



State Board of Equalization

News Release

Judy Chu, Ph.D.
Chair

4th District – Los Angeles

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Judy Chu Says Gasoline Consumption Continues Downward Trend

Continued Price Increases Boost State's Sales Tax Revenue

Judy Chu, Ph.D., Chair of the State Board of Equalization (BOE), today released gasoline consumption figures for January 2008 that show a continuing downward trend. Californians used 4.5 percent less gasoline in January than they did a year ago.

Total gallons of gasoline used were 58.2 million fewer in January this year over last. A month to month comparison shows that in January 2008, Californians used 115.8 million gallons, 8.6 percent less gasoline than in December 2007.

For all of 2007, Californians used nearly 1 percent less gasoline compared to the previous year. Californians used a total of 15.672 billion gallons of gasoline for the twelve months of 2007, which is a decline of 153 million gallons from the total of 15.825 billion gallons for the calendar year 2006. Gasoline consumption has fallen for two years in a row.

The January 2008 pump price averaged \$3.30 per gallon, 68 cents above those seen in January 2007 of \$2.62.

Despite the drop in gallons consumed, the BOE estimates that sales tax revenue has increased due to higher gasoline prices. Higher prices generated approximately \$299 million in sales tax during January 2008. In contrast, January 2007's gasoline sales generated \$249 million.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for February 2008 are scheduled to be available near the end of May. All monthly, quarterly, and annual figures can be viewed on the BOE website at: <http://www.boe.ca.gov/sptaxprog/reports/MVF%2010%20Year%20Report.pdf>

Chair Judy Chu represents the Fourth Board of Equalization District, which includes Los Angeles County. She won election to the BOE in November 2006 and was elected Chair of the Board of Equalization in January 2008. Chair Judy Chu is also a voting member of the Franchise Tax Board.

The five-member California State Board of Equalization is a publicly elected tax board. The BOE collects more than \$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 serves a significant role in the assessment and administration of property taxes.

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