



State Board of Equalization

News Release

Michelle Steel, Member

3rd District – Rolling Hills Estates

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Executive Director
www.boe.ca.gov

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Michele Steel Says Gasoline Demand Up 1% in 3rd Quarter, Diesel Down 10.6%

Second Consecutive Quarterly Increase in California Gasoline Consumption

Michelle Steel, Third District Member of the State Board of Equalization (BOE), today released gasoline and diesel consumption figures for September and total figures for the third quarter of 2009.

Gas consumption increased for the second consecutive quarter since early 2006. (*Editor's note – please see chart*)

In September 2009, gasoline demand rose 0.05 percent when Californians used 1.219 billion gallons of gasoline compared to just under 1.219 billion gallons the same month last year. The average California gasoline price at the pump in September was \$3.17 per gallon compared to \$3.84 in September 2008, a 17.4 percent decrease.

In the third quarter of 2009, gasoline consumption increased one percent when Californians used 3.772 billion gallons of gasoline compared to 3.736 billion gallons the third quarter last year.

Gasoline sold in September generated approximately \$322 million in sales tax during that month, an estimated \$23 million less than generated last year. September sales and use tax revenues from gasoline would have been about \$59 million less had the state portion of the sales and use tax not increased by one percent on April 1, 2009.

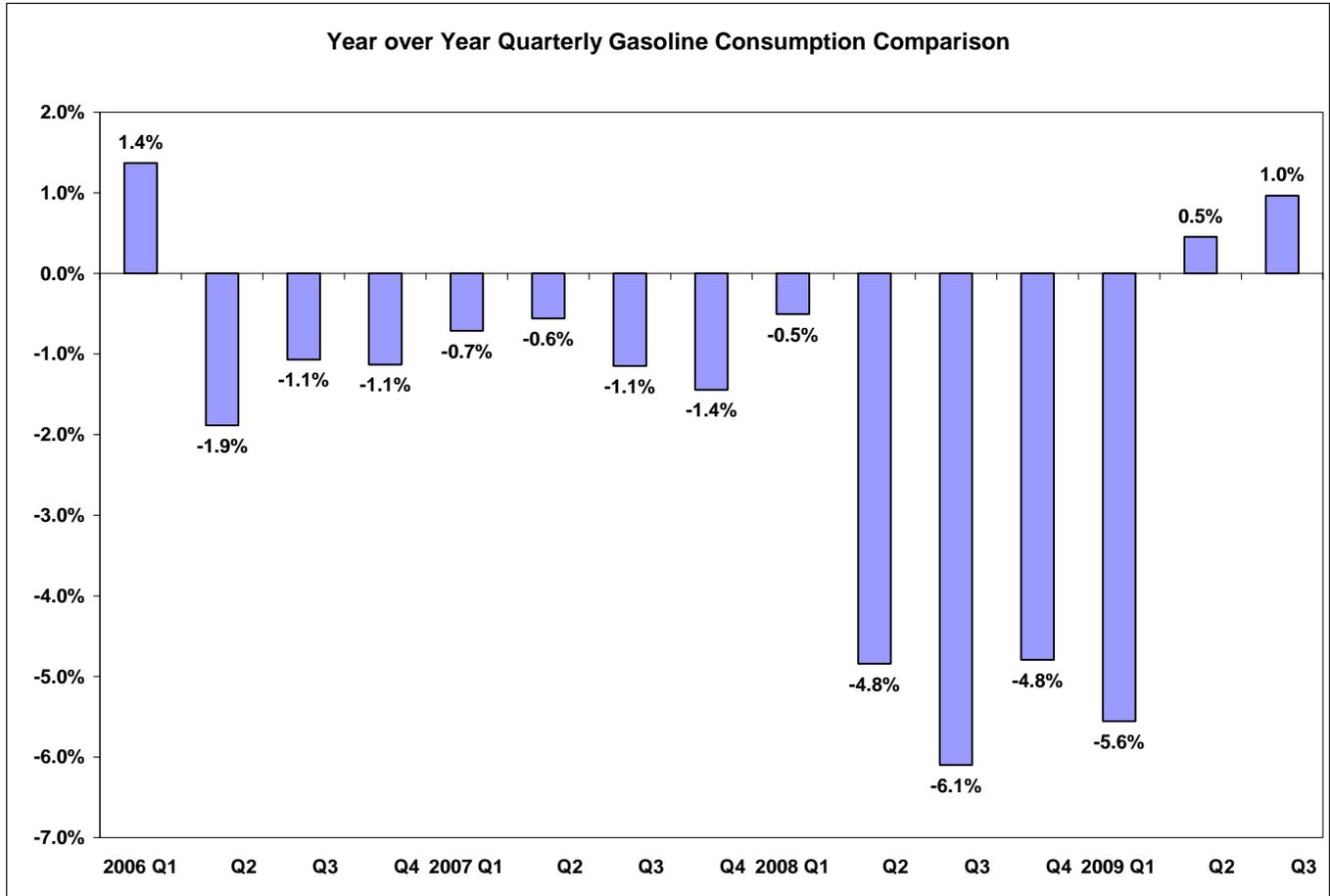
Diesel fuel sold in California during September totaled 244 million gallons compared to September's last year total of 254 million gallons, which is a decline of 3.9 percent. California diesel prices were \$2.84 per gallon in September 2009 down 30.6 percent compared to September 2008 when the average diesel price was \$4.09 per gallon.

Diesel consumption in California declined 10.6 percent in the third quarter of 2009 when Californians used a total of just over 654 million gallons of diesel compared to the third quarter of 2008 total of 732 million gallons. This decline is similar to those seen since early 2008. Diesel consumption generally follows economic activity and is especially closely related to construction and transportation of goods. These sectors were particularly hard hit during the recession, and have yet to start to increase.

The BOE is able to monitor gallons through tax receipts paid by fuel distributors. Figures for October 2009 are scheduled to be available at the end of January 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



Elected to the Board of Equalization in 2006, Michelle Steel serves as Southern California’s elected taxpayer advocate. In 2008, Steel uncovered a \$42 million mistake in the agency’s sales tax refund procedures. 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 \$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. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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