



State Board of Equalization

News Release

Vice Chair Jerome E. Horton

4th District – Los Angeles

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California February Gasoline and Diesel Consumption Increase

Diesel Consumption Increases Second Time in Three Months

Jerome E. Horton, Vice Chair of the California State Board of Equalization (BOE), today released California gasoline and diesel consumption figures for February 2010, with both showing increases. California gasoline consumption rose 0.8 percent on a year over year basis. This increase follows four consecutive months of year over year declines. Diesel consumption in California was up 7.6 percent, the largest increase since February 2008.

Editor's note: Attached are two charts, one for gas and one for diesel. The diesel chart shows that diesel consumption has been up for two of the past three months. The increased diesel likely reflects improvement in the economy.

The diesel figure includes an audit adjustment of 11.3 million additional gallons related to previous time periods. If the gallons related to the audit assessment are excluded from the calculations, diesel consumption still increased by 1.4 percent.

Gasoline consumption increased 0.8 percent in February 2010 when Californians used 1.13 billion gallons of gasoline compared to 1.12 billion gallons used in February 2009.

The average price at the pump for gasoline in California during February 2010 was \$2.99 per gallon compared to February 2009 when price was \$2.27, a 31.7 percent increase.

Sales and use tax revenue from gasoline sales in California in February 2010 was \$282 million, which is an increase of \$95 million compared to February 2009 when \$187 million in sales and use tax was generated when gasoline sold at the lower price. The \$282 million in sales and use tax revenue in February 2010 includes an additional \$31 million in revenue generated by the one percent sales and use tax rate increase that went into effect on April 1, 2009.

Diesel consumption in February 2010 shows that Californians used 195.6 million total gallons, which is 13.8 million more in February this year over last. However, 11.3 million gallons of the February 2010 total were related to audit assessments for prior time periods. The figures reported monthly are net consumption that includes BOE audit assessments, refunds, amended and late tax returns, and State Controller's Office refunds. The February assessments were unusually high. If the February figure is reduced by 11.3 million gallons to adjust for the audits, diesel consumption still increased by 1.4 percent.

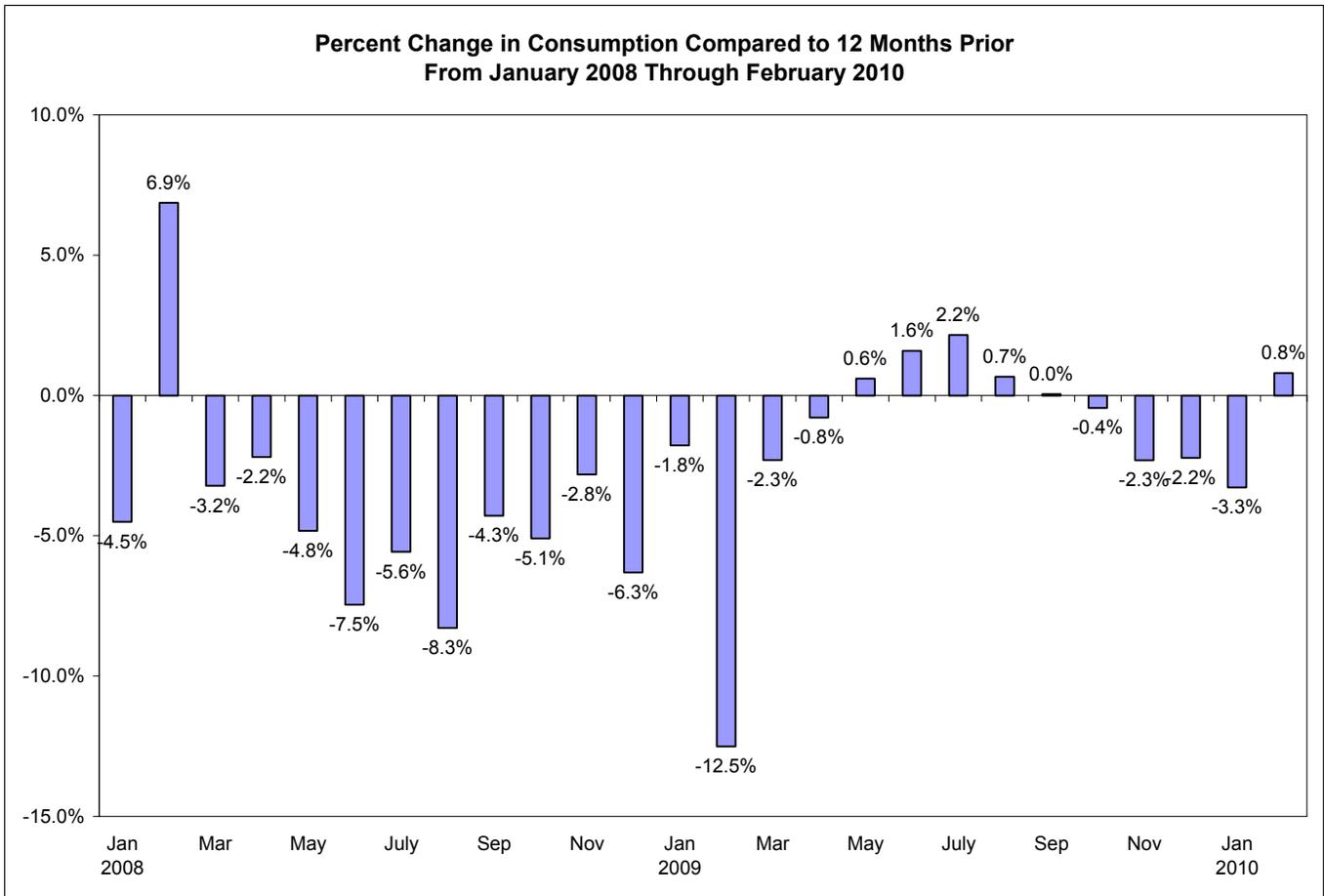
Diesel prices in California in February 2010 were \$2.94 per gallon, which is an increase of 30.1 percent compared to February 2009 when the average diesel price was \$2.26 per gallon.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for March 2010 are scheduled to be available at the end of June 2010. The figures reported monthly are net consumption that includes BOE audit assessments, refunds, amended and late tax returns, and State Controller's Office refunds. All monthly, quarterly, and annual figures can be viewed at:

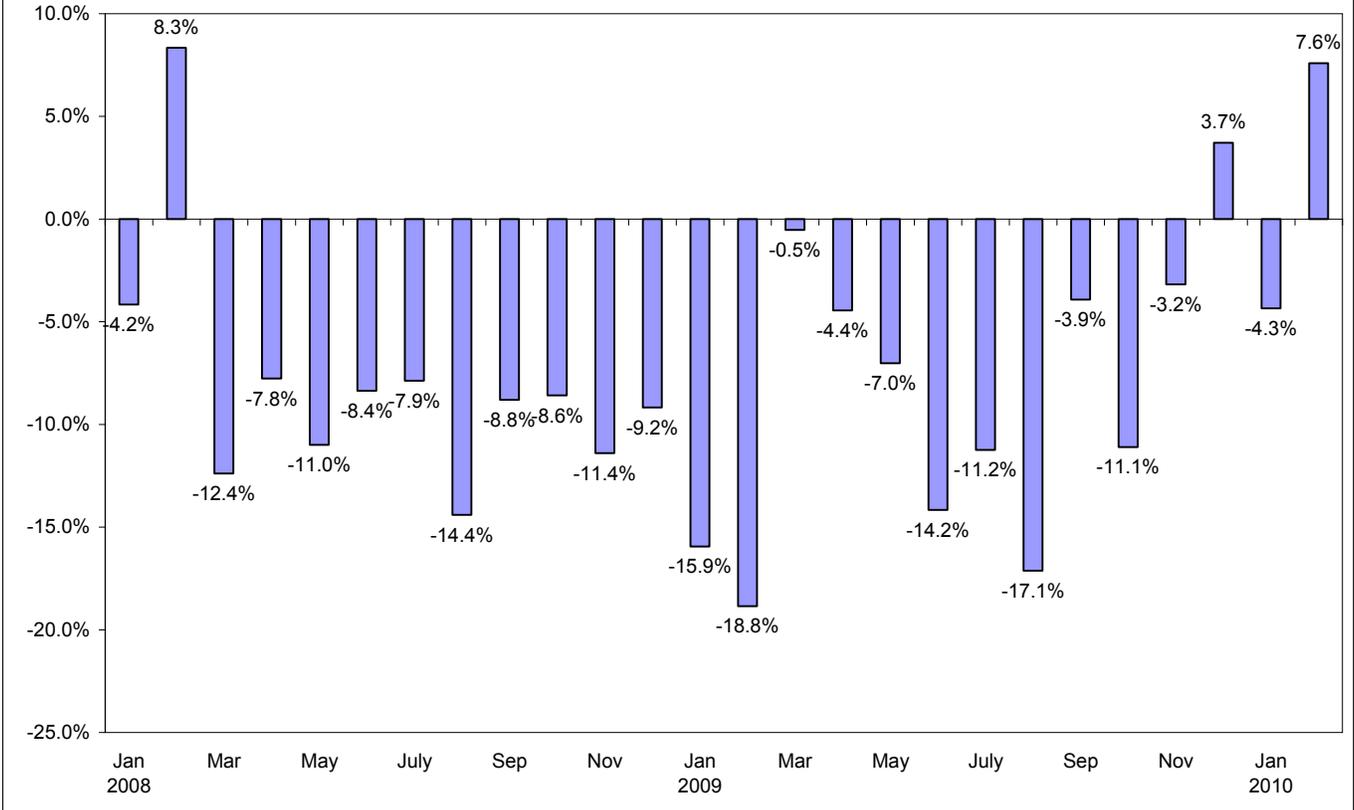
www.boe.ca.gov/sptaxprog/spftrpts.htm.

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.



**Change in Diesel Gallons Compared to 12 Months Ago
From January 2008 Through February 2010**



Vice Chair Jerome E. Horton is the 4th District Member of the BOE, representing more than 8.5 million residents in Los Angeles County. He is also the BOE Legislative Committee chair. Horton is the first African American to serve on the BOE since its inception in 1879, and the third African American constitutional officer in California’s history. Horton was appointed by the Governor and confirmed by both the Assembly and the Senate in 2009. Horton previously served as an Assembly member from 2000-2006.

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. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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