

NEWS RELEASE

**STATE BOARD
OF EQUALIZATION**

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FOR IMMEDIATE RELEASE

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**REVENUES FROM SALES AND USE TAXES INCREASED 6.5% IN 2003-04,
CHIANG ANNOUNCES**

Revenues raised by sales and use taxes totaled \$38.06 billion in 2003-04, according to State Board of Equalization Chairman John Chiang. That figure represents an increase of 6.5 percent over 2002-2003.

During the same fiscal year total revenues collected by the agency rose by six percent over 2002-03 to \$44.46 billion. Chiang announced the figures in conjunction with release of the BOE's 2003-04 annual report.

"This money provides funding for public services at the state and local level," said Chiang. "In this case it amounts to \$24 billion for state programs, and nearly \$14 billion for cities, counties, and special districts in California."

Revenues collected by the BOE fund various programs related to health care, education, transportation and public safety.

Chiang represents the 4th District, which encompasses 73 cities in Los Angeles County and includes more than 8.5 million people.

Other noteworthy facts in the report:

- Taxable sales in the state totaled \$480.1 billion during the fiscal year, an increase of \$32.2 billion, or 7.2 percent, from taxable sales in 2002-03.
- Gasoline, aircraft jet fuel, and diesel and use tax revenues rose by 2.1 percent to \$3.37 billion.
- Collections from the state's tobacco-related taxes increased in 2003-04, rising 2.1 percent to total \$1.09 billion. Alcoholic beverage tax revenues grew by 1.0 percent to \$293.38 million.
- Statewide property tax levies for 2003-04 totaled \$31.81 billion, an increase of 8.4 percent. County-assessed property values grew \$239 billion during 2003-04 to reach \$3.13 trillion for the 2004-05 tax year. The value of state-assessed properties – primarily privately owned public utilities and railroads – was set by the Members of the Board of Equalization at \$65.6 billion for the 2004-05 roll, a \$3.65 billion decrease from the values set for the previous year's roll.

Chiang, of Los Angeles, was elected to his first term as Fourth District Member on the State Board of Equalization in 1998, and re-elected in 2002. He was named Chair of the Board in December 2004. He also presided as Chair in 2002.

The five-member Board of Equalization is a publicly elected tax board. The Board collects

more than \$44 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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You may request copies of the 2003-04 Annual Report by calling 800-400-7115. An electronic version is on BOE's website at www.boe.ca.gov.