



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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www.boe.ca.gov

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California Gas Use Data Show 0.7% Increase in Second Quarter 2010

Michelle Steel, Third District Member of the State Board of Equalization (BOE), today released California's gasoline and diesel consumption figures for June and the second quarter of 2010. Gasoline consumption increased 1.8 percent in June and increased 0.7 percent in the second quarter. Diesel consumption data also show an increase of 1.2 percent in the second quarter compared to the same quarter last year, which may be inflated due to data capturing methods.

In the second quarter of 2010, Californians used 3.80 billion gallons of gasoline which is 27 million gallons more than the second quarter 2009 when Californians used 3.77 billion gallons of gasoline, which is an increase of 0.7 percent in the second quarter of 2010.

In June 2010, gasoline consumption increased 1.8 percent when Californians used 1.26 billion gallons of gasoline compared to 1.23 billion gallons the same month last year. The average California gasoline price at the pump in June was \$3.13 per gallon compared to \$2.97 in June 2009, a 5.4 percent increase.

Gasoline sold in June generated approximately \$328 million in sales tax during that month, an estimated \$58 million more than generated last year. June sales and use tax revenues from gasoline would have been about \$36 million less had the state portion of the sales and use tax rate not increased by one percent on April 1, 2009.

June diesel fuel consumption data reflect an increase of 27.7 million gallons, or 12.4 percent. However, the actual increase in diesel consumption is likely to be less because the June 2009 figures include substantial refunded gallons of 18.4 million gallons, making the actual increase 9.3 million gallons, or 3.8 percent, in diesel fuel consumption in June.

Diesel consumption in California increased 1.2 percent in the second quarter when Californians used a total of 661 million gallons of diesel compared to the second quarter last year's consumption of 653 million gallons of diesel fuel. This quarterly increase may be artificially high due to the June 2009 refunded gallons as well. Diesel consumption more likely decreased 1.6 percent for the second quarter 2010.

Diesel sold in California during June 2010 totaled 251 million gallons compared to the June 2009 total of 224 million gallons. California diesel prices were \$3.10 per gallon in June 2010 an increase of 14.8 percent compared to June 2009 when the average diesel price was \$2.70 per gallon.

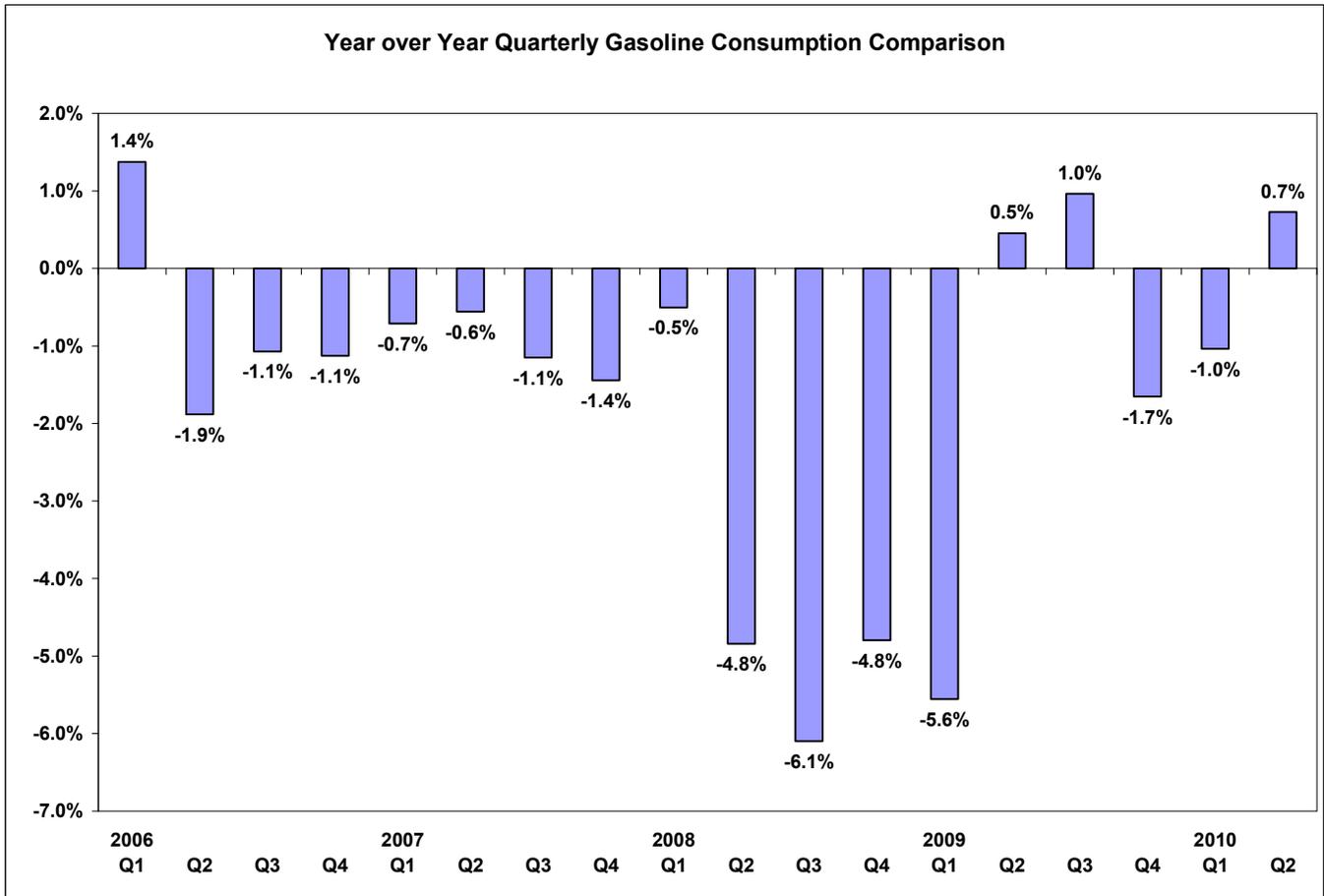
The BOE is able to monitor gallons through tax receipts paid by fuel distributors. The figures reported monthly are net consumption that includes BOE audit assessments, refunds, amended and late tax returns, and State Controller's Office refunds. Figures for July 2010 are scheduled to be available at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

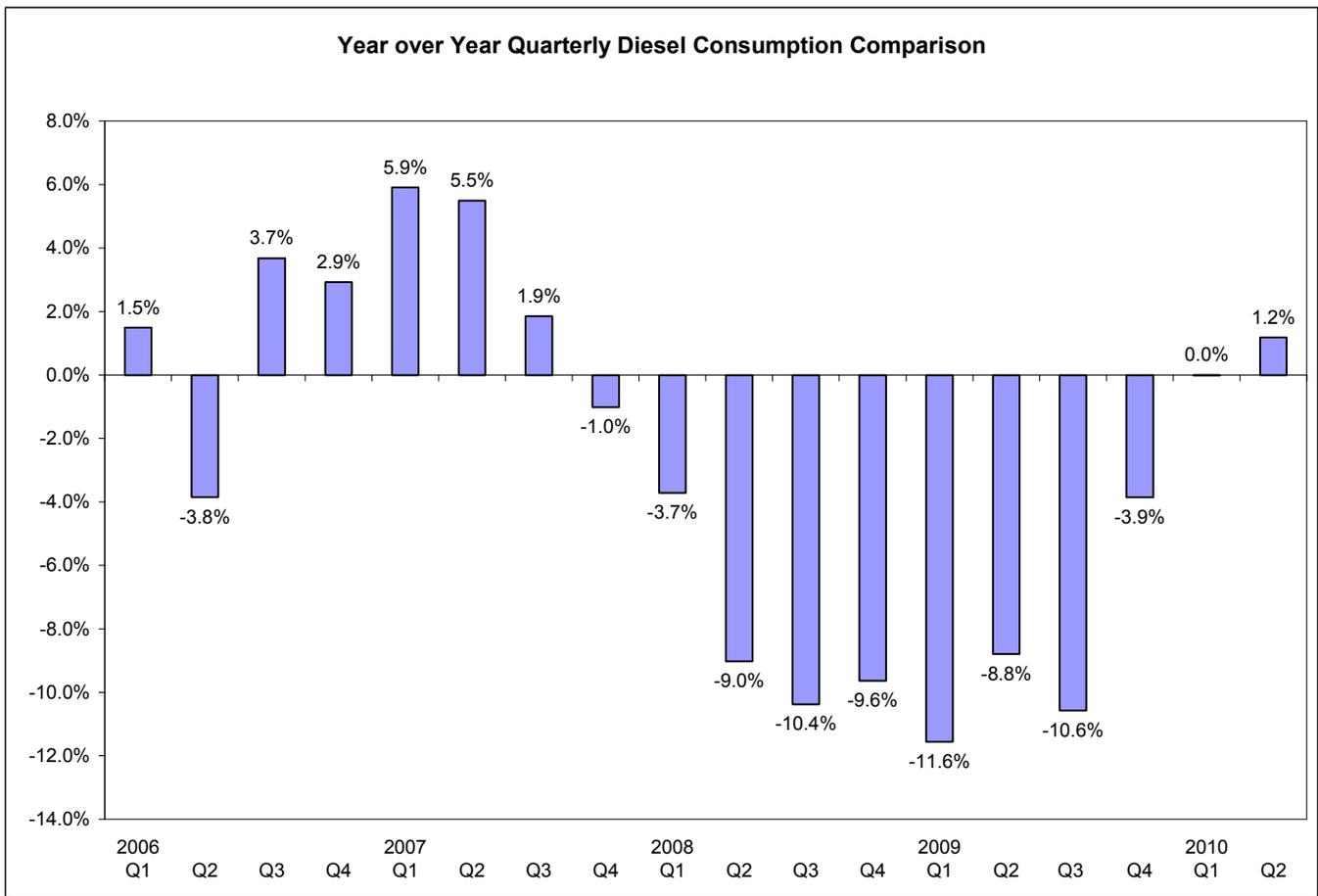
October 2010. All monthly, quarterly, and annual figures can be viewed at:
www.boe.ca.gov/sptaxprog/spftrpts.htm.

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

Editor's note – please see the two attached charts showing year over year quarterly gasoline and diesel consumption comparisons for the last 18 consecutive quarters from first quarter 2006 through second quarter 2010.





Elected to the Board of Equalization in 2006, Michelle Steel serves as Southern California’s elected taxpayer advocate. In December 2007, Steel discovered the Board of Equalization had delayed the return of millions of dollars in security deposits owed to California businesses. Procedures were changed due to Steel’s decisive leadership. Following her investigation, the tax agency refunded tax security deposits to over 5,500 small businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$48 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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