



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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www.boe.ca.gov

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Michele Steel Says California Gasoline Use Down 2.3%, Diesel Down 3.2%

Decline in Consumption Continues to Follow Economic Activity

Michelle Steel, Third District Member of the State Board of Equalization (BOE), today released California gasoline and diesel consumption figures for November 2009. Gasoline consumption decreased 2.3 percent, while diesel consumption declined 3.2 percent compared to the same month in 2008.

January through November 2009 California gasoline consumption declined 1.4 percent compared to January through November of 2008.

Editors: Please see attached chart showing percentage change in consumption compared to 12 months prior from January 2008 through November 2009.

Gasoline consumption declined 2.3 percent in November 2009 when Californians used 1.170 billion gallons of gasoline compared to 1.198 billion gallons in November 2008. The average price at the pump for gasoline in California during November 2009 was \$3.01 per gallon compared to \$2.51 in November 2008, a 19.9 percent increase. Prices were extremely low in late 2008, reflecting the burst of a crude oil price bubble that developed earlier in the year.

Sales tax revenue generated from gasoline sold in California was approximately \$293 million in November 2009, which is an estimated \$72 million less than generated in November 2008. Sales tax revenues from gasoline in November 2009 would have been about \$40 million less if the sales tax rate had not increased by one percent on April 1, 2009.

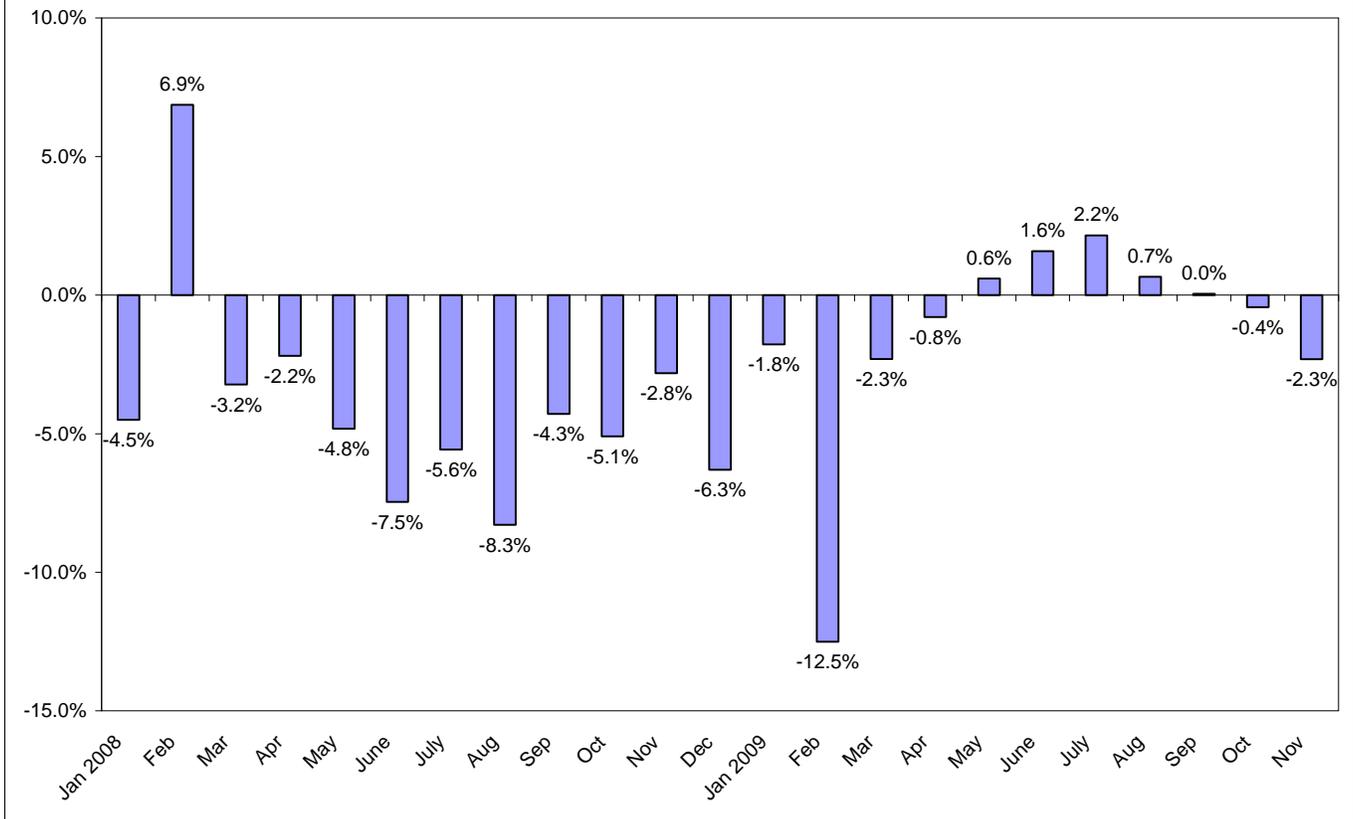
Diesel consumption in California declined by 3.2 percent in November 2009 when Californians used 198 million gallons compared to 204 million gallons in November 2008. Diesel prices in California were \$2.96 per gallon in November 2009 up 4.6 percent compared to November 2008 when the average diesel price was \$2.83 per gallon.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for December 2009 are scheduled to be available at the end of March 2010. All monthly, quarterly, and annual figures can be viewed 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.

**Percent Change in Consumption Compared to 12 Months Prior
From January 2008 Through November 2009**



Elected to the Board of Equalization in 2006, Michelle Steel serves as Southern California’s elected taxpayer advocate. In 2008, Steel uncovered a \$42 million mistake in the agency’s sales tax refund procedures. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses.

The five-member California State Board of Equalization (BOE) 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. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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