

# FUEL EFFICIENT VEHICLES: VIRGINIA'S HIGHWAY USE FEE

Virginia's highway use fee (HUF) is intended to close the gap between what the average fuel-reliant vehicle pays in state gas tax and what is paid by fuel-efficient and electric vehicles, which consume less fuel and therefore pay less taxes. Revenue is deposited into the Commonwealth Transportation Fund to support transportation infrastructure.



| WHO PAYS THE HUF?  | WHO IS EXEMPT?  | FEE CALCULATION  |
|--|---|--|
| <ul style="list-style-type: none"><li>• Fuel-efficient vehicles (vehicle with a combined fuel economy of 25 miles per gallon [MPG] or greater)</li><li>• Vehicles produced in a year in which the average combined MPG rating for all vehicles produced in that year is 25 MPG or greater</li><li>• Low Speed Vehicles (only pay an annual \$25 HUF)</li></ul> | <ul style="list-style-type: none"><li>• Vehicles with a combined MPG rating less than 25 MPG</li><li>• Autocycles</li><li>• Motorcycles</li><li>• Mopeds</li><li>• Vehicles with a gross weight greater than 10,000 pounds</li><li>• Vehicles that are owned by a governmental entity</li><li>• Vehicles registered under the International Registration Plan</li></ul> | <ul style="list-style-type: none"><li>• The vehicle's fuel efficiency (combined MPG rating)</li><li>• The fuel tax rate at the time the vehicle was registered (updated annually July 1)</li><li>• The average number of miles driven by all Virginians</li><li>• HUF is 85% of the difference between taxes paid by a vehicle with a 23.7 rating and taxes paid by a vehicle using the manufacturer's combined MPG rating based on the average miles driven by all Virginians</li></ul> |

**HUF= [(11,600 average miles traveled \* fuels tax rate) / 23.7) - (11,600 average miles traveled \* fuels tax rate) / vehicle's MPG rating]] \* .85**