



State Board of Equalization

News Release

Betty T. Yee, Member

1st District – San Francisco

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www.boe.ca.gov

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Taxable Sales in California Signal Economic Growth 2011 First Quarter Increased 9.0%; 2012 First Quarter Estimate Up 9.3%

Sacramento – In the first quarter of 2011, taxable sales in California rose 9.0 percent compared to the previous year, signaling economic growth, said Betty T. Yee, First District Member of the California State Board of Equalization (BOE).

The growth rate of 9.0 percent was nearly twice as fast as two years ago in 2010 when the average growth was 4.6 percent.

An estimate for this year's first quarter projects taxable sales of 9.3 percent, a pace similar to that of 2011. The 2012 figures are being compared to a similar period in 2011. The 2012 figures are an estimate subject to revisions, while the 2011 figures have been confirmed by BOE data.

“The consistent growth is welcome news. Retail sales gains are an important sign of economic recovery for businesses, families, and communities,” said Ms. Yee

First quarter taxable sales in the [nine-county](#) Bay Area increased 9.1 percent in 2011 from a similar period in 2010. The counties of San Francisco and Santa Clara posted double-digit gains in the [first quarter of 2011](#).

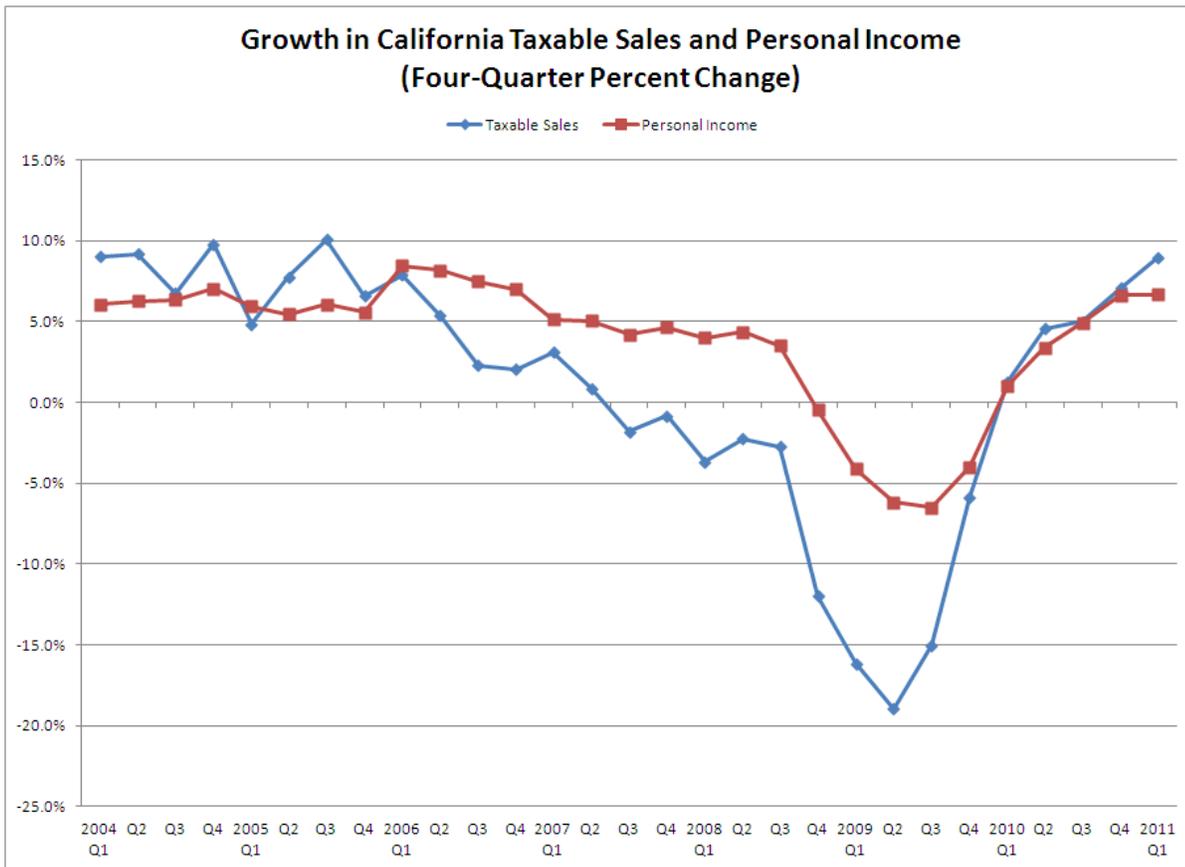
Soaring gasoline prices, which rose 20.0 percent in the first quarter of 2011, required consumers to pay more at the pump and likely prompted many households to begin replacing aging vehicles. As a result, taxable sales made by gasoline stations increased 22.4 percent and those made by motor vehicle dealers increased 17.4 percent.

Statewide taxable sales [by type of business](#) for retail and food services rose 8.8 percent compared to all other nonretail businesses such as business equipment, construction materials, utilities, transportation, finance, insurance, real estate, entertainment, recreation, accommodation, and other services, which rose 9.5 percent, consistent with the national trend in the first quarter of 2011.

California Taxable Sales increased at a growth rate 2.3 percent faster than California Personal Income in the first quarter of 2011, the largest positive gap since 2005 (see chart).

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Taxable Sales in California is a quarterly report on retail sales activity in California, as measured by transactions subject to sales and use tax. It includes data about statewide taxable sales by type of business, as well as data about taxable sales in all California cities and counties.

Taxable Sales in California see: www.boe.ca.gov/news/tsalescont.htm

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Board Member Betty T. Yee was elected to her post in November 2006. Her district includes many of California's coastal counties, from Del Norte to Santa Barbara, and includes the entire San Francisco Bay Area. Ms. Yee previously served as Chief Deputy Director for Budget at the California Department of Finance, covering a wide array of state and local finance policy matters.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$50 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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