat \$75 for automobiles).
- Wisconsin's reliance on the state gas tax and vehicle registration fees is one of the narrowest transportation revenue bases in the country.
- State lawmakers made the decision to rely on gas taxes and registration fees intentionally to ensure that users of the transportation system pay for it.

- Federal dollars are an important component of transportation funding in Wisconsin, providing more than 25% of the transportation revenue. These funds are raised primarily through the federal gas tax (18.4 cents per gallon).
- Other revenues are derived from bonding and the payments local governments make for individual transportation projects.

2007-09 TRANSPORTATION REVENUE SOURCES TOTAL BUDGET \$5.9 BILLION FINAL (2007 Wisconsin Act 20)

