H.U.T.A. Headaches
The Fuel Tax Swap of 2010

California Sales Tax allocation before 2010

City/County 1¢
State Sales Tax 5% of sale
Add-on -varies
Prop172 PublSafety ½¢
County Transportation ¼¢
County Health/Welfare ½¢
Motor Vehicle Fuel Taxes
before 2010

Under Proposition 42 (2002), the state sales tax rate on gasoline and diesel is dedicated to transportation.

Motor Vehicle Fuel Taxes
before 2010

state portion
Motor Vehicle Fuel Taxes
before 2010

Motor Vehicle Fuel Taxes
Fuel Tax Swap of 2010
Highway User Tax Revenues Allocation

- **Transportation Debt Service**
  - State General Fund Relief
  - Weight Fees ~$900 million
  - Swap rate (varies)

- **Highway User Tax Revenues**
  - Allocation:
    - Base rate: 18¢
    - Swap rate: 21.5¢ (varies)

- **State Highway Account**
  - 44% allocated

- **Counties**
  - 22% allocated

- **Cities**
  - 22% allocated

- **Total Allocation**
  - 39.5¢ per gal gasoline

- **Highway User Tax Revenues**

- **Highway User Tax Revenues Allocation Chart**
  - FY10-11: $1,200 millions
  - FY11-12: $1,600 millions
  - FY12-13: $2,000 millions
  - FY13-14: $2,400 millions
  - FY14-15: $2,800 millions

- **Sections**:
  - Str&Hwys §§2104-2108
  - Str&Hwys §2103
  - Str&Hwys §§2104-2108
  - Str&Hwys §2107
  - Str&Hwys §§2105-2106

- **Note**: Estimated and projected values.
Highway User Tax Revenues
Take-aways

- Base HUTA (§§2104-2107) revenue growth is flat, will decline in future.
- §2103 revenue is complex and volatile.
- FY2014-15 proposed budget includes $100 million loan repayment to HUTA for cities & counties (Sec 2104-2107)
  - This is not in the projections. Don’t count on it yet.
- Estimates will be updates in May.