

## **TAXING GAS TO FIGHT CONGESTION**

By William Nicoson

Sick of wall-to-wall cars? Want to fight the agony of traffic congestion? Ready to pay an extra 6 cents per gallon of gas to do so? You may get the chance to tax yourself and strike a blow for embattled drivers.

Reston's Senator Janet Howell has sponsored a bill calling for a referendum in Northern Virginia on a 5% sales tax on the price of gas, hiking the existing extra 2 cents to about 8 cents per gallon and dedicating the revenue to "highway and transit improvements" in the I-66, I-95 and Dulles corridors. The bill contains a provision requiring reduction of real estate or other local taxes in the amount by which these extra sales taxes replace funds allocated by local jurisdictions to rail and bus service.

Unlike earlier bills, approval of the referendum by county and city governments would not be required. Nor would results be tallied for each local jurisdiction, but only for all Northern Virginia jurisdictions as a whole. Thus a majority of voters in, say, Prince William County might oppose the proposed tax but be obliged to pay it if a majority of all Northern Virginia voters approved the tax.

The bill would raise some \$50 million in annual revenue, permitting debt proceeds of half a billion dollars to be raised for transportation improvements. This revenue is less than 7% of Northern Virginia's estimated annual transportation improvement costs of \$750 million. But it will permit transportation advocates for federal and state funds to demonstrate that Northern Virginia has assumed responsibility for a discrete share of the financial burden.

The Howell bill won Senate passage yesterday by a vote of 33-4 with 1 conflict-of-interest abstention. The abstention excepted, all Northern Virginia senators voted for the bill. If it is also adopted by the House of Delegates, as seems likely, Governor Gilmore may yet veto it, as an expression of his opposition to new taxes. Of course the bill doesn't impose a new tax but merely permits voters to do so by referendum. The Governor's chief transportation adviser, J. Kenneth Klinge, urged him to sponsor a similar measure involving regional income taxes, but he refused. It's unclear how he will react if the Republican-controlled General Assembly sends him a bill similar to one he declined to sponsor.

In addition to doubts about any new tax, doubts about ignoring local governments and local majorities and doubts about sufficiency of the revenue to be raised, the bill has ignited fears that gas station owners on the fringes of Northern Virginia will be unable to compete with stations down the pike which are immune from the tax.

Yet, if I get the chance, I'll vote to pay the tax as an investment that will hasten the day I can ride the rails to Washington, Tysons and Dulles, reducing all at once my travel costs (including the

gas tax), my travel time now bloated by congestion and the costs to taxpayers of mitigating pollution from auto emissions.

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