



**Angers Summer
Programme 2019**

Fuel Tax

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Fuel Tax

Duty *(fuel tax can include state, county, federal)*

+ Profit + Value Added Tax = How much we pay for gas

Federal and State taxes can make up a large percentage of what we pay for gas

Alaska Fuel Tax



Type	State \$/G	Fed \$/G	Surcharge \$/G	Total \$/G	Total \$/L
Electrical Co.	\$.00/g	\$.00/g	\$.00/g	\$.00/G	\$.00/l
Petrol/diesel	\$.08/g	\$.18/g	\$.0095/g	\$.27/g	\$.026/l

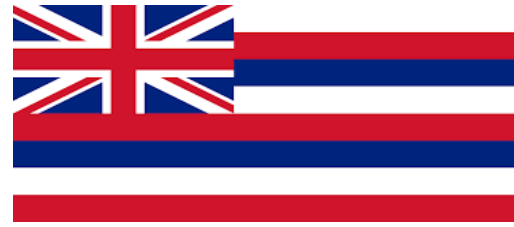
Average person pays \$2.80/G \$.74/L or .65 Euro/L

Tax payers may deduct 1% State tax and surcharge up to \$100.00 USD a month as a tax refund.

Sources: <http://tax.alaska.gov/programs/programs/reports/Annual.aspx?60210&Year=2018>,

<https://www.hawaii247.com/2019/02/04/average-gas-prices-in-hawaii-rise-3-6-cents-per-gallon-the-past-week/>

Hawaii Fuel Tax



Type	State \$/G	County \$/G	Fed \$/g	Total \$/G	Total \$/L
Electrical Co.	\$.02/g	\$.00/g	\$.00/g	\$.02/g	\$.0052/l
Diesel	\$.16/g	\$.23/g	\$.18/g	\$.57/g	\$.15/l
Gasoline	\$.16/g	\$.23/g	\$.18/g	\$.57/g	\$.15/l

Average person pays surcharge \$.6532/G (\$.18/L) with added GE 4% (No VAT)

Average Gas Prices= \$3.55/G (\$.94/L) or .83 Euro/L *Tax varies by County.

Sources: <http://files.hawaii.gov/tax/news/announce/ann19-03.pdf>,

<https://www.tripsavvy.com/additional-taxes-fees-when-traveling-to-hawaii-1533988>

Mexico

Gas taxes are far higher than in the U.S., while consumption has begun to rise against decreasing production.

Mexicans pay on average **5 to 6** pesos of taxes per liter of Magna, Premium and diesel gasoline, which represents **30%** of the final price, according to figures from the Ministry of Finance and Public Credit (SHCP) and the Commission Energy Regulator (CRE).

A liter of Magna gasoline, the most consumed by Mexicans, had an average price of **20.75 pesos** (less than a dollar) in the delegation of Mexico City, totally paid **5.03** (0.26 cents) pesos of taxes.

<https://www.google.com.mx/amp/s/www.argusmedia.com/en/news/1866363-mexico-alters-fuel-tax-deduction-as-pump-prices-rise%3famp=1>

4 types of taxes

1. Special Tax on Production and Services
2. State IEPS
3. The IEPS for CO₂ emissions
4. VAT that is 16%

Equivalents

The average value per liter is 20.75 (mexican peso), and in france is 1.57 euro, premium 1.65 and diesel 1.47



What is the government doing right now?

Mr López Obrador (president) tried a new strategy: **shutting off** key pipelines and transporting fuel by tanker, so that would-be tappers would have nothing to steal.

That caused **predictable** shortages and queues of cars snaking for hundreds of metres and waiting for hours to fill tanks. Petrol was offered for sale on social media at twice the pump price and enterprising Mexicans **charged others to sit** in their cars for them and fill up.

<https://www.google.com.mx/amp/s/www.argusmedia.com/en/news/1866363-mexico-alters-fuel-tax-deduction-as-pump-prices-rise%3famp=1>

Philippines

TRAIN Law



Tax Reform for Acceleration and Inclusion is the first package of the Duterte administration's **Comprehensive Tax Reform Program** that seeks to propose major changes in the Philippine tax system.

Explaining the TRAIN law

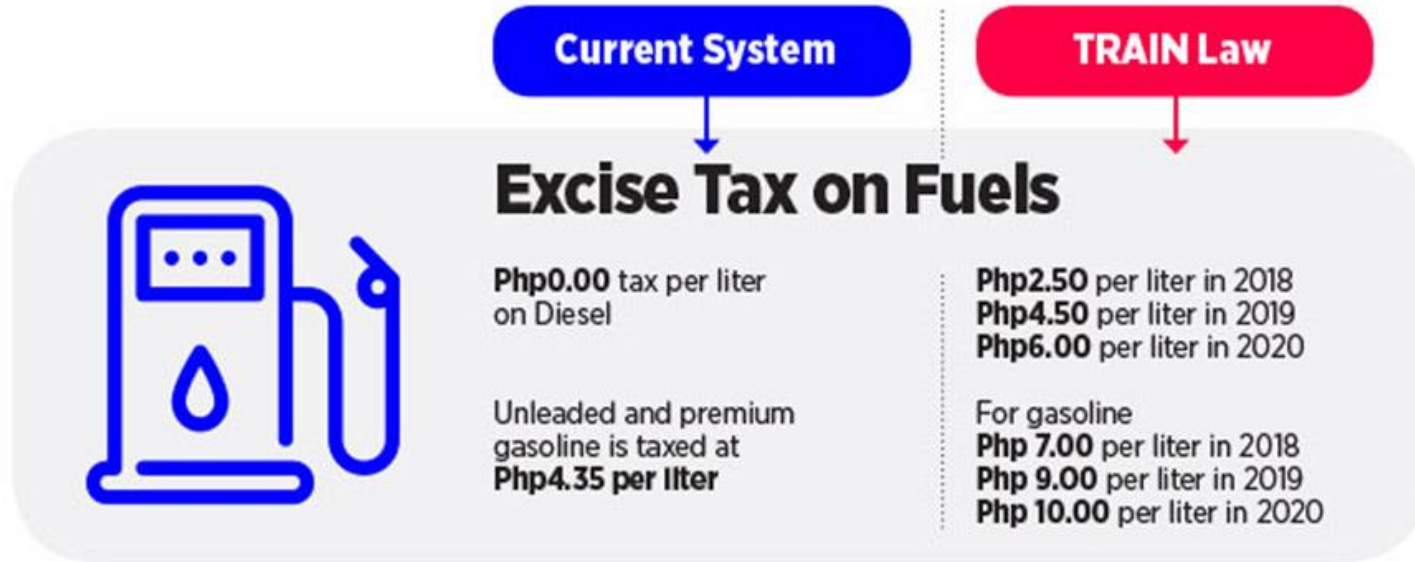
Revenues from the tax reform measure are meant to fund the Duterte government's Build, Build, Build infrastructure program and socio-economic programs.

With the Train law now signed, almost all the 7.5 million income taxpayers in the country should **see a reduction in their income tax rates starting 2018**, according to a media briefer from the Senate committee.

<https://www.rappler.com/nation/191729-rodrico-duterte-signs-tax-reform-law>

TRAIN Law - Fuel

Excise taxes are taxes paid when purchases are made on a specific good, such as gasoline. Excise taxes are often included in the price of the product.



TRAIN Law – Fuel



Diesel, which is not taxed in 2017, will be imposed P2.50-per-liter tax in 2018, P4.50 in 2019, and P6 in 2020.

LPG would have be taxed P1 per liter in 2018, P2 in 2019, and P3 in 2020.

For **gasoline**, from the 2017 tax of P4.35 per liter, it would be imposed a levy of P7 per liter in 2018, P9 in 2019, and P10 in 2020.

TRAIN law - Automobiles




'If your car is worth more, your tax goes up from 10% to as much as 50% for vehicles worth over P4 million. You'll only be exempt from paying taxes if you're driving purely electric vehicles and pick-ups.'

	Current System	TRAIN Law
 	Excise on Automobiles	
	2% for up to Php600,000	4% for up to Php600,000
	Php12,000 + 20% of excess over Php600,000	10% for over Php600,000 to Php1 million
	Php112,000 + 40% of excess over Php1.1 million	20% for over Php1 million up to Php4 million
	Php512,000 + 60% of excess over Php2.1 million	50% of excess over Php4 million

Sample prices changes - Automobiles

Old bracket	New bracket	Brand and model	Current suggested retail price SRP (in pesos)	Estimated new SRP (in pesos)**	Change in SRP (in pesos)
1	1	Hyundai Eon GLX	511,000	520,157	9,157
1	1	Mitsubishi Mirage G4 GLX AT	700,000	712,544	12,544
2	2	Toyota Vios 1.5 G AT	925,000	963,080	38,080
2	2	Nissan Juke 1.6 AT	980,000	1,013,152	33,152
3	3	Honda Civic RS Turbo AT	1,425,000	1,537,000	112,000
2	3	Toyota Innova 2.8 E AT	1,266,000	1,386,960	120,960
3	3	Mazda CX-5 2.0 Pro 2WD	1,550,000	1,639,600	89,600
2	3	Isuzu D-MAX 4x2 LS Blue Power MT	1,270,000	1,390,960	120,960
3	3	Toyota Hiace 3.0 GL Grandia AT	1,762,000	1,813,610	51,610
3	3	Ford Everest Titanium 2.2 4x2	1,739,000	1,794,731	55,731
3	3	Toyota Fortuner 2.8 V 4WD	2,228,000	2,196,102	-31,898
4	3	BMW X5 xDrive 30d Executive Package	6,640,000	5,692,928	-947,072
4	4	BMW 740Li Essential	7,240,000	7,591,232	351,232
4	4	Theoretical luxury car 1	10,000,000	10,165,760	165,760
4	4	Theoretical luxury car 2	20,000,000	19,493,760	-506,240

Philippines TRAIN Law review

NEW TAX RATES FOR FUEL Under the Bicam-approved TRAIN bill			
FUEL (PER LITER)	2018	2019	2020
 DIESEL Current: no tax	P2.50	P4.50	P6
 LPG Current: no tax	P1	P2	P3
 GAS Current: P4.35	P7	P9	P10

OTHERS	EXEMPTED
2018 P4 per liter - Aviation gas P8 per kg - Asphalts P3 - Kerosene P7 - Naptha P2.50 - Bunker Fuel P8 - Lubricating oil P8 - Paraffin wax P2.50 - Petcoke	All petroleum products used as: Input Feedstock Raw materials for Petrochemicals Refining Replacement Fuel

Common Statistics

Country	Population	Gini	Total Tax Burden	Growth	Type of Country
ESSCA Land	60mm	35	40.00%	2.0%	Developed
Mexico	129.2mm	43.4	49.89%	1.9%	Not Developed
Philippines	104.9mm	40.10	42.90%	6.2%	Not Developed
United States	327.2mm	41.5	43.80%	2.8%	Developed
France	67 mm	32.7	46.2%	1.8%	Developed

Sources: <https://wallethub.com/edu/states-with-highest-lowest-tax-burden/20494/>,

<https://data.worldbank.org/indicator/SI.POV.GINI?locations=US>, <https://stats.oecd.org/index.aspx?DataSetCode=REV>,

Gasoline Country Comparison in Euros

Country	Gasoline Euro/L
Mexico	.96 e/l
Philippines	.15 e/l
United States (avg)	.58 e/l
France	1.57 e/l

Sources: <http://bigislandnow.com/2018/04/21/report-gas-taxes-in-hawaii-among-highest-in-nation/>
<https://www.cnn.com/2019/03/11/average-us-price-of-gas-jumps-6-cents-per-gallon-to-2point50.html>

ESSCALAND Proposal

Hybrid car/ full-electric car tax break

- Tax benefits for low emission cars
- Regularly re-adjust the tax system to be self-sustaining
- Electric car manufacturers scaling up production and developing new models as prospect for more jobs

Esscaland Proposal

- Electrical Companies, non-profits, and aviation fuel will pay a lower tax than the citizens of Esscaland (modeled after Alaska).
- Citizens will be charged lower prices for electricity if they stay below a certain amount usage (to be different for single family home versus small businesses/farms).
- Public Transportation companies will pay a low nominal tax for fuel in exchange for keeping a low profit margin decided upon by government; If they charge more than a percentage of cost, they will be taxed more. People of all tax brackets will receive a 2% tax return for using Public Transportation filled out monthly and handed in.

Esscaland Proposal

Bracket Taxes

- People will pay more taxes for fuel based on income (this will balance with richer able to by hybrid cars and the fact that they tend to have less commute to work.) Example: 30k $\frac{1}{3}$ amount 60k $\frac{2}{3}$ amount 100k+ $\frac{3}{3}$ amount
- They will be able to receive tax return on driving to and from work. Will follow the monthly model of return from Alaska. It will be inverse to tax charged.

Ex: 30k receive 3% tax back 60k 2% tax back 100K+ 1% back

The Average Esscaland Citizen will pay .82 Euro/Liter of gasoline.



Thank you!



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