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Gas Tax Could Jump to Fund Road-Building

By The Moscow Times

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Road funds are heavily dependent on proceeds from gas excise taxation. **Vladimir Filonov**

A decline in road-building funding that resulted from a government stimulus on gasoline excise taxes could be reversed, putting 145 billion rubles back ($4.53 billion) into the budget.

The concept was reviewed earlier this week by Deputy Prime Minister Arkady Dvorkovich, and the plan should be finalized by Sept. 20 for a vote in the State Duma.

The tax had been tweaked in recent years to stimulate production of cleaner gasoline, but the result was a decline in the road-building fund, which draws revenue from the tax.

On July 1, a new scale was adopted that increased the excise tax through 2015. The tax on Euro-4 standard gasoline was to go up at rates of 1.3, 0.64 and 0.71 rubles per liter over the next three years respectively.

Versions of the tax increase now under discussion stipulate an increase of from 0.7 rubles per

liter to 1.6 rubles, depending on the type of gasoline and the time frame.

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