

Which States Have the Highest Cost of Vehicle Ownership?

"Many new car buyers don't think about the fact that choosing a more expensive vehicle will likely mean higher sales tax and more interest on their loans, which may drain their household budget more than expected," said Karl Brauer, editor at large and senior analyst for Edmunds.com. "People are also often surprised by differences in car insurance, fuel and maintenance costs when they change vehicles. It's always a good idea to carefully consider all aspects of vehicle ownership before making a final decision on a new car."

The following states have the **lowest** average vehicle ownership costs in the country:

States with Lowest Average Five-Year Vehicle Ownership Costs*								
State	Taxes and Fees	Depreciation	Finance & Interest	Insurance	Fuel Costs	Maintenance	Repairs	Total True Cost to Own ^(R)
New Hampshire	\$221	\$16,359	\$3,998	\$5,739	\$9,760	\$2,310	\$754	\$39,136
South Dakota	\$1,693	\$16,417	\$4,328	\$4,819	\$9,892	\$2,549	\$831	\$40,524
South Carolina	\$378	\$16,329	\$4,039	\$7,577	\$9,217	\$2,451	\$777	\$40,763
Wisconsin	\$1,835	\$16,423	\$4,202	\$5,182	\$9,899	\$2,855	\$966	\$41,358
North Dakota	\$1,896	\$16,416	\$4,086	\$5,694	\$10,026	\$2,464	\$793	\$41,371

The following states have the **highest** average vehicle ownership costs in the country:

States with Highest Average Five-Year Vehicle Ownership Costs*								
State	Taxes and Fees	Depreciation	Finance & Interest	Insurance	Fuel Costs	Maintenance	Repairs	Total True Cost to Own ^(R)
Hawaii	\$1,787	\$17,252	\$5,423	\$11,078	\$12,250	\$2,592	\$855	\$51,233
California	\$3,430	\$16,355	\$5,239	\$10,242	\$11,180	\$3,018	\$1,020	\$50,480
Alaska	\$503	\$17,136	\$4,532	\$11,772	\$12,320	\$2,838	\$981	\$50,078
Nevada	\$3,805	\$16,455	\$4,983	\$9,325	\$10,286	\$2,914	\$981	\$48,745
Connecticut	\$2,004	\$16,375	\$4,761	\$10,572	\$10,481	\$2,844	\$958	\$47,990

*As of April 22, 2010. 51-state data are available upon request.

This study employs data from Edmunds.com's True Cost to Own tool that projects model-specific, regional average vehicle five-year ownership costs, consisting of depreciation, financing, taxes, fees, insurance premiums, fuel costs, maintenance and repairs for new and used vehicles. The tool is available at no charge to Website visitors, and provides ownership cost information for both new and used vehicles.

The True Cost to Own calculations use the following assumptions:

- Ownership expenses are for a five-year time span
- Vehicles are driven an average of 15,000 miles per year
- Vehicles are financed using traditional financing and not leased
- Buyers are paying 10 percent down on the vehicle
- Buyers are in the "Gold" credit tier for the purpose of determining the finance rate
- The loan term is 60 months
- Buyers represent the average demographic for insurance rates