



State Board of Equalization

News Release

Judy Chu, Ph.D.
Chair

4th District – Los Angeles

Ramon J. Hirsig
Executive Director
www.boe.ca.gov

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Contact: Anita Gore
916-327-8988

Judy Chu Says California's Gas Consumption Down 5.6 Percent

Trend of plummeting diesel use continues, declines 7.9 percent

Judy Chu, Ph.D., Chair of the California State Board of Equalization (BOE), today released figures on gasoline consumption in California showing a decline of 5.6 percent in July 2008 from July 2007.

Californians consumed 1.26 billion gallons of gasoline in July, which is 74.2 million gallons below that of July 2007.

The average California gas price at the pump in July 2008 was \$4.51 per gallon, a 42.3 percent increase from the average price of July last year when it was \$3.17. The BOE estimates that nearly twice as much sales tax is generated annually by higher gasoline prices than five years ago. Those higher prices generated approximately \$3.6 billion in sales tax during 2007 when the average price was \$3.12. In contrast, 2003's gasoline sales generated \$2.1 billion when the average pump price was \$1.88.

July 2008 diesel fuel sold for use on California roads totaled 243 million gallons, a decline of 7.9 percent, or 20.8 million gallons below that of July 2007. The decreased consumption reflects both the impacts of higher diesel prices of \$4.97 in July 2008 and the slowing economy that is associated with less freight movement on California roads and highways. California diesel prices were up 59.3 percent in July 2008 compared to July of 2007 when the average diesel price was \$3.12.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for August 2008 are scheduled to be available near the end of November. All monthly, quarterly, and annual figures can be viewed on the BOE website at: www.boe.ca.gov/sptaxprog/spftrpts.htm.

Taxable Gasoline Gallons: www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

Taxable Diesel Gallons: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf

Chair Judy Chu represents the Fourth Board of Equalization District, which includes Los Angeles County. She won election to the BOE in November 2006 and was elected Chair of the Board of Equalization in January 2008. Chair Judy Chu is also a voting member of the Franchise Tax Board.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$53 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes.

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