



State Board of Equalization

News Release

Michelle Steel, Member

Third District – Rolling Hills Estates

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NEW DATA REFUTES CONGRESSIONAL PLAN TO TRIPLE GAS TAX

Higher prices cause California gas usage to decline in April

(Rolling Hills Estates) – New data released today by Board of Equalization Member Michelle Steel deals a significant blow to Congress’ plan to more than triple the federal tax on gasoline. Due to higher gas prices, California’s gasoline usage declined by more than 10.5 million gallons in April 2007, a statistically relevant decline from the same period last year.

“It’s Economics 101; gas usage goes down as gas prices go up,” explained Board Member Michelle Steel. “California’s working families can’t afford Congress’ plan to more than triple the gas tax.”

Last month, Congressman John Dingell (D- Michigan) introduced legislation to create a new 50 cent per gallon carbon tax on gasoline in addition to the current 18.4cent federal excise tax on gasoline.

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. While the state has historically consumed less gasoline in April than it does in March, the year-over-year drops have only occurred in recent years.

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

Elected to the Board of Equalization in 2006, Michelle Steel serves as the country’s highest ranking Korean-American elected official. She represents the over 8.5 million taxpayers of the Third Board of Equalization District, including the counties of Los Angeles, Orange, San Diego, Riverside, Imperial and San Bernardino.

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