



State Board of Equalization

News Release

Judy Chu, Vice Chair

4th District – Los Angeles

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www.boe.ca.gov

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JUDY CHU ANNOUNCES DROP IN GASOLINE USE

Nine month trend found statewide in 2006

Judy Chu, Vice Chair of the State Board of Equalization, today announced that for the first time in 14 years statistics show a downward trend in gasoline sales statewide.

For three consecutive quarters, from April through December of 2006, gasoline consumption came in below the same periods of 2005. Californians used 112 million fewer gallons in 2006 than they did the year prior.

“The economic driver of this trend is clearly the cost of gas. But how that affects consumers is unclear. It’s likely a mix of less driving and using more fuel efficient vehicles,” said Chu.

“We saw a similar trend in the 1970s, but in those days we didn’t have the options of hybrid vehicles or expansive public transportation systems. Now, consumers have more environmentally-sound and cost-effective choices than ever before.”

During this nine-month period, the average price of a gallon of gasoline in California was \$2.958. The last drop in annual gasoline use was seen in 1992.

The figures can be viewed at <http://www.boe.ca.gov/sptaxprog/reports/imvf10ynet.pdf>.

The five-member Board of Equalization is a publicly elected tax board. The Board collects nearly \$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 plays a significant role in the assessment and administration of property taxes.

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