

# Vehicle Efficiency Price Adjustment

## -VEPA-

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- Price of a new vehicle adjusted based on its MPG efficiency compared to the average Vermont MPG for its vehicle class
- Only applies to light duty trucks and cars
- Four price adjustments, for ex: +\$750; +\$500; -\$500; -\$1,000.
- Adjustment is made to the sales tax for VT vehicles only
- Revenue neutral for the State
- The MPG adjustment points and the \$ price adjustments are set each year based on prior year(s) data.

## VEPA Example

Cars_MPG	# of Vehicles Sold 2016-2018	% of Vehicles	VEPA	3.5 year	1-year avg
<21	4,627	7.87%	\$750.00	\$3,470,250.00	\$991,500.00
21-24	8,540	14.53%	\$500.00	\$4,270,000.00	\$1,220,000.00
24-30 (Average +/- 3)	36,505	62.11%	\$-	\$-	\$-
30-35	7,198	12.25%	\$(750.00)	\$(5,398,500.00)	\$(1,542,428.57)
>35	1,895	3.22%	\$(1,000.00)	\$(1,895,000.00)	\$(541,428.57)
			Car Totals	\$446,750.00	\$127,642.86
Light Duty Trucks_MPG					
<16	2,412	7.15%	\$500.00	\$1,206,000.00	\$344,571.43
16-20	17,081	50.63%	\$250.00	\$4,270,250.00	\$1,220,071.43
20-26 (average +/- 3)	10,041	29.76%	\$-	\$-	\$-
26-28	3,771	11.18%	\$(1,000.00)	\$(3,771,000.00)	\$(1,077,428.57)
>30	430	1.27%	\$(1,500.00)	\$(645,000.00)	\$(184,285.71)
			LDT Totals	\$1,060,250.00	\$302,928.57
			Grand Total	\$1,507,000.00	\$430,571.43

## Car Example:

- 2020 Chevy Bolt  
(MSRP \$36-41K)

118 MPGe



➤ VEPA = \$1,000 price reduction

- 2020 Cadillac CT5 V 21MPG  
(MSRP \$47K )



➤ VEPA = \$500 price increase

# TRUCK EXAMPLE:

- Ford F150 Raptor 4WD 16 MPG

(MSRP = \$53K)



➤ VEPA = +\$250 price increase

- Chevy Silverado 2WD Diesel 27 MPG

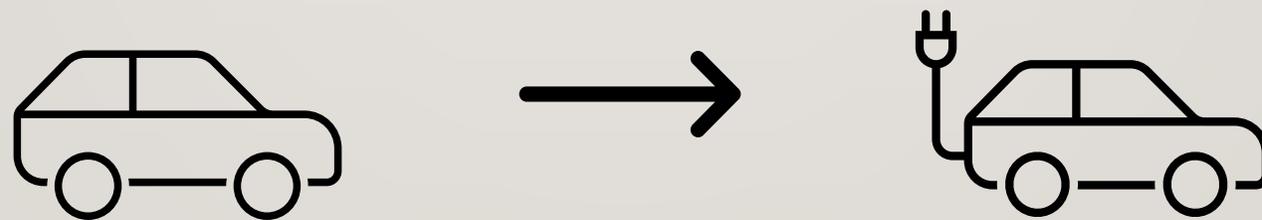
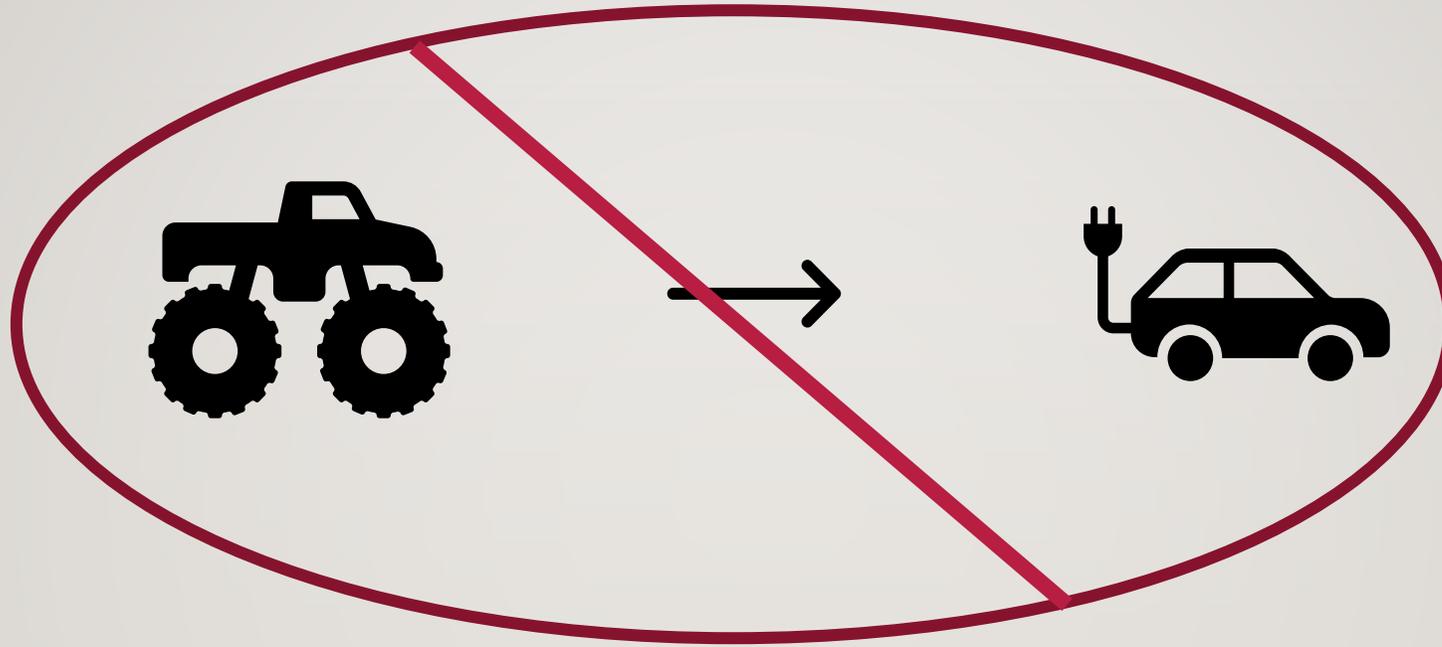
(MSRP = \$28K - 53K)



➤ VEPA = \$1,000 price reduction

## Goals of the VEPA

- Increase VT's vehicle fleet MPG gain by .25/yr. = 2.6M gal. of gasoline/yr.



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