

MATRIX FOR REVENUE SOURCE EVALUATION

	<u>Access Fee</u>	<u>Congestion Charges</u>	<u>Gas Tax</u>	<u>Value Capture</u>	<u>Parking Tax</u>	<u>Payroll Tax</u>	<u>Sales Tax</u>
Source Specific							
Ease of Implementation	(-) New revenue collection mechanism required.	(-)Major investment in system development and implementation	(-) Will require a basis to allocate or a new mechanism	(-)Complex mechanism to identify new development and allocate tax receipts	(-)New mechanisms to levy tax on both public and private facilities, enforcement problems in a cash business	(+)Ability to piggyback on existing mechanisms	(+)Ability to piggyback on existing mechanisms
Revenue Yield	(+)Substantial revenue generated at a reasonable tax level	(-)High implementation costs and claims from other purposes could result in low net yield to WMATA	(-)Substantial increase to existing Federal and state taxes needed to generate needed revenue	(-) Could produce reasonable revenues after a long ramp-up period. Might require bonding.	(+) Assuming collectibility, a moderate level would generate significant revenues	(+) Relatively low rate would provide significant revenues	(+) Rates comparable to transit taxes in other metro areas would generate significant revenues.
Stability/Sustainability	(+) Once in place, would be very stable year-to-year	(?) Initial response less predictable, would be stable thereafter	(-) Long term future of the gas tax is uncertain as fuel systems change and fuel economy improves	(-)Very dependent on the development cycle and location of new development	(+) Likely to be stable once introduced--recognize that transit success will reduce revenues	(+) Relatively stable year-to-year although some impact of business cycles	(+) Relatively stable year-to-year, some impact of business cycles
Fairness/Equity	(?) Not clear where the impact of this source would fall	(?) Will depend on the design of the tax structure, nature of exemptions--more study is needed	(?) Motorists are beneficiaries of good transit to reduce congestion, but will still object to paying.	(+) Strong connection to those who have benefited from the WMATA investment	(?) Similar to the gas tax, the issue of motorist benefit will arise	(+) All those who work in the region benefit from WMATA service, equity will depend on design of the tax	(-) Connection to sales tax less clear, general concern about the regressive nature of the tax
Unintended Consequences	(-) Could be a negative factor for business location	(-) Could be a negative factor for business location, retail operations, etc.	(?) No clear issues	(?) Potentially a discouragement to development, but tax-sharing would make relatively neutral	(+) Possible positive consequences in reducing auto use, congestion, air pollution	(?) Possible encouragement to locate business elsewhere	(?) Possible redirection of purchases outside region, on-line, etc.
Economic Efficiency	*	*	*	*	*	*	*
Federal Coverage	(+) Fee could be made applicable to federal owned or occupied space	(+) Federal workers would be among those paying	(-) No strong connection to Federal Government	(-) Not applicable to Federal investment, except indirectly through rented space	(+) Federal workers would be among those to pay	(+)Federal workers would pay the payroll tax	(?)No strong connection to Federal Government

General

- Accountability Any successful program will need to show how WMATA will be accountable for positive results
- Specificity Any successful program will have to have specific content as to committed projects and initiatives
- Political Acceptance Each feasible source will have to be analyzed as to the political issues and barriers to adoption.

(-) Negative implications
 (?) Mixed or unknown
 (+) Positive implications
 * Seek input from Rudy Penner