

CRS Report for Congress

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Gasoline Excise Tax—Historical Revenues: Fact Sheet¹

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The federal government has levied a tax on gasoline since 1932. For many years, the proceeds of the tax went into the general fund of the Treasury. Although at the time of enactment there was no earmarking of any kind, federal highway aid was continuously granted to the states. It was not until 1956, as part of a program for a 40,000-mile national system of interstate highways, that the federal gasoline tax was increased and the proceeds paid into a trust fund set up to finance the federal government's share (90%) of the cost of the interstate highway system. With the passage of the *Omnibus Budget Reconciliation Act of 1990*, the gasoline tax returned (at least in part) to the role it served before 1957: a general fund revenue source. Included in the *Taxpayer Relief Act of 1997* (P.L. 105-34) are provisions that return the general fund portion of the tax back to the *Highway Trust Fund* and reauthorizes the tax collected for the *Leaking Underground Storage Tank* trust fund beginning October 1, 1997.

Thus, with the beginning of fiscal year 1998, the disposition of revenues collected from the 18.4 cents federal excise tax on gasoline will change. Under the law, 15.45 cents goes to the Highway Account, 2.85 cents to the Mass Transit Account, and .1 cent to the LUST trust fund. While the former deficit reduction component of the federal gasoline tax has no expiration date, 14 cents of the tax expires September 30, 1999. It may be that this tax will see reauthorization when Congress considers extension of the *Intermodal Surface Transportation Efficiency Act*, which expires September 30.

In the *Analytical Perspectives* volume of the *Budget of the United States Government* for fiscal years 1996, 1997, and 1998, the amounts of revenues from transportation fuels are reported. In FY1994, all transportation fuel taxes contributed \$9.402 billion to the general fund with contributions falling to \$8.491 billion in FY1995. The contribution further fell to \$7.468 billion in FY1996 and is projected to raise \$7.669 in FY1997. The table that appears on the following page presents collections from the federal excise tax on gasoline (and not all transportation fuels).

¹ This fact sheet does not track particular bills or legislation. The author plans to update this report in the future to reflect legislative changes and collection figures. For information about current legislation and its status, please consult the Bill Summary and Status file of the Legislative Information System (<http://www.congress.gov>).

TABLE 1. Gasoline Excise Tax Collections
(in thousands of dollars)

Fiscal Year	Collections	Fiscal Year	Collections
1933	\$124,929	1965	2,687,135
1934	202,575	1966	2,824,189
1935	161,532	1967	2,932,894
1936	177,340	1968	3,030,792
1937	196,533	1969	3,186,239
1938	203,648	1970	3,430,076
1939	207,019	1971	3,547,678
1940	226,187	1972	3,741,160
1941	343,021	1973	3,927,535
1942	369,587	1974	4,087,669
1943	288,786	1975	3,980,412
1944	271,217	1976	4,125,674
1945	405,563	Transition Quarter	1,091,428
1946	405,695	1977	4,322,077
1947	433,676	1978	4,444,484
1948	478,638	1979	4,525,065
1949	503,647	1980	4,218,147
1950	534,270	1981	4,007,956
1951	588,647	1982	4,214,373
1952	734,715	1983	4,904,580
1953	890,679	1984	9,021,518
1954	836,893	1985	9,062,387
1955	954,678	1986	8,854,674
1956	1,030,397	1987	8,925,028
1957	1,458,217	1988	9,167,139
1958	1,636,629	1989	9,725,089
1959	1,700,253	1990	9,465,647
1960	2,015,863	1991	14,468,500
1961	2,370,303	1992	14,759,324
1962	2,412,714	1993	14,753,020
1963	2,497,316	1994	19,794,300
1964	2,618,370	1995	19,918,500

Sources: For fiscal years 1933 to 1961, collection figures have been taken from the *Annual Report of the Secretary of the Treasury on the State of the Finances* for the fiscal year ended June 30, 1962.

For fiscal years 1962 to 1979, collection figures have been taken from the *Statistical Appendix to the Annual Report of the Secretary of the Treasury on the State of the Finances* for fiscal year 1979.

For fiscal years 1980 to 1987, collection figures have been derived from appropriate *Annual Reports of the Commissioner of Internal Revenue* published by the Department of the Treasury, Internal Revenue Service, Publication 55.

For fiscal years 1988 to 1993, collection figures have been derived from appropriate information release entitled *Internal Revenue Report of Excise Taxes*.

For fiscal years 1994 and 1995, collection figures have been taken from the Internal Revenue Service *Statistics of Income Bulletin*, v. 16, no. 2, Fall 1996. p. 167.