



State Board of Equalization

# News Release

**Judy Chu, Vice Chair**

**4<sup>th</sup> District – Los Angeles**

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## **JUDY CHU SAYS GAS USE UP FOR THE MONTH, DOWN FOR THE QUARTER**

*Price Increases Continue to Boost Sales Taxes Collected at the Pump*

Judy Chu, Vice Chair of the Board of Equalization, today released gasoline consumption figures for March and complete figures for the first quarter of 2007. While Californians used slightly more gasoline in March than they did a year ago, the gains were not enough to offset steeper drops in February. This is the fourth consecutive quarter that Californians pumped less amid rising gas prices.

In the first quarter of 2007, Californians used 27.5 million gallons less than they did in the same period last year. March figures went up by only 750,000, and January also showed minor increases. But February's figures drug down the quarterly figures, with consumption dipping by 31.6 million gallons. *(Editor's note – please see chart on 2<sup>nd</sup> page)*

Over the past five years, Californians have used an average of 15.7 billion gallons of gasoline annually. During the 2006 calendar year Californians consumed 15.83 billion gallons, down from 15.94 billion a year earlier.

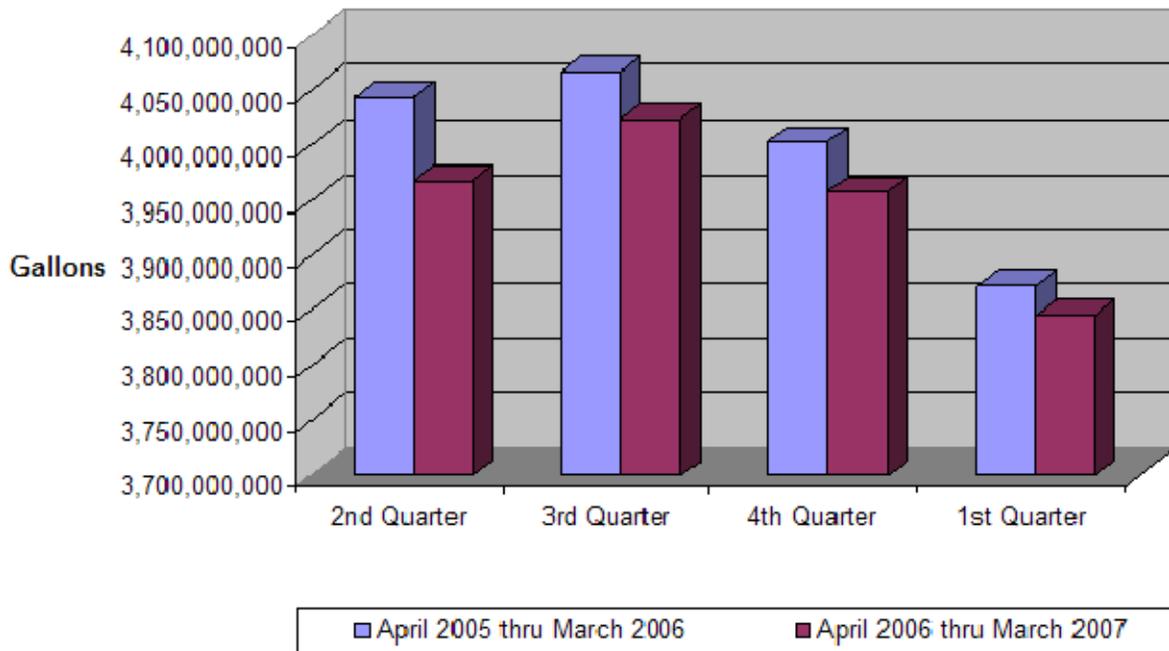
The first quarter of 2007's average pump price of \$2.81 was 28 cents above prices during the first quarter of 2006. Those higher prices generated approximately \$860 million in sales tax during that quarter, an estimated \$83 million more than the first quarter of 2006.

The Board estimates that nearly twice as much sales tax is generated annually by higher gasoline prices than five years ago. In 2006, sales tax revenues from gasoline sales were estimated to be \$3.2 billion, while 2002's gasoline sales generated \$1.7 billion. The State's excise tax, 18 cents collected on every gallon, has remained relatively stable.

The publicly-elected Board is able to monitor gallons through tax receipts paid by fuel distributors. Figures for April 2007 will be available near the end of July. All monthly, quarterly and annual figures can be viewed at <http://www.boe.ca.gov/sptaxprog/reports/imvf10ynet.pdf>.

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.

### Gallons of Gasoline Consumed Per Quarter



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