



State Board of Equalization

News Release

George Runner, Member

2nd District – Lancaster

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CALIFORNIANS TIGHTEN THEIR WALLETS AS GASOLINE PRICES SOAR **Average Cost for Regular Gasoline Climbed 64 Cents in November**

Sacramento – Californians are feeling the pinch at the pump as gasoline prices jumped 20 percent in November prompting consumer consumption to dip 2.6 percent, according to a report released today by George Runner, Second District Member of the California State Board of Equalization (BOE).

Diesel fuel prices also increased 28 percent to \$4.25 as consumption fell 5.3 percent in November. Generally, diesel use follows economic activity and is closely related to construction and transportation of goods.

“As if sky-rocketing gasoline prices weren’t bad enough, California motorists must now pay even more tax when they fill their tanks. Since sales tax is calculated per dollar spent rather than per gallon of gasoline, high fuel prices create a windfall for government at the expense of working Californians,” said Runner.

Runner added that he is developing a proposal that would aid California motorists by capping fuel tax increases.

For nine months in a row – from March through November 2011 – Californians have cut down on the amount of gasoline they buy in the state. High gasoline prices, consumers driving more fuel efficient vehicles or taking alternative forms of transportation, as well as the slow economic recovery, may be contributing to this downward trend.

Californians used 1.169 billion gallons of gasoline in November 2011, a year-over-year decline of 2.6 percent. The average price for gasoline rose 64 cents to \$3.85 per gallon, a 20 percent increase compared to the average price of \$3.21 the previous year in California. Nationally, the average price for gasoline increased 53 cents to \$3.44, an 18 percent increase over the \$2.91 average price the year before.

Diesel fuel consumption in November 2011 totaled 196 million gallons, a decline of 5.3 percent compared to the same period the previous year when 207 million gallons of diesel were consumed. The average price for diesel rose 94 cents to \$4.25 per gallon, a 28 percent increase compared to \$3.31 per gallon the year before. Nationally, the average price for diesel jumped 82 cents to \$3.96 per gallon, which is a 26 percent increase over November 2010’s average price of \$3.14 per gallon.

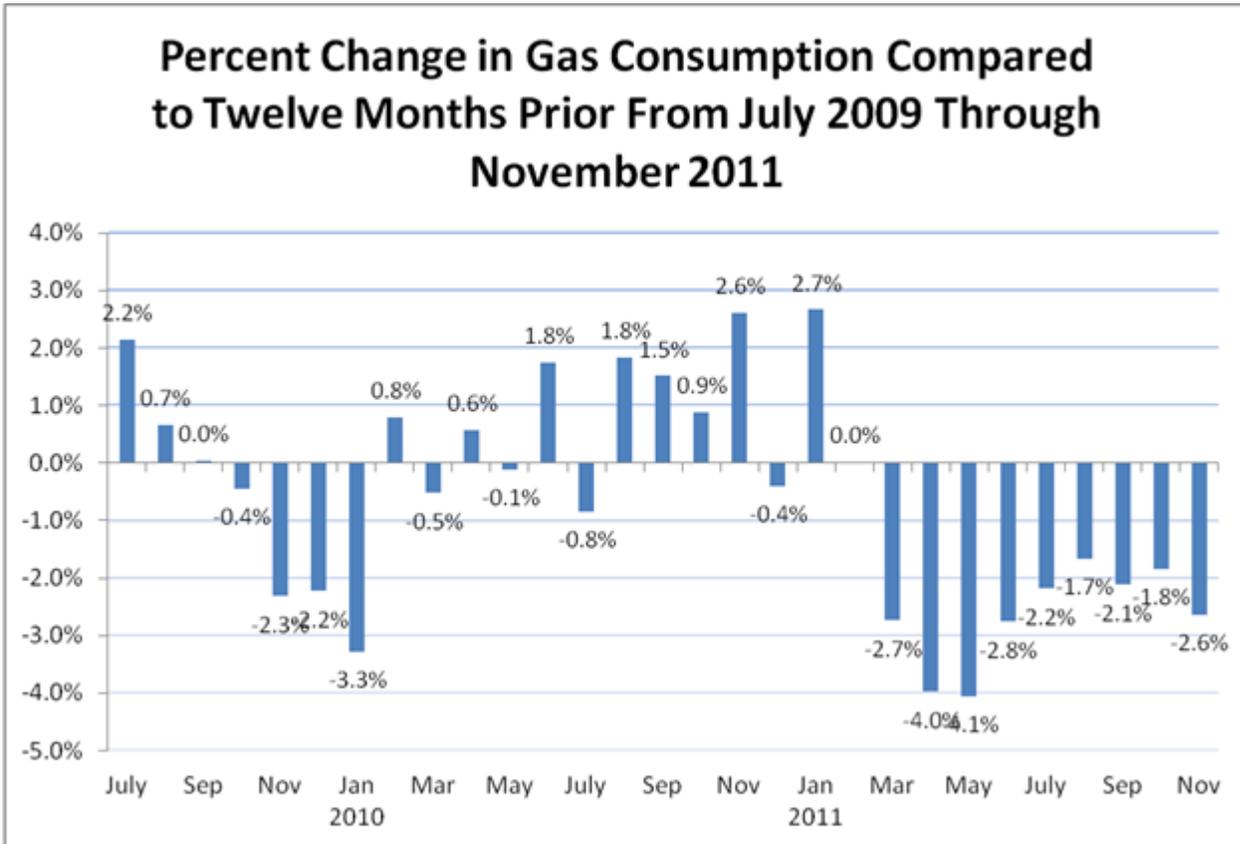
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California gasoline and diesel fuel figures are net consumption, including audit assessments, refunds, amended and late tax returns, and the State Controller’s Office refunds. BOE is able to monitor gallons through tax receipts paid by fuel distributors in California. BOE updates the fuel reports at the end of each month.

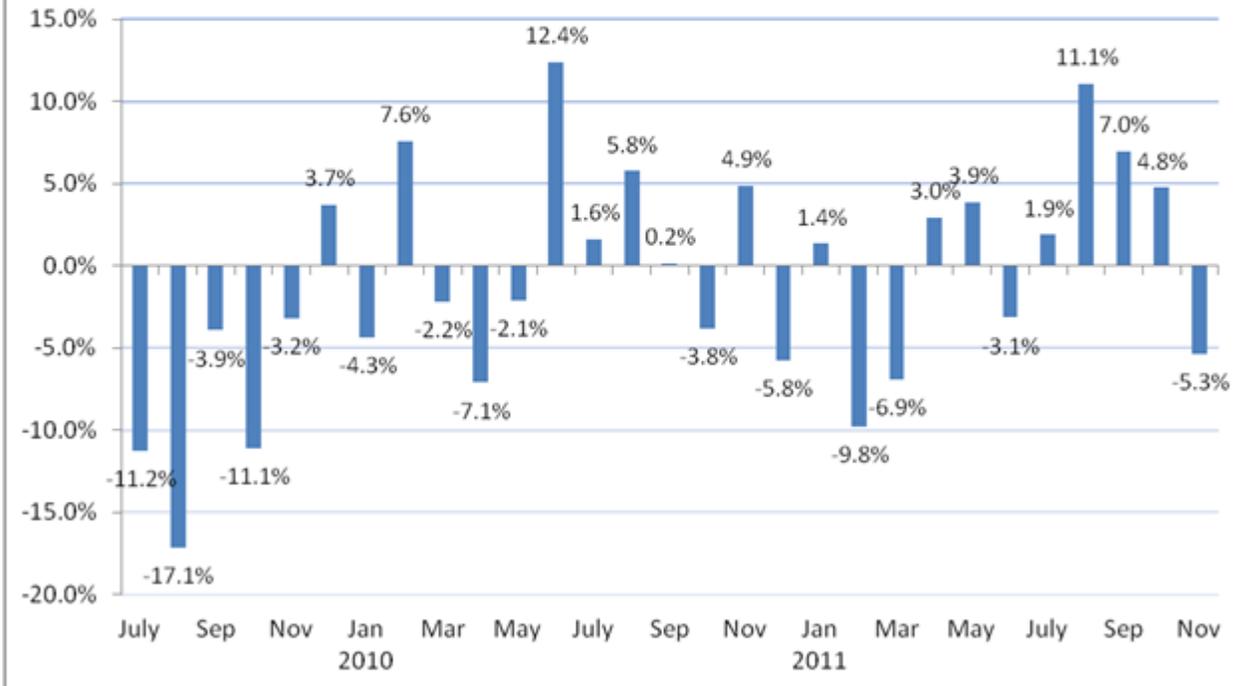
Fuel Statistics and Reports www.boe.ca.gov/sptaxprog/spftrpts.htm

Taxable Gasoline Gallons Report: www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

Taxable Diesel Gallons Report: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf



Percent Change in Diesel Gallons Compared to Twelve Months Prior From July 2009 Through November 2011



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Elected in November 2010, taxpayer advocate George Runner represents the Second District of the Board of Equalization. Runner was sworn in as Second District Board Member on January 3, 2011. Prior to his election to the Board, Runner served twelve years in the State Legislature. As a thoughtful conservative, his legislative priorities included improving the economy, business growth, education excellence, and public safety for all Californians. As a member of the Senate Revenue and Taxation Committee, Runner consistently led the fight against tax increases and supported tax relief for families and businesses.

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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