



How Much Does it Really Cost to Own a New Car?

Buying a car is one of the biggest purchases a person will make in their lives. Before embarking on the car buying journey, it's important to understand how much it will cost beyond the sticker price. Since 1950, AAA has published its annual Your Driving Costs study that looks at the most popular models on the market and breaks down the cost of owning a new car including depreciation, finance, fuel, insurance, license/registration/taxes and maintenance/repair/tires.

2026 Costs Broken Down

AAA uses five top-selling models in each of seven vehicle categories to calculate ownership costs across a number of areas. These are then combined and averaged to determine the overall cost to own a new car in 2026.

Average Ownership Costs Per Mile

Miles per Year	10k	15k	20k
Average Cost	\$1.10	86¢	74¢

The overall average cost to own and operate a new car in 2026 is **\$12,863**, or \$1,071.92 per month. The average weighted MSRP of a new car in the study is **\$39,376**.

Category Costs

The costs for each of these categories as listed below are an average calculated over five years and 75,000 miles.

	Cost	Description
Depreciation	\$4,422 loss in value/year	Based on the difference between new-vehicle purchase price & estimated trade-in value at the end of five years & 75,000 miles.
Finance	\$1,184/year	Based on a 5-year loan, with 15% down, at the national average interest rate. Includes taxes & the first year's registration fees (national average).
Fuel	17.3¢/mile	Based on average prices for a 12-month period ending 5/26. During this time, regular grade gas averaged \$4.152/gallon. Electric vehicle charging costs are based on a rate increased to 18 cents/kilowatt hour.
Insurance	\$2,098/year	Based on a full coverage policy for personal use of a vehicle by a driver who is under 65 years of age, has more than 6 years of driving experience, no accidents & lives in the suburbs or city.
License, Registration & Taxes	\$802/year	Includes all government taxes & fees payable at time of purchase, as well as annual fees to keep the vehicle licensed & registered (national average).
Maintenance, Repair & Tires	11.7¢/mile	Includes retail parts & labor for routine maintenance specified by the vehicle manufacturer, a comprehensive extended warranty, repairs to wear-and-tear items that require service during 5 years of operation & one set of replacement tires.

Costs by Vehicle Category

For a full break down of costs per vehicle, [click here](#).

	Cost	Highlights
Small Sedan	61.73¢/mile	Least expensive overall costs, which makes them attractive to first-time buyers
Medium Sedan	70.37¢/mile	Medium sedans have the second-lowest overall driving costs, trailing only small sedans.
Subcompact SUV	71.68¢/mile	Third highest overall driving costs
Compact SUV	77.80¢/mile	Rank fourth overall in ownership costs and boast the second-lowest fuel costs, thanks to two hybrids and one EV.
Medium SUV	96.32¢/mile	Popular choice for families and others who need to transport lots of people or cargo. Rank second-most expensive category to own and operate, behind only ½-ton pickup trucks
Midsize Pickup	87.26¢/mile	Rank second-highest in fuel costs, behind ½-ton pickups. Rank fifth in taxes, depreciation, and finance costs
Half-Ton Pickup	\$1.10/mile	Highest overall driving costs

How to Calculate Your Own Driving Costs

You can determine the driving costs of your vehicle by visiting the AAA online [Your Driving Cost Calculator](#). From here, select desired state, annual mileage and driving ratio that represents your normal driving habits, and vehicle year/make/model & trim.

Methodology

AAA uses a proprietary methodology to calculate the costs of owning and operating a new car in the United States. Data is gathered from a variety of sources including Vincentric LLC, and incorporates standardized criteria to estimate the costs of using a new vehicle for personal transportation over five years and 75,000 miles of ownership. The use of standardized criteria ensures AAA estimates are consistent when comparing the driving costs of different vehicle types. Actual driving costs will vary based on driving habits, location, operating conditions and other factors.

