

# Gary Cohn Floats Idea of Gas Tax Hike for Infrastructure

By **Erik Wasson** and **Mark Niquette**  
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- White House economic adviser met with Problem Solvers Caucus
- Fuel tax hasn't been raised since 1993 because of opposition

President Donald Trump’s chief economic adviser raised the possibility of increasing the federal gasoline tax next year to help pay for the administration’s \$1 trillion infrastructure plan, U.S. Representative Tom Reed said.

National Economic Council Director Gary Cohn brought up the fuel tax as a way to help fund promised upgrades to U.S. roads, bridges and other public works during a meeting with a bipartisan group of lawmakers dubbed the Problem Solvers Caucus on Wednesday, said Reed, a New York Republican who is co-chairman of the caucus.

There have been proposals over the years to raise the gas tax, which hasn’t been increased since 1993, but they have faced stiff opposition from congressional Republicans and others loath to raise taxes.



As recently as May 1, after Trump floated the idea in an interview with Bloomberg News, House Ways and Means Chairman Kevin Brady seemed cold to the idea. Asked then if he’d rule it out, he said, “In my view, yes, but we’re going to have that discussion.”

On Wednesday, Brady was no more enthusiastic. “Hm. I’m going to stay focused on tax reform right now,” he said.

Revenue from the federal per-gallon taxes of 18.4 cents on gasoline and 24.4 cents on diesel has declined as inflation robbed them of their purchasing power and the average fuel economy of a passenger vehicle increased by 12 percent, according to the U.S. Department of Transportation. Business and transportation groups have called for increasing the federal gas tax to help sustain the federal Highway Trust Fund that provides money to states for projects.

Representative Mike Simpson, a Republican from Idaho, said he would support an increase.

“It’s a user fee,” Simpson said. “We’ve got to convince people that the money goes to roads and bridges and not all the other bull.”

In the Bloomberg News interview, Trump [said <https://www.bloomberg.com/politics/articles/2017-05-01/trump-pursuit-of-gas-tax-could-run-afoul-of-gop-rural-voters>](https://www.bloomberg.com/politics/articles/2017-05-01/trump-pursuit-of-gas-tax-could-run-afoul-of-gop-rural-voters) he “would certainly consider” raising the U.S. gas tax to fund the infrastructure improvements he promised during the campaign. He described the idea as supported by truckers “if we earmarked money toward the highways.” But the White House quickly said the president wasn’t endorsing the idea.

The White House didn’t immediately return a message seeking comment on Cohn’s remarks. The administration has said it plans to pursue an infrastructure package after ongoing efforts to overhaul the U.S. tax code are resolved.