

Imagine you are cruising on the interstate in a driving rain and you lose control of your car and slide into the guardrail. Thankfully you are ok and you don't feel any pains as you get out of your car to see the new shape you created out of your front bumper. A passing motorist sees your accident and dials 911 as he drives on through the rain. 5 minutes later a police car, a fire truck and an ambulance arrive to check on you. 3 weeks later you receive bills from each of these organizations for their time and trouble checking on you. You turn in the \$2763 in emergency response bills to your [auto insurance](#) company and they decline to pay them. Welcome to the brave new world of crash taxes.

Crash taxes have been on the books of many local governments for years but until this recent economic downturn, they have not been used. Now we are seeing a trend sweeping our country to apply these charges for emergency responders to those involved in the accident. While there are some creditable arguments in favor of crash taxes, I see more running against.

First of all, let's start with who pays. In most cases your auto insurance is not going to pay for these crash taxes. That could leave you holding the bag and if you don't pay you can damage your credit or [possibly even face misdemeanor charges](#). If we do choose to have our insurance companies cover these costs, then the costs of insurance will go up and we will have just one more expense being paid by an entity with little control over the costs that go into this expense.

Another possible problem with this approach is that some people may become reluctant to call for emergency services if they know they will have to pay for them. This failure to call or even a delay in calling may cost us dearly in lives lost as well as property damaged, the latter especially in the case of chemical spills on our highways.

I also have a fundamental problem with this approach in that some cities are amending their program to only charge the out of state, at fault parties. While this is politically expedient for the local politicians, it has a ring of unfairness to it and leads to a lot of uncertainty for travelers as they leave their home territories.

Last of all, is the idea that local taxes already go to pay for these services and those are controlled, if distantly by the voters in that area. Why should they be charged again?

Currently, 10 states have banned crash taxes, so you can travel safely in them. They are: Alabama, Arkansas, Florida, Georgia, Indiana, Louisiana, Missouri, Oklahoma, Pennsylvania and Tennessee.

So, what should you do if you get billed for an accident response of some sort after an accident? First of all, contact your insurance agent and forward on the bill to determine if there will be coverage for the charges. Then get a copy of the police report detailing what medical assistance was actually provided. Last of all, if your insurance company declines to pay for these charges (and in most cases they will), check with an attorney to understand what criminal liability you may incur should you decide not to pay the bill yourself.

My sense is that crash taxes are generally going to be disliked by most of the public. This will probably mean that they don't last long and of course if the economy gets better they should go away. A rising tide floats all boats after all. In the meantime, as you travel, be aware that this trend could catch you in its trap.

At Clinard Insurance Group in Winston Salem, NC, we work hard to help our clients become informed insurance consumers. Knowing about crash taxes before you get a bill in the mail is just one small example of our knowledge outreach program. If you need help with your [NC auto insurance policy](#), your [NC home insurance policy](#) or even your [personal umbrella](#) or [life insurance](#), please call us, toll free, at 877-687-7557 or visit us on the web at www.ClinardInsurance.com.