

To: VT Senate Transportation Committee  
From: Denis Lambert (Fairlee, Vt.)  
Re: Proposed EV Tax in H.944  
Date: March 30, 2026

The proposal to tax electric vehicle owners annually based on miles driven is grossly unfair.

I understand that taxes are necessary to fund road maintenance. I have no objection to paying taxes to the state of Vermont to help fund the transportation department. The problem with the bill is that it proposes a separate and unequal system of taxation for EV owners, and the end result is punishing citizens who have made a conscious decision to avoid polluting the environment.

The state gas tax is 12.1 cents per gallon. The average Vermonter pays less than \$100 annually in gas tax. This amount not only fails to provide enough funding for roads, but it also does not reflect the huge price Vermonters are paying for climate-related adaptations and disaster recovery, which is fueled (pun intended) largely by the use of gas-powered vehicles.

The proposed mileage tax of 1.4 cents per mile driven for EV vehicles would result in my being charged more than \$300 per year, or three times as much as polluting vehicles. Part of the reason is that I have a relative long commute (approximately 90 miles per day). However, simple math shows that in all cases, the bill incentivizes fossil fuel consumption.

Here is a simple analysis of the taxes that would be charged to vehicles drive 15,000 miles per year (which happens to be the annual mileage driven by the average Vermont citizen according to the Federal Highway Administration)...

- A poor efficiency gas vehicle getting **20 miles per gallon** would use **750 gallons of gas** and be taxed **\$90.75**
- A medium efficiency gas vehicle getting **30 miles per gallon** would use **500 gallons of gas** and be taxed **\$60.50**
- A high efficiency gas vehicle getting **40 miles per gallon** would use **375 gallons of gas** and be taxed **\$45.38**
- An electric vehicle that operates solely on **electricity** would use **no gas** and be taxed **\$210.00** (more than twice as much as a poor efficiency gas vehicle and more than four times as much as a high efficiency gas vehicle)

If you want to implement a per-mile tax, then you must charge ALL Vermont drivers for the miles they drive. That is the only fair solution. In my opinion, such a tax should NOT replace the gas tax but be charged in addition to it. This would have two benefits: incentivizing EV purchases and raising extra revenue for roads and/or climate disaster recovery.

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A per-mile tax, while it may seem logical (i.e., “those who use the roads more pay more”), it is actually regressive and puts the biggest financial stress on those who cannot afford it. Two examples:

1. Vermonters who have a longer commute will pay more. In many cases, these are people who have to drive long distances because they cannot afford to live in the community where they work. (Example: Burlington)
2. Families that choose to take a vacation and travel by car, whether because they can't afford to fly or because they prefer to make stops along the way, would end up with an extra large Vermont mileage tax as a result, even if 90% of those miles were driven in other states.

Given all the variables, including car/truck model and size, vehicle weight, driving habits, tire preference (studded versus non-studded), geographic location, and other factors, the concept of “measuring” the impact and cost of a particular car on the state’s infrastructure is ultimately futile.

Thus, the simplest and most fair way of paying for roads is not to tax citizens based on miles driven. Rather, funding for transportation/infrastructure should be included in the state income tax. As with other services, Vermonters who make more money can afford to contribute more than those who are barely getting by.

The state of Vermont should be promoting EV ownership, not punishing EV owners.