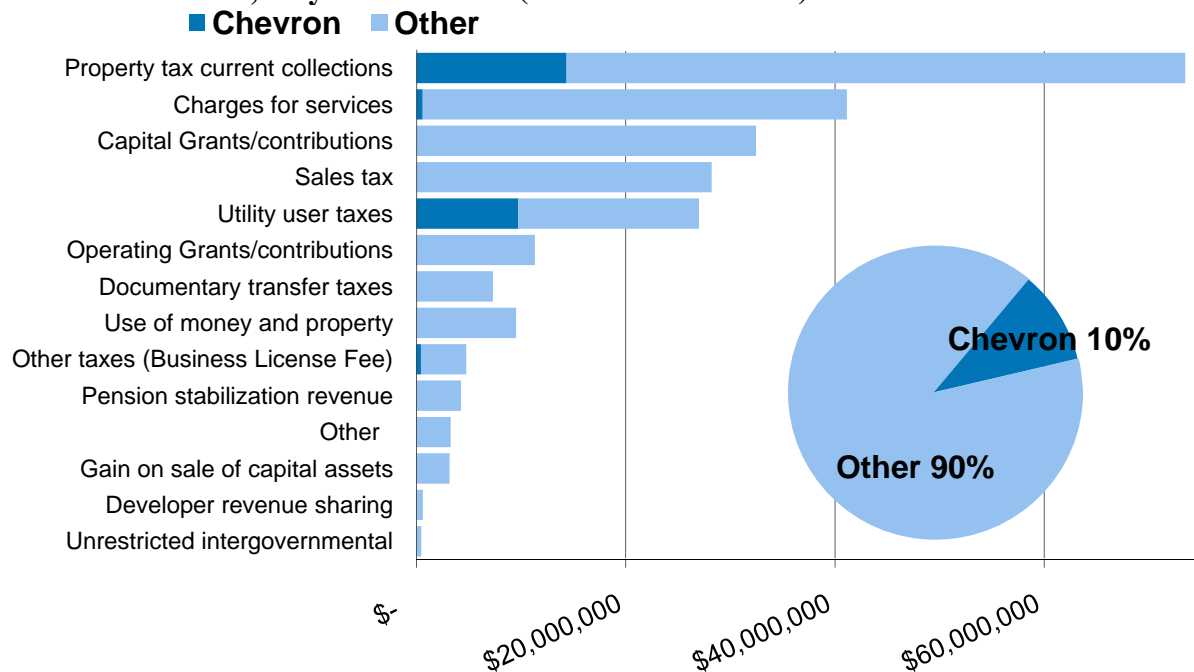


RICHMOND'S TAX REVENUE FROM CHEVRON

A Fact Sheet

From parks and streets in disrepair to under-funded shelters and recreation programs, the City of Richmond suffers from insufficient services and infrastructure essential for a high quality of life. Richmond's difficulty in paying for these services and resources, including community centers, parks, police and fire departments, public programs, and more, results from inadequate local public revenue—revenue that is largely generated through taxes and fees on the city's residents, businesses, and property owners. One of the most important sources of city income are the large businesses located in Richmond, and in particular, Richmond's largest industry, the Chevron refinery. Despite the significant presence of Chevron in Richmond, the amount of its contributions to public funding has remained unclear. This research investigates and breaks down what Chevron is contributing to the city's public revenue. Adding up all the significant taxes and fees that Chevron paid to the City of Richmond last year, we found Chevron contributes \$25 million, or about 10 % of the total city budget (\$247 million). This figure, however, is an estimate, as self-reporting and a lack of transparency hindered, and in some cases, prevented access to the most accurate information.

Source of Revenue, City of Richmond (Fiscal Year 2006-07)

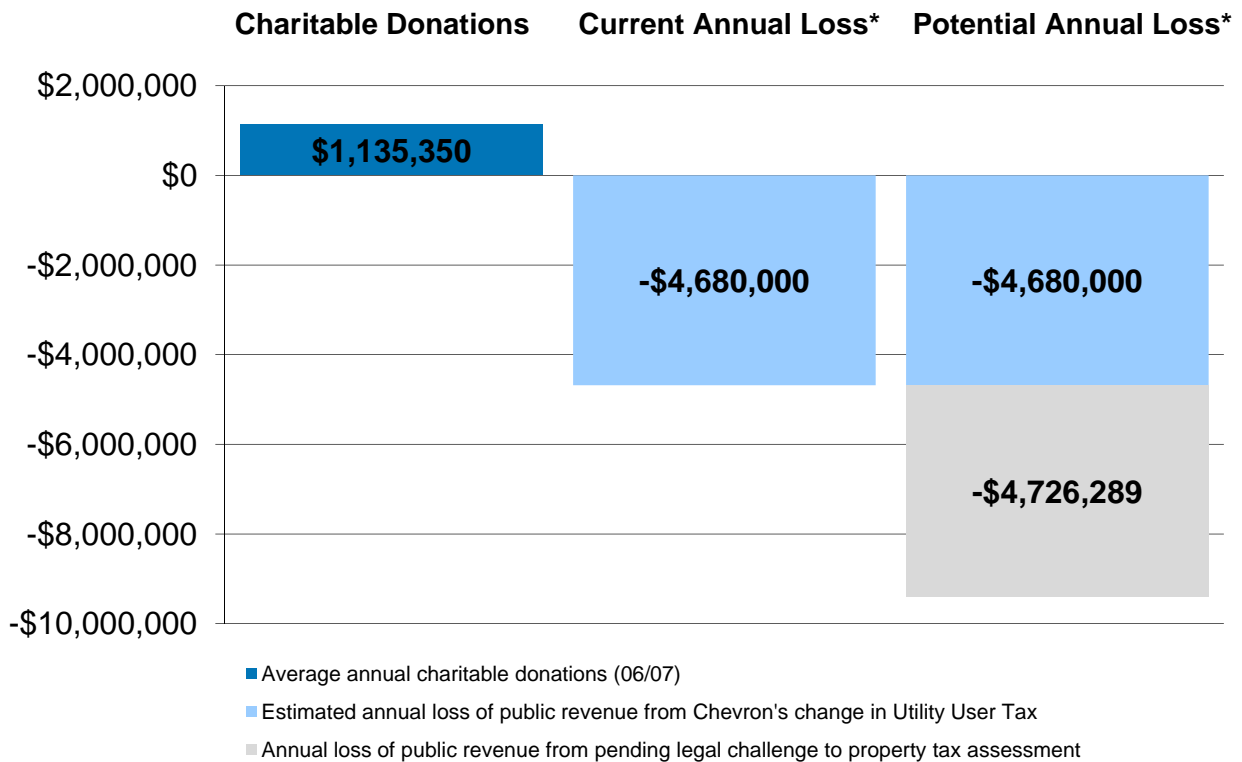


Source: Richmond's Tax Revenue from Chevron, Pacific Institute, 2008.

Chevron's Charitable Donations Versus Public Revenue Withheld from Richmond

Like many large corporations, Chevron contributes to the community not only through taxes and fees, but also through charitable donations. Chevron reported giving \$1.25 million in charitable donations to service providers in Richmond and Contra Costa County during 2006² and \$1.02 million in 2007.³ During this two-year period when the company's charitable donations averaged \$1.1 million, it took action to reduce its annual contributions to city revenue by an estimated \$9.4 million.⁴ This shows Chevron's charitable donations are minimal when compared with how much tax, and ultimately public revenue, Chevron has withdrawn and continues to work to evade.

Chevron's Annual Charitable Donations versus Estimated Annual Loss in Public Revenue from Chevron Tax/Fee Payment Reductions



The full version of "Richmond's Tax Revenue from Chevron," a chapter from the West County Indicators Project, is available free online: http://www.pacinst.org/reports/tax_revenue_chevron/.

* Estimated

¹ Chevron Corporation. (2007). Community Involvement. Retrieved June 23, 2008 from http://www.chevron.com/products/sitelets/richmond/pdfs/Richmond_Charitable_Donation.pdf

² Ibid.

³ Chevron Corporation. (2008). Community Involvement. Retrieved June 23, 2008 from http://www.chevron.com/products/sitelets/richmond/pdfs/Richmond_Donations_Char_9.pdf

⁴ The \$9.4 million figure includes an estimated \$4.68 million loss due to change in Chevron's UUT payments. It also includes a potential loss of \$4.73 million due to property tax reassessment, found in Tam, Katherine. 2007, November 29. Chevron appeals for cut in property tax. *Contra Costa Times*.



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