MINUTES

MONTANA SENATE
53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Senator Mike Halligan, on February 9, 1993, at 8:00 a.m.

ROLL CALL

Members Present:
Sen. Mike Halligan, Chair (D)
Sen. Dorothy Eck, Vice Chair (D)
Sen. Bob Brown (R)
Sen. Steve Doherty (D)
Sen. Delwyn Gage (R)
Sen. Lorents Grosfield (R)
Sen. John Harp (R)
Sen. Spook Stang (D)
Sen. Tom Towe (D)
Sen. Fred Van Valkenburg (D)
Sen. Bill Yellowtail (D)

Members Excused: None.

Members Absent: None.

Staff Present: Jeff Martin, Legislative Council
Bonnie Stark, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:
Hearing: SB 245, SB 247
Executive Action: None.
Discussion: SB 235

HEARING ON SB 245

Opening Statement by Sponsor:

Senator John Harp, representing Senate District 4, presented SB 245, which would divert money from being deposited into the Coal Severance Tax Permanent Funds to the General Fund. Senator Harp's original intent with SB 245 was not to affect the Treasure State Endowment, but the bill, as drafted, will affect that endowment.

Senator Harp said there is a little over $500 million in the Coal Severance Tax Permanent Fund (Permanent Fund) at this time. The Senator reviewed the composition of the Coal Severance Tax Trust Funds (Trust Fund), and the amounts payable from that Trust Fund for the Coal Severance Tax Bond Fund (Bond Fund), School District Bond Contingency Loan Fund, the Clean Coal Technology Demonstration Fund, and the Treasure State Endowment Fund (Endowment Fund).

Beginning July 1, 1993, and ending June 30, 2013, the Permanent Fund is to receive 50% of the principal transferred from the Bond Fund to the Endowment Fund in the preceding year. Senate Bill 245 would transfer the 50% amount to the General Fund instead of depositing it in the Permanent Fund for the period from July 1, 1993, to July 1, 1995, so that the 50% would not start being re-paid into the Permanent Fund until July 1, 1995.

Senator Harp suggested this Committee may want to look at what is being done with the Treasure State Endowment Fund, and consider transferring the few funds remaining in that Fund to the General Fund.

Proponents' Testimony:

None.

Opponents' Testimony:

Verner Bertelson spoke in opposition to SB 245, saying the primary reason for establishing the Coal Severance Trust Fund was that the Legislature determined to never again allow a non-renewable natural resource to be extracted without putting a small portion of its value aside to compensate present and future generations for this loss. Mr. Bertelson presented Exhibit No. 1 to these minutes, and urged the Committee not to disturb the flow of taxes into the Coal Tax Trust Fund.

Christine Mangiantini, representing the League of Women Voters (LWV), said the LWV supports investment policies for the Permanent Trust Fund which include consideration of the State's economic development goals and objectives. These include infrastructure improvements at the local level, long-term investments targeted at meeting the urban growth demand, and modernization. The proposal under SB 245 would possibly eliminate two local projects that are currently seeking infrastructure improvements through the Treasure State Endowment Fund. The LWV stands in opposition to SB 245.

Dennis Olson, representing the Northern Plains Resource Council (NPRC), spoke in opposition to SB 245. Mr. Olson said the Coal Severance Tax won a battle in the Supreme Court a few years ago and one of the reasons it was upheld is because the monies were not being used for the General Fund but were used for investing in the future. The Treasure State Endowment Fund is a

moderately-restricted step towards making more funds available to help the state meet fiscal crises, but the NPRC would oppose using the Trust Funds for this purpose.

Lynn Moon, representing the City of Helena, spoke in opposition to SB 245. The City is very interested in the Treasure State Endowment programs and they understand that from two to five projects would be lost each year if SB 245 passed.

Informational Testimony:

Senator Towe presented Exhibit No. 2 to these minutes, which is a study of the Treasure State Endowment Program (TSEP) funds and is a definition of the TSEP Act. This exhibit outlines the demands on the Annual Coal Tax Revenue.

Questions From Committee Members and Responses:

On questions from Senator Towe, Senator Harp said his intent with SB 245 was not to affect the Treasure State Endowment, but to put what was left after the TSE payment into the General Fund.

Closing by Sponsor:

Senator Harp said there are some people who feel that since we are looking at $100 million in tax increases and $100 million in cuts in programs, why not put the remainder of money in the Coal Tax Fund into the General Fund.

DISCUSSION ON SB 235

A letter from Mick Robinson, Director of the Department of Revenue, was distributed to the Committee, a copy of which is attached to these minutes. This letter enclosed a chart showing the impact that reductions in income and property taxes will have on Montanans' Federal Income Tax liability for the tax year 1994. Another document was distributed, with a copy attached to these minutes, which is data prepared by Dave Bohyer, Research Director for the Montana Legislative Council.

Mr. Robinson explained the chart, and said that if a person did not itemize deductions on the Federal Income Tax Return, there would not be any impact under SB 235.

Senator Towe questioned Mr. Robinson about who would appear in the "No. of Gainers" column figures on the chart. Mr. Robinson will get this information and report back to the committee.

Senator Grosfield questioned Mr. Robinson about who would appear in the "No. of Losers" column figures on the chart. Mr. Robinson said that in the SB 235 proposal, the over-all state tax burden to someone in the $30,000 and above income bracket would

increase, and if the Federal Tax increase was added, it would be much more, and they would be included in the "losers" column on the chart.

HEARING ON SB 247

Opening Statement by Sponsor:

Senator Tom Keating, representing Senate District 44, presented SB 247, which would repeal the Resource Indemnity Trust Tax (RITT) when this trust reaches $100 million. Senator Keating presented Exhibit No. 3 to these minutes, which explains the flow into and out of the RITT fund, and shows Trust Fund balances. Senator Keating said the Resource Indemnity Trust is a constitutional trust, and SB 247 states that when this trust reaches $100 million, the Governor will certify that the fund has reached its obligation amount and that the RIT tax, which is dedicated to the Fund, is no longer needed, has served its purpose, and is rescinded by Executive Order. This amounts to a sunset of the RIT tax as it relates to the oil and gas production in the state of Montana. Art. IX, Sec. 2, of the Constitution, says the Trust shall remain forever inviolate until the principal reaches $100 million at which time the tax may be spent. The Trust should reach $100 million sometime after 1995, depending on the amount of production in the state and the additional uses that are attached to the tax before it flows into the Trust.

Senator Keating said the intent of the Trust was to create a fund, with the interest from that fund being used for reclamation and restoration of the physical environment after the extraction companies had completed their operations in the state. It was also to protect against the depletion of natural resources.

Senator Keating said that 2/3 of the lands in Montana are fee title and the mineral rights under those lands are private property. The other lands are Federal minerals and State minerals. There is no RIT tax on State and Federal production except from the operator's portion of that royalty. The fee owners are paying 1/2 of 1% of their gross proceeds in a tax on the diminishing asset into the Trust Fund. The Oil and Gas industry has paid over 60% of the total amount in the Trust Fund. The money flowing into the Trust has been building toward $100 million at which point the taxpayer will have satisfied the obligation and be free of the tax, according to Senator Keating. Two years ago the tax was attached by a ground water assessment. The interest income from the Trust is close to $17 million; $7 million goes to water development, $5 million goes to reclamation and development; $1 million goes for renewable resources; $2 million is in the super fund cleanup project; and $1 million is for environmental quality protection. Senator Keating thinks the ground water assessment program and the damage mitigation account should be funded from interest income from the Trust Fund.

Senator Keating said that in 1982, Montana was producing 32 million barrels of oil a year; now the figure is 19 million barrels a year and declining. Montana has lost over 35% of its production capabilities, which means a considerable loss in the tax base. The oil industry pays a total of 13%-14% tax on oil, and 18% tax on natural gas, gross proceeds. The oil producers pay 5% state severance tax, 7% county tax, 1/2% RIT, and 2/10% conservation tax, for a total of 12.7% of the gross proceeds of the oil.

Senator Keating said that last week there were two rigs counted in Montana; each rig produces 100 jobs. Senator Keating believes there is a lot of potential for an increase in oil exploration and production in Montana, but something needs to be done to stimulate a favorable attitude for exploration. If the RIT tax were to sunset, as called for in SB 247, it would mean a .5% reduction in the over-all tax. This might stimulate exploration, and if so, the royalties paid on the fee lands which would be leased would stimulate the state's economy.

Proponents' Testimony:

Jim Mockler, Executive Director of the Montana Coal Council, spoke in support of SB 247, saying when this .5% tax was established in 1975, the Legislature told all of the extractive industries that once this Fund reached $100 million, the tax would be taken off. Mr. Mockler fears the tax won't be taken off, but hopes it will sunset as promised in 1975.

Doug Abelin, representing the Northern Montana Oil and Gas Producers, spoke in support of SB 247.

Opponents' Testimony:

Janet Ellis, Montana Audubon Legislative Fund, spoke against SB 247, stating the purpose of the Resource Indemnity Tax and Trust were two-fold: First, it was felt Montanans would need something long-term to replace the loss of a non-renewable resource; and, second, there are long-term impacts on Montana because of the extraction of these non-renewable resources. Ms. Ellis said these two things will not disappear just because the $100 million level is reached in the Trust, and urged the Committee not to pass SB 247.

Informational Testimony:

None.

Questions From Committee Members and Responses:

Senator Grosfield asked if the Resource Indemnity Tax was sold on the idea that when the cap was reached, it was gone; that one of the complaints about the business climate in Montana

is that the tax policy is unpredictable and this would be one more example of this.

Senator Grosfield asked Jeff Martin, Legislative Council Staff Representative, about the SB 247 provision that the RITT terminates when the Governor certifies to the Secretary of State that $100 million has been reached in the Fund, and if this is a common termination clause. Mr. Martin said this method has been used once before. Senator Eck further explained that this certification by the Governor just means there is that much money in the Trust Fund; it doesn't mean that the rest of the funds are available for appropriation.

Senator Gage questioned Senator Keating about the ground water assessment tax being stricken from SB 247, and if there are any other budget proposals which would include a ground water fund. Senator Keating said if SB 247 is passed, the ground water account would come out of the RIT tax until the tax would sunset, at which time there would have to be another ground water source fund found. Senator Keating further said that since the RIT tax would not be rescinded until sometime after 1995, arrangements could be made in the next biennium for a ground water assessment fund, possibly in one of the water development programs, or some other source from the RIT interest income.

Senator Gage asked Senator Keating about the metalliferous mines license tax under SB 247, and Senator Keating responded that the minerals tax would go into the General Fund after the RIT Fund reaches $100 million and is certified by the Governor.

Closing by Sponsor:

Senator Keating said that all oil and gas does not belong to the public; for the most part, these minerals are under private land ownership. For this reason, he believes the assumption in the Constitution is invalid, and the $100 million being paid into the RIT Trust Fund is coming from private property, not public property. Insofar as it being a non-renewable resource, Senator Keating believes that, although it is safe to assume that there is a finite supply of oil and gas in the world, we have only touched the surface in searching for oil and gas in Montana. It takes risk money, technology, and people working and investing to try to find the reserves, but with proper exploration, we can replace our annual production of oil and gas by finding new reserves that exist in Montana, and in that sense, these are renewable resources. Senator Keating said oil and gas in the ground have no value whatsoever, but if they are located and produced, they have tremendous value to society in the sense that they provide jobs, create new wealth, and produce cheap energy for homes and industry. Senator Keating further said that once this Fund has been achieved, he thinks the people of this state will have been satisfied with regard to at least some legacy from the riches under the soil, but, nevertheless, by way of production, it is private property and not public trust.

ADJOURNMENT

Adjournment: The meeting adjourned at 9:06 a.m.

MIKE HALLIGAN, Chair

BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE TAXATION DATE 2-9-93

NAME	PRESENT	ABSENT	EXCUSED
Sen. Halligan, Chair	✓		
Sen. Eck, Vice Chair	✓		
Sen. Brown	✓		
Sen. Doherty	✓		
Sen. Gage	✓		
Sen. Grosfield	✓		
Sen. Harp	✓		
Sen. Stang	✓		
Sen. Towe	✓		
Sen. Van Valkenburg	✓		
Sen. Yellowtail	✓		

FC8

Attach to each day's minutes

Testimony on S.B. 245 Transferring Coal Trust funds to General Fund.

SENATE TAXATION
EXHIBIT NO. 1
DATE 2-9-93
BILL NO. SB 245

Mr Chairman and members of the Taxation Committee.

I am Verner Bertelsen and this morning I am representing myself. I rise in opposition to Senate Bill 245 which proposes to divert coal tax trust funds to the General Fund.

The primary reason for establishing the coal severance tax trust fund was that we should never again allow a non-renewable natural resource to be extracted without putting a small portion of the value aside to compensate present and future generations for this loss. Fortunately we have been successful in protecting the Constitutional Coal Tax Trust Fund and the rewards have been great. This year we will cross $500 million dollar mark in the fund. The interest from the permanent coal trust fund is distributed 85 per cent to the general fund and 15 per cent to the school equalization account. During the fiscal period of 1981 through fiscal 1992, 296.3 million dollars from the trust was deposited in the general fund.

in addition to the amount deposited in the school equilization account. In fiscal 1995, permanent coal tax trust fund interest provided 8.2 per cent of the total revenue to the general fund. What an endowment we have! If we had a ~~state~~ business which provided that kind of help to our state income picture we would treat it like the goose which laid the golden egg — Which it is! Let's not strangle the goose.

We have benefitted for years from excellent credit which the coal tax ~~fo~~ trust fund has protected. We would be hard pressed to quantify how great a saving this has been to our state. However, we would quickly see the increased cost of bonds if the Coal tax trust Fund were not ~~there~~ maintained as a viable growing fund. Our bonds would cost us more. At a recent committee hearing to cap the permanent coal tax ~~bonding companies~~ fund bonding companies expressed these concern.

Read Mae Nan Ellingsons letter.

We have in the last several ~~few~~ years failed to provide income to meet state expenses and have robbed every single fund which was established to protect the future of education and other state needs.

So it is now no great surprise that we want to rob the last premier fund we have, our Constitutional Coal Tax Trust Fund, our endowment for the present and the future.

The Coal tax trust Fund for some time grew by about $50 million dollars each year, this has now fallen to 20 million dollars a year. This occurred because we cut the rate of taxation to stimulate production which was to compensate for the lower rate. It didn't! But certainly even $20 million dollars a year is worth protecting for our endowment to ourselves and our future. Montanans agreed when they rejected the most recent attempt to cap the Constitutional Coal tax trust with the so-called "Big Sky Dividend Program" If we ever cut the flow of funds to the permanent coal tax trust fund we will certainly destroy the trust. Inflation will decrease its value and if we ever get to living off the flow of taxes to the trust we will never give them up.

I would like to add not only much we protect the flow of money

EXHIBIT 1
DATE 2-9-93
SB-245

into the trust bank we must most certainly look more closely at the investments into which we are putting these funds. Only a fool would invest our funds into businesses with no equity and no return of interest to the state. that is an open invitation to steal from the state, More on that later

You are our stewards of the Constitutional Coal Tax trust fund so I plead with you for the good of Montana - today - tomorrow and forever don't spend the taxes coming to this dark trash. Have pride enough to say "We do ~~not~~ want to disturb the flow of taxes to Montana's Constitutional Coal tax trust Fund.

Thank you,
Verner Bertelsen
1800 Wisne Ave.
Helena, Mt.

TREASURE STATE ENDOWMENT PROGRAM (TSEP)

Annual Coal Tax Revenue
$ 40,000,000
$-20,000,000 earmarked programs
$ 20,000,000 Balance
↓
PERMANENT TRUST
↓
minus $ 500,000/yr. for Coal Sev. Tax Bonds
↓
minus $ -0- /yr. for School Const. Bond Special
↓
minus $ 5,000,000/yr. for 3 yrs. Clean Coal
= $14,500,000*

SENATE TAXATION
EXHIBIT NO. 2
DATE 2-9-93
BILL NO. SB 245

Operating Year		Annual Deposits to Perm. Fund Principal	Annual Deposits to TSEP Fund Principal	Est. Annual Interest Available for Distrib.
1	FY '94	$ 7,250,000	$ 7,250,000	$ 1,013,136
		(10,000,000) → →	$ 10,000,000	
2	FY '95	$ 7,250,000	$ 7,250,000	$ 1,653,748
3	FY '96	$ 7,250,000	$ 7,250,000	$ 2,395,000
4	FY '97	$ 9,750,000	$ 9,750,000	$ 3,175,000
5	FY '98	$ 9,750,000	$ 9,750,000	$ 3,955,000
6	FY '99	$ 9,750,000	$ 9,750,000	$ 4,735,000
7	FY '00	$ 9,750,000	$ 9,750,000	$ 5,515,000
8	FY '01	$ 9,750,000	$ 9,750,000	$ 6,295,000
9	FY '02	$ 9,750,000	$ 9,750,000	$ 7,075,000
10	FY '03	$ 9,750,000	$ 9,750,000	$ 7,855,000
11	FY '04	$ 9,750,000	$ 9,750,000	$ 8,635,000
12	FY '05	$ 9,750,000	$ 9,750,000	$ 9,415,000
13	FY '06	$ 9,750,000	$ 9,750,000	$ 10,195,000
14	FY '07	$ 9,750,000	$ 9,750,000	$ 10,975,000
15	FY '08	$ 9,750,000	$ 9,750,000	$ 11,775,000
16	FY '09	$ 9,750,000	$ 9,750,000	$ 12,535,000
17	FY '10	$ 9,750,000	$ 9,750,000	$ 13,315,000
18	FY '11	$ 9,750,000	$ 9,750,000	$ 14,095,000
19	FY '12	$ 9,750,000	$ 9,750,000	$ 14,875,000
20	FY '13	$ 9,750,000	$ 9,750,000	$ 15,655,000
21	FY '14	$19,500,000	$ - 0 -	$ 15,655,000
TOTALS		$207,000,000	$197,500,000	$180,791,884

* Changes to $ 19,500,000 in year 1997.
Years '94 & '95 projected at 8.26% & 8.56% interest earning rate, respectively.
Years '96 & on, projected at 8% interest earnings rate.

"TREASURE STATE ENDOWMENT PROGRAM"

The Definitions of the Act: (LR 110)

1. Creates a Treasure State Endowment Fund & Program (TSEP). (effective 10/1/92)

2. Provides for a 50% TSEP Fund / 50% Permanent Trust Fund deposit of uncommitted annual coal severance tax receipts.

3. Authorizes interest from TSEP fund to be spent on grants, debt service subsidies, and loans to local governments.

4. Transfers $10 million (one time) from the permanent trust to the TSEP fund. (effective 7/1/93)

5. Provides that the 53rd legislature may authorize the issuance of bonds in order to provide the maximum amount of initial funding.

6. Defines eligible projects as: drinking water systems; wastewater treatment; sanitary sewer or storm sewer systems; solid waste disposal and separation systems, including site acquisition, preparation or monitoring; and bridges.

7. Expands the coal severance tax bond program & amend 17-5-701 and 17-5-703, MCA.

8. Provides statutory priorities for ranking applications.

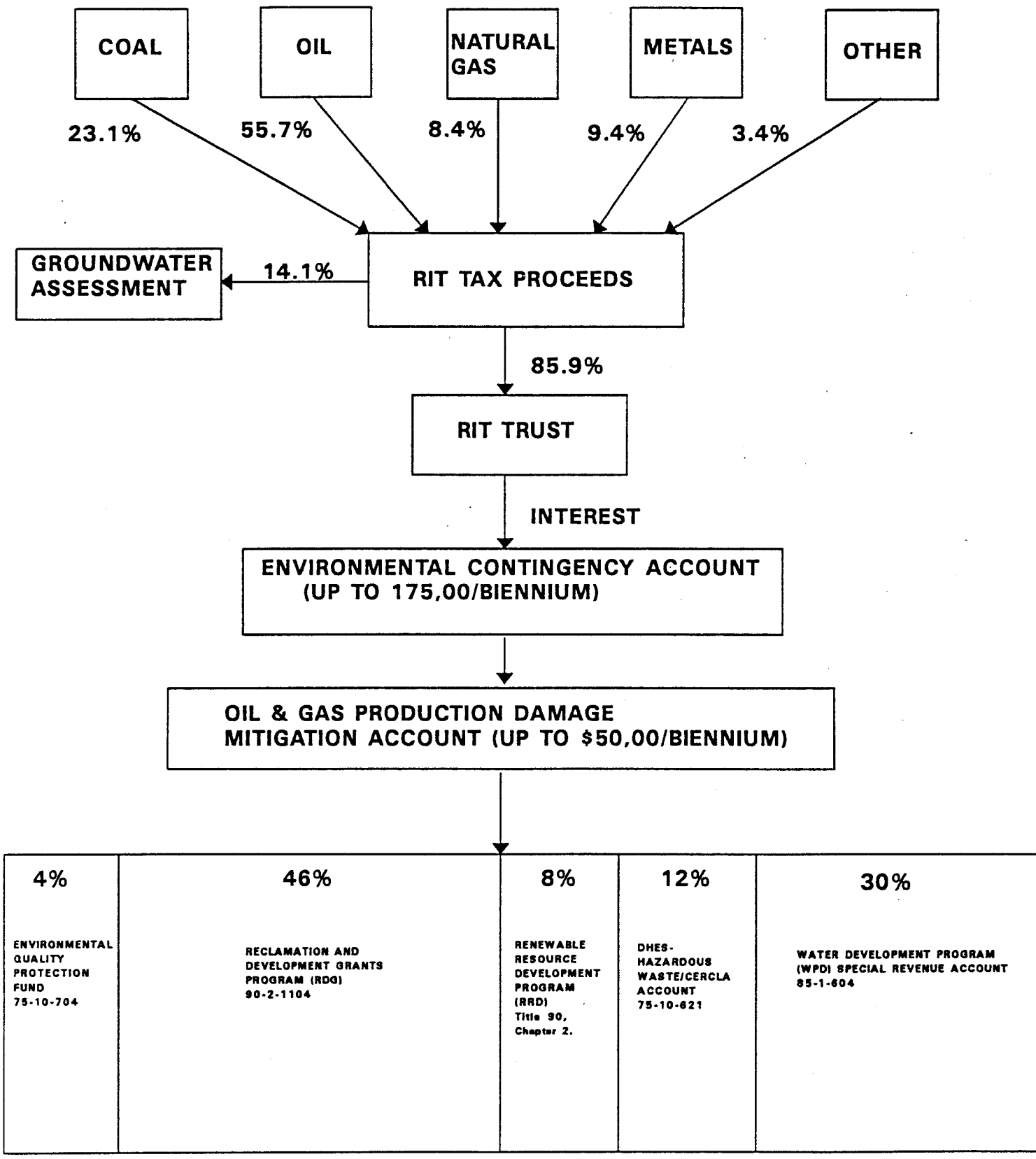
9. Provides for Executive Branch application review/recommendations and final Legislative project funding review/approval.

10. Submits the creation of TSEP (LR 110) to the qualified electors. (Passed 6/3/92)

nba1/5/93

SENATE TAXATION
EXHIBIT NO. 3
DATE 2-9-93
BILL NO. SB247

RESOURCE INDEMNITY TRUST

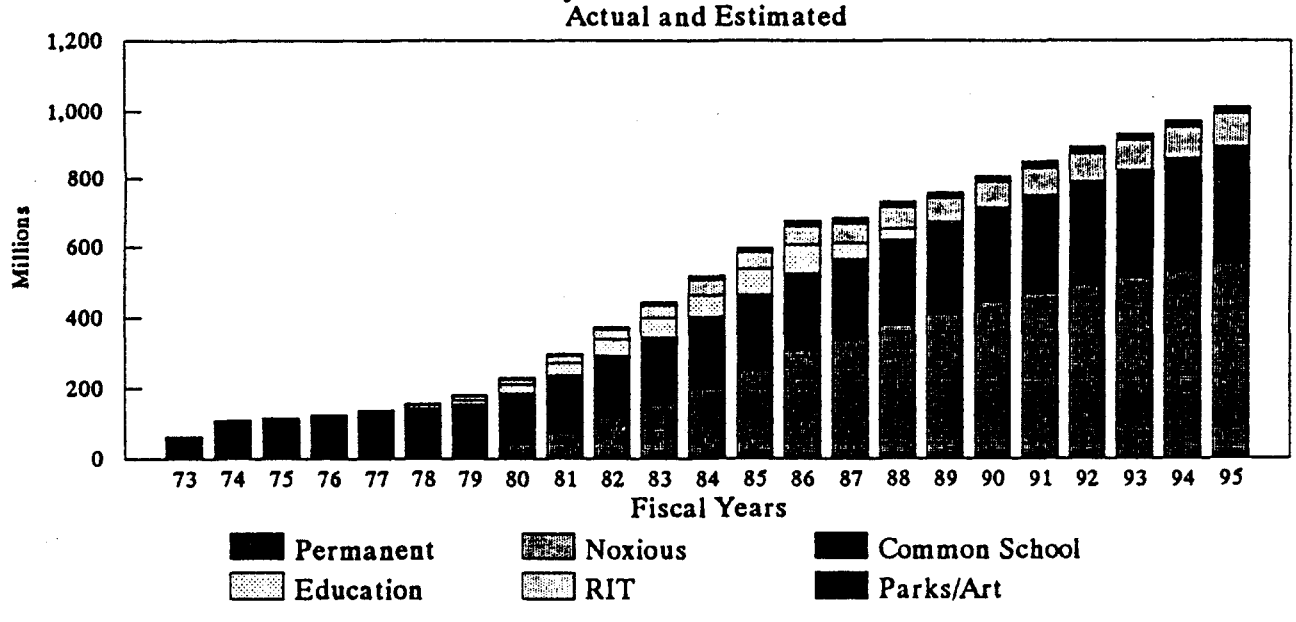


TRUST FUNDS--INTEREST AND BALANCES

Trust Fund Balances
Actual and Estimated

Fiscal Year	Permanent Coal Tax Trust Fund	Common School Trust Fund	Education Trust Fund	Resource Indemnity Trust Fund	Parks Acquisition Trust Fund	Arts Protection Trust Fund	Noxious Weed Trust Fund	Total Trust Funds
A 73	$0	$64,223,773	$0	$0	$0	$0	$0	$64,223,773
A 74	0	108,998,870	0	1,141,385	0	0	0	110,140,255
A 75	0	113,064,188	0	3,287,456	0	0	0	116,351,644
A 76	0	117,849,628	2,227,793	5,552,291	278,725	0	0	125,908,437
A 77	0	123,281,528	6,039,530	8,232,247	758,308	0	0	138,311,613
A 78	6,268,262	129,949,247	8,983,763	10,646,851	1,174,356	0	0	157,022,479
A 79	16,940,538	137,716,735	12,339,549	12,574,209	1,475,732	0	0	181,046,763
A 80	39,964,765	147,527,943	23,905,146	16,204,531	3,565,371	0	0	231,167,756
A 81	75,187,459	163,163,556	33,624,170	21,165,464	5,325,746	0	0	298,466,395
A 82	118,336,314	176,467,865	44,338,477	28,328,946	7,480,418	0	0	374,952,020
A 83	158,358,806	189,390,417	52,665,410	36,181,889	9,481,542	0	0	446,078,064
A 84	202,936,358	201,319,109	60,925,268	42,986,128	11,565,460	0	0	519,732,323
A 85	252,420,524	214,764,544	70,500,922	47,396,179	13,859,181	0	0	598,941,350
A 86	309,384,250	217,677,906	79,761,708	53,039,675	16,222,131	0	443,184	676,528,854
A 87	339,883,180	227,687,073	44,091,429	56,861,627	16,613,608	0	824,550	685,961,467
A 88	381,180,287	239,553,633	33,671,110	61,750,961	16,581,042	0	1,070,972	733,808,005
A 89	411,838,993	254,128,428	8,651,477	66,665,000	16,608,706	0	1,320,720	759,213,324
A 90	446,511,416	268,496,362	0	72,811,618	17,936,701	0	1,688,370	807,444,467
A 91	470,322,655	280,326,496	0	77,324,921	18,882,548	0	2,121,973	848,978,593
A 92	496,465,569	291,753,603	0	82,489,898	12,588,366	7,051,506	2,584,254	892,933,196
F 93	516,615,874	304,286,871	0	87,727,823	12,588,366	7,203,042	2,500,000	930,921,976
F 94	536,490,343	319,605,608	0	92,626,122	13,109,517	7,463,721	2,500,000	971,795,311
F 95	556,479,387	334,924,345	0	97,614,242	13,631,037	7,724,584	2,500,000	1,012,873,595

History of Trust Fund Balances
Actual and Estimated



Montana Oil Journal

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with NEWS of

OIL in the ROCKY MOUNTAINS & GREAT PLAINS OF THE WEST

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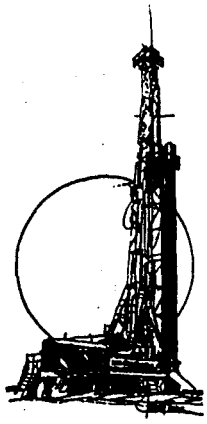

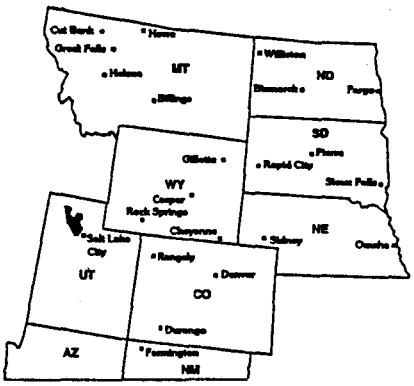

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Wyoming And Utah Overthrust Wildcats Plugged And Abandoned

Both Chevron and Exxon have plugged their companies Overthrust ventures locating in Uinta County Wyoming and Summit County Utah respectively. On the Wyoming side Chevron has abandoned the #1-4 Chevron Federal swnw 14-14n-120w Uinta County. This test bottomed in the Nugget at a depth near 15,980'. No tests were performed and one core in the Nugget was cut around 15,950'. Apparently the Nugget did not have the reservoir characteristics needed at depth and the well was plugged. This hole was plagued by numerous mechanical and geological problems and reportedly Chevron and partners spent over $10 million in drilling this test. One mile to the northeast of Chevron's dry hole Cities Service drilled a test in the nesw 12-14n-120w. This test bottomed at a total depth of 14,080' and was abandoned with no cores or tests run. Log tops included the Preuss at 11,948', fault at 11,949' and the Frontier at 13,100'. Nearest production to the Chevron #1-4 is about two miles to the northwest at S.E. Glasscock Hollow, a Twin Creek/Nugget reservoir.

Spotting some 14 miles to the southwest in Summit County Utah, Exxon has abandoned the #1 UPRC D nwnw 17-3n-8e. Set up as a 16,000' Nugget test, Exxon achieved a total depth around 14,140. Although not confirmed by the company, Exxon reportedly cut numerous repeat sections in this hole and never did encounter the primary objective which was the Nugget. Closest drilling to the Exxon failure locates one mile to the west at Amoco's #1E Thousand Peaks test nwnw 18-3n-8e. This test was abandoned at a depth of 16,635 after production tests of the Twin Creek proved negligible. Nearest established production to the Exxon dry hole is three miles north at Anschutz Field East, a prolific Nugget/Twin Creek reservoir. □

Houston Oil Men Speak Out For Import Fee

The chairmen of three of the nation's largest independent energy companies today urged President-elect Clinton to adopt an energy security fee on imported oil and petroleum products.

Speaking at a press conference here today, Forrest E. Hoglund of Enron Oil & Gas Company, George P. Mitchell of Mitchell Energy & Development Corp. and Raymond Plank of Apache Corporation said the majority of American independents are solidly behind the security fee as the single best action President Clinton can take to simultaneously create jobs, enhance the environment, improve the trade balance, reduce dependence on foreign oil and raise revenues to offset the federal deficit.

The energy leaders said they believe some sort of energy tax is inevitable and suggested that President-elect Clinton "can

continued on page 4...

CRUDE OIL PRICES

Effective Date: January 19, 1992

AREA	Price/bbl, 40gty
West Texas Intermediate	$17.25
Central Montana	16.15
Northwest Montana	15.40
Williston Basin Sweet	16.65
No. Dakota-Billings Nose	16.90
Fryburg-Medora flat rate	16.00
Wyo. & So. Mont. Sour	13.75
Wyoming Sweet (Powder Rv Ban)	16.75
Williston Basin sour	12.65
North Central Colorado	16.50
Four Corners	16.50
Nebraska	16.25

RIG COUNT

As reported by Hughes Tool	This Week	Week Ago	Month Ago	Year Ago
Montana	2	1	3	2
North Dakota	10	9	11	10
South Dakota	0	0	0	0
Wyoming	58	58	52	26
Nebraska	2	2	3	3
Colorado	38	39	47	33
New Mexico	35	34	41	25
Utah	6	7	14	11
Nevada	2	2	0	4
TOTAL US	838	903	935	716
Canada Land	179	150	188	144

Balcron Oil Flowing Crude From Mission Canyon-McLean County North Dakota

Billings based Balcron Oil is reportedly flowing oil from the Mission Canyon at the Company's #22-16 State senw 16-149n-89w McLean County North Dakota. With the details being held "tite" field sources have indicated that oil has been trucked off the site and this wildcat is capable of sustaining commercial production. At the present the MOJ does not have an accurate gauge as to how much oil the #22-16 is yielding on a per day rate.This wildcat less is than two miles east of the Garrison Reservoir and some three miles southwest of established Mission Canyon production at Lucky Mound field.To the northeast of this indicated discovery about one mile, Balcron drilled the #23-10 Billadeau nesw 10-149n-89w, a Mission Canyon wildcat that had excellent shows. Total depth achieved was 8060' in the Mohall. One DST in the Sherwood from 7870-7892' reversed out 200' of highly gas and oil cut muddy sulfur water while the sample chamber contained 700 cc's of fluid (90% oil, 10% water) and 2.7 cfg.

Nearest Mission Canyon Production to the #22-16 State is about three and a half miles north at Lucky Mound field. Discovered in the latter part of 1990, Lucky Mound Field, 150n-89w currently has on production 23 pumping wells with one shut in and one converted to salt water disposal. Current monthly production is averaging about 24,000 bo. Reservoir characteristics show that the average thickness for the pay is 25' with the porosity averaging 10%. Estimated production area contains 1980 acres.

Balcron opened up Lucky Mound field with the #33-15 Wahner nwse 15-150n-89w. Drilled to a depth of 8013' this wildcat was completed pumping 324 bopd, 36 bwpd from Sherwood perfs 7934-7958'. Latest production figures show that this well is making about 39 bopd with 8 bwpd.

Should the #22-16 State be completed as a discovery, this would be a nice way for Balcron to begin the new year in the Williston Basin. □

Please let the MOJ know if you have moved.

Thank you

Upcoming Lease Sales...

State of Montana

Marc Racicot, Governor

EXHIBIT 3
DATE 2-9-93
SB-247

Department of Revenue
Mick Robinson, Director

Room 455, Sam W. Mitchell Building
Helena, Montana 59620

February 8, 1993

Senator Mike Halligan, Chairman
Senate Tax Committee

Dear Senator Halligan:

As was discussed at the Senate Tax Committe hearing on SB235, one of the outcomes of that proposal is that Montanans would see significant reductions in their state income and property taxes. Because these taxes are deductible for federal income tax purposes, reducing these taxes also reduces the itemized deductions that Montanans can claim for federal income tax purposes.

One of the questions that arose during the Committee hearing pertained to the impact that these reduced itemized deductions would have on Montanans' federal income taxes. The attachment shows the department's estimates of these impacts.

There are several points to bear in mind regarding this attachment:

First, the analysis was conducted on ***all*** households that itemized deductions for ***Montana*** income purposes. This includes the 161,431 households shown in column two. (It is assumed that if an individual or household takes the standard deduction for state income tax purposes, that they also would take the standard deduction for federal purposes, since federal standard deduction levels are so much higher than at the state level.) ***The analysis indicates that federal income tax liabilities would rise by about $4.2 million in tax year 1994 as a result of the provisions of SB235.***

Second, only a fraction of households that itemized deductions for state income tax purposes also itemized deductions for federal purposes. Only about 67,000 households would experience a change in their federal income tax of $5 or more.

Third, while most of these households would lose under the proposal, nearly 17,000 households would ***gain*** under the proposal. The impact of $4.2 million is the net change resulting from both gainers and losers. Gainers include those households

whose state income tax liabilities rise more than their reduction in homeowner property taxes under SB235. Gainer households would experience a total decrease in federal taxes of around $2.5 million; whereas approximately 59,000 losing households would experience a total increase in federal taxes of around $6.7 million.

If you or any of the Committee members have further questions regarding this issue, please feel free to contact the department.

Sincerely,

Mick

Mick Robinson
Director

cc: Judy Rippingale
Jeff Miller

SB235 – IMPACT THAT REDUCTIONS IN INCOME AND PROPERTY TAXES HAVE ON MONTANANS' FEDERAL INCOME TAX LIABILITIES – TAX YEAR 1994

Income Bracket	No. of Hshlds.	Total Income	Federal Income Tax Liability			No. of Gainers	No. of Losers	Households that Gain			Households that Lose		
			Current	Proposed	Change			CL Tax	PL Tax	Change	CL Tax	PL Tax	Change
0	648	441,612	0	0	0	0	0	0	0	0	0	0	0
2	2,430	7,388,334	0	0	0	0	0	0	0	0	0	0	0
4	2,268	11,367,054	10,665	10,665	0	0	0	0	0	0	0	0	0
6	4,050	28,224,774	140,836	143,679	2,843	0	162	0	0	0	32,369	35,212	2,843
8	3,078	27,705,078	439,177	456,582	17,405	0	486	0	0	0	93,570	110,975	17,405
10	5,044	55,607,612	2,187,042	2,227,318	40,276	0	968	0	0	0	480,636	520,605	39,969
12	4,256	55,314,470	2,407,388	2,435,563	28,175	0	760	0	0	0	541,912	569,854	27,942
14	5,888	88,882,570	4,152,660	4,208,789	56,129	80	1,280	74,975	66,089	(8,886)	1,132,982	1,198,063	65,081
16	6,046	103,212,604	5,860,394	5,904,856	44,463	240	1,562	262,717	239,428	(23,289)	1,500,658	1,567,959	67,301
18	6,448	121,681,354	8,128,220	8,176,503	48,283	400	1,720	548,213	520,399	(27,814)	2,024,612	2,100,513	75,901
20	16,044	362,160,740	31,168,945	31,255,654	86,709	1,040	4,480	1,868,428	1,682,953	(185,475)	7,031,591	7,303,213	271,623
25	15,956	438,398,600	42,341,202	42,553,425	212,224	1,178	5,252	2,743,431	2,665,996	(77,434)	12,222,094	12,511,108	289,014
30	14,366	466,366,742	49,693,542	49,956,860	263,317	1,364	5,554	4,243,264	4,140,534	(102,731)	18,002,923	18,369,090	366,167
35	13,826	517,770,730	57,185,533	57,427,163	241,630	1,562	5,848	5,529,680	5,393,669	(136,012)	23,347,321	23,725,184	377,864
40	13,118	556,364,778	64,073,727	64,309,965	236,238	1,800	5,456	7,821,848	7,701,673	(120,175)	25,465,848	25,821,834	355,987
45	10,947	519,209,724	64,041,474	64,347,176	305,702	1,611	5,061	8,269,772	8,145,332	(124,440)	28,762,748	29,192,707	429,959
50	8,684	455,751,546	60,249,412	60,595,109	345,697	1,437	4,817	8,597,753	8,460,155	(137,599)	33,024,504	33,507,772	483,268
55	5,956	341,790,817	47,589,013	47,777,734	188,722	1,387	3,051	9,951,771	9,792,493	(159,278)	24,164,841	24,512,564	347,724
60	5,118	318,867,578	47,544,775	47,702,377	157,602	1,251	2,473	10,748,286	10,592,312	(155,973)	22,740,682	23,054,353	313,671
65	3,410	229,888,087	36,239,994	36,369,262	129,268	838	1,875	8,190,958	8,094,500	(96,458)	19,685,307	19,911,051	225,744
70	2,398	173,594,150	28,505,723	28,583,662	77,938	614	1,263	6,737,751	6,652,086	(85,666)	14,885,997	15,049,590	163,593
75	1,820	140,708,549	23,949,223	23,988,124	38,901	437	955	5,142,394	5,047,488	(94,906)	12,850,476	12,984,305	133,829
80	2,408	203,368,541	36,077,434	36,149,432	71,998	539	1,384	7,383,348	7,244,408	(138,940)	21,200,624	21,411,568	210,943
90	1,545	146,127,382	27,163,457	27,245,837	82,380	287	908	4,478,905	4,398,449	(80,457)	16,158,413	16,321,269	162,857
100	1,027	107,633,361	20,772,440	20,816,418	43,978	205	638	3,628,286	3,543,229	(85,056)	13,279,384	13,408,418	129,033
110	751	86,170,980	16,982,682	17,042,368	59,686	141	482	2,840,714	2,785,408	(55,306)	11,198,789	11,313,767	114,978
120	604	75,421,558	15,400,291	15,451,271	50,979	84	409	1,918,394	1,861,177	(57,217)	10,582,231	10,690,422	108,191
130	443	59,737,679	12,794,645	12,861,311	66,666	65	308	1,659,959	1,636,997	(22,962)	9,032,703	9,122,326	89,622
140	360	52,079,366	11,509,195	11,568,522	59,327	48	238	1,393,815	1,374,508	(19,307)	7,714,195	7,792,835	78,639
150	2,494	779,165,173	208,057,980	209,263,770	1,205,790	345	1,846	22,896,613	22,395,388	(501,225)	163,785,533	165,492,541	1,707,008
TOTALS	161,431	6,530,401,543	924,667,069	928,829,395	4,162,326	16,953	59,236	126,931,275	124,434,671	(2,496,606)	500,942,943	507,599,098	6,656,156

EXHIBIT 3
DATE 2-9-93
SB-247

IT'S ALL THEORETICAL UNTIL AFTER THE FACT....

K.J. Martin

Prepared by Dave Bohyer, Research Director
Montana Legislative Council
January 30, 1993

NOTE: The following data are estimates only and are based on previously published data and on assumptions. Actual sales taxes paid or payable will vary by family size, income level, age of family

3.75%	1985 NM Sales Tax Rate
4.00%	Proposed MT Sales Tax Rate
124.29%	CPI Inflation since 1985
10.00%	Estimated expenditures on food
99.28%	MT/NM PCPI in 1985
138.42%	Growth in MT PCPI 1985–91

TABLE 2
Estimated Sales Taxes Payable by Family Size and Income
Montana 1991

Income	FAMILY SIZE 1	2	3	4	5	Over 5
$1 – $11,074	$140	$172	$179	$185	$197	$220
$11,075 – $13,842	162	196	208	216	230	254
$13,844 – $16,611	$183	$218	$235	$246	$261	$286
$16,612 – $19,379	202	239	259	272	289	316
$19,381 – $22,148	220	258	283	297	316	344
$22,149 – $24,916	236	276	304	321	341	370
$24,917 – $27,685	252	292	326	345	365	395
$27,686 – $30,453	$267	$309	$346	$366	$389	$419
$30,454 – $33,221	282	325	365	388	412	443
$33,223 – $35,990	296	339	383	408	433	464
$35,991 – $38,758	310	353	401	428	453	486
$38,760 – $41,527	323	368	419	447	474	507
$41,528 – $44,295	$336	$381	$436	$467	$494	$527
$44,297 – $47,064	350	394	452	486	513	548
$47,065 – $49,832	363	407	469	504	532	567
$49,834 – $52,601	375	419	484	521	551	586
$52,602 – $55,369	385	431	500	538	569	604
$55,371 – $62,290	$404	$452	$525	$566	$598	$634
$62,292 – $69,211	424	474	550	593	626	663
$69,213 – $76,133	443	495	575	620	655	693
$76,134 – $83,054	462	517	600	648	684	723
$83,055 – $89,975	481	538	625	675	712	753
$89,976 – $96,896	$500	$560	$650	$703	$741	$783
$96,897 – $103,817	519	581	675	730	770	813
$103,818 – $110,738	538	603	700	758	798	842
$110,740 – $117,659	557	624	725	785	827	872
$117,661 – $124,581	576	646	751	813	856	902
$124,582 – $131,502	$595	$667	$776	$840	$884	$932
$131,503 – $138,423	614	688	801	867	913	962
$55,369 – $138,423	$19	$21	$25	$27	$29	$30

Source: 1985, Commerce Clearing House, Inc., par. 171.

NOTE: In using the tables, nontaxable as well as taxable income may be taken into account. Sales tax paid on the purchase of an automobile, motorcycle, motor home or truck is not included and should be added to the table amount. Also, to be added are sales taxes paid on boats, airplanes, homes (including mobile or prefabricated homes), and materials to build a new home if: (1) the tax rate is the same as the general sales tax rate; and (2) your sales tax receipt or contract shows how much tax you paid.

NOTE: Data are estimated by Montana Legislative Council staff by converting New Mexico per capita personal income (PCPI) to Montana PCPI for 1985. (Ratio MT/NM 99.26%) Subsequently, 1985 MT PCPI is inflated by growth in MT PCPI from 1985 through 1991. (Ratio of PCPI 1991/1985 = 138.42%) Estimated sales tax payable are based on 1985 New Mexico, assuming that 10% of expenditures in NM were on taxable food purchases, then by inflating estimated taxes payable by the Consumer Price Index differential between 1985 and 1991. (CPI 131.5/105.8 = 124.29%).

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EXHIBIT 3
DATE 2-9-93
SB-247

Table 4 Series

Filer is Single, With No Dependents

TBL	FILER FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
4	$8,840	($660)	$0	0.00%	$90	$200	$251	$347	($290)	-3.28%	($341)	-3.86%	($437)	-4.95%
5	10,400	900	54	0.52%	90	200	251	347	(236)	-2.27%	(287)	-2.76%	(383)	-3.69%
6	12,480	2,980	179	1.43%	90	200	251	347	(111)	-0.89%	(162)	-1.30%	(259)	-2.07%
7	14,560	5,060	304	2.09%	0	200	251	347	104	0.71%	53	0.36%	(44)	-0.30%
8	16,640	7,140	428	2.57%	0	200	251	347	228	1.37%	178	1.07%	81	0.49%
9	18,720	9,220	553	2.96%	0	200	251	347	353	1.89%	302	1.61%	206	1.10%
10	20,800	11,300	678	3.26%	0	200	251	347	478	2.30%	427	2.05%	331	1.59%
11	22,880	13,380	803	3.51%	0	200	251	347	603	2.63%	552	2.41%	455	1.99%
12	24,960	15,460	928	3.72%	0	200	251	347	728	2.92%	677	2.71%	580	2.32%
13	27,040	17,540	1,052	3.89%	0	200	251	347	852	3.15%	802	2.96%	705	2.61%
14	29,120	19,620	1,177	4.04%	0	200	251	347	977	3.36%	926	3.18%	830	2.85%
15	31,200	21,700	1,302	4.17%	0	200	251	347	1,102	3.53%	1,051	3.37%	955	3.06%
16	33,280	23,780	1,427	4.29%	0	200	251	347	1,227	3.69%	1,176	3.53%	1,079	3.24%
17	35,360	25,860	1,552	4.39%	0	200	251	347	1,352	3.82%	1,301	3.68%	1,204	3.41%
18	37,440	27,940	1,676	4.48%	0	200	251	347	1,476	3.94%	1,426	3.81%	1,329	3.55%
19	39,520	30,020	1,801	4.56%	0	200	251	347	1,601	4.05%	1,550	3.92%	1,454	3.68%
20	41,600	32,100	1,926	4.63%	0	200	251	347	1,726	4.15%	1,675	4.03%	1,579	3.79%
21	43,680	34,180	2,051	4.70%	0	200	251	347	1,851	4.24%	1,800	4.12%	1,703	3.90%
22	45,760	36,260	2,176	4.75%	0	200	251	347	1,976	4.32%	1,925	4.21%	1,828	4.00%
23	47,840	38,340	2,300	4.81%	0	200	251	347	2,100	4.39%	2,050	4.28%	1,953	4.08%
24	49,920	40,420	2,425	4.86%	0	200	251	347	2,225	4.46%	2,174	4.36%	2,078	4.16%
25	52,000	42,500	2,550	4.90%	0	200	251	347	2,350	4.52%	2,299	4.42%	2,203	4.24%
26	54,080	44,580	2,675	4.95%	0	200	251	347	2,475	4.58%	2,424	4.48%	2,327	4.30%
27	56,160	46,660	2,800	4.99%	0	200	251	347	2,600	4.63%	2,549	4.54%	2,452	4.37%
28	58,240	48,740	2,924	5.02%	0	200	251	347	2,724	4.68%	2,674	4.59%	2,577	4.42%
29	60,320	50,820	3,049	5.06%	0	200	251	347	2,849	4.72%	2,798	4.64%	2,702	4.48%
30	62,400	52,900	3,174	5.09%	0	200	251	347	2,974	4.77%	2,923	4.68%	2,827	4.53%
31	64,480	54,980	3,299	5.12%	0	200	251	347	3,099	4.81%	3,048	4.73%	2,951	4.58%
32	66,560	57,060	3,424	5.14%	0	200	251	347	3,224	4.84%	3,173	4.77%	3,076	4.62%
33	68,640	59,140	3,548	5.17%	0	200	251	347	3,348	4.88%	3,298	4.80%	3,201	4.66%
34	70,720	61,220	3,673	5.19%	0	200	251	347	3,473	4.91%	3,422	4.84%	3,326	4.70%
35	72,800	63,300	3,798	5.22%	0	200	251	347	3,598	4.94%	3,547	4.87%	3,451	4.74%
36	74,880	65,380	3,923	5.24%	0	200	251	347	3,723	4.97%	3,672	4.90%	3,575	4.77%
37	76,960	67,460	4,048	5.26%	0	200	251	347	3,848	5.00%	3,797	4.93%	3,700	4.81%
38	79,040	69,540	4,172	5.28%	0	200	251	347	3,972	5.03%	3,922	4.96%	3,825	4.84%
39	81,120	71,620	4,297	5.30%	0	200	251	347	4,097	5.05%	4,046	4.99%	3,950	4.87%
40	83,200	73,700	4,422	5.31%	0	200	251	347	4,222	5.07%	4,171	5.01%	4,075	4.90%
41	85,280	75,780	4,547	5.33%	0	200	251	347	4,347	5.10%	4,296	5.04%	4,199	4.92%
42	93,600	84,100	5,046	5.39%	0	200	251	347	4,846	5.18%	4,795	5.12%	4,699	5.02%
43	104,000	94,500	5,670	5.45%	0	200	251	347	5,470	5.26%	5,419	5.21%	5,323	5.12%
44	114,400	104,900	6,294	5.50%	0	200	251	347	6,094	5.33%	6,043	5.28%	5,947	5.20%
45	124,800	115,300	6,918	5.54%	0	200	251	347	6,718	5.38%	6,667	5.34%	6,571	5.26%
46	135,200	125,700	7,542	5.58%	0	200	251	347	7,342	5.43%	7,291	5.39%	7,195	5.32%
47	145,600	136,100	8,166	5.61%	0	200	251	347	7,966	5.47%	7,915	5.44%	7,819	5.37%
48	156,000	146,500	8,790	5.63%	0	200	251	347	8,590	5.51%	8,539	5.47%	8,443	5.41%
49	166,400	156,900	9,414	5.66%	0	200	251	347	9,214	5.54%	9,163	5.51%	9,067	5.45%
50	176,800	167,300	10,038	5.68%	0	200	251	347	9,838	5.56%	9,787	5.54%	9,691	5.48%
51	187,200	177,700	10,662	5.70%	0	200	251	347	10,462	5.59%	10,411	5.56%	10,315	5.51%

Estimates prepared by Montana Legislative Council, January 27, 1993.
NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

Table 104 Series
Filer is Head of Household, With 1 Dependent

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
104	$8,840	($6,160)	$0	0.00%	$180	$200	$251	$347	($380)	-4.30%	($431)	-4.87%	($527)	-5.97%
105	10,400	(4,600)	0	0.00%	180	200	251	347	(380)	-3.65%	(431)	-4.14%	(527)	-5.07%
106	12,480	(2,520)	0	0.00%	180	200	251	347	(380)	-3.04%	(431)	-3.45%	(527)	-4.23%
107	14,560	(440)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
108	16,640	1,640	98	0.59%	0	200	251	347	(102)	-0.61%	(153)	-0.92%	(249)	-1.50%
109	18,720	3,720	223	1.19%	0	200	251	347	23	0.12%	(28)	-0.15%	(124)	-0.66%
110	20,800	5,800	348	1.67%	0	200	251	347	148	0.71%	97	0.47%	1	0.00%
111	22,880	7,880	473	2.07%	0	200	251	347	273	1.19%	222	0.97%	125	0.55%
112	24,960	9,960	598	2.39%	0	200	251	347	398	1.59%	347	1.39%	250	1.00%
113	27,040	12,040	722	2.67%	0	200	251	347	522	1.93%	472	1.74%	375	1.39%
114	29,120	14,120	847	2.91%	0	200	251	347	647	2.22%	596	2.05%	500	1.72%
115	31,200	16,200	972	3.12%	0	200	251	347	772	2.47%	721	2.31%	625	2.00%
116	33,280	18,280	1,097	3.30%	0	200	251	347	897	2.69%	846	2.54%	749	2.25%
117	35,360	20,360	1,222	3.45%	0	200	251	347	1,022	2.89%	971	2.75%	874	2.47%
118	37,440	22,440	1,346	3.60%	0	200	251	347	1,146	3.06%	1,096	2.93%	999	2.67%
119	39,520	24,520	1,471	3.72%	0	200	251	347	1,271	3.22%	1,220	3.09%	1,124	2.84%
120	41,600	26,600	1,596	3.84%	0	200	251	347	1,396	3.36%	1,345	3.23%	1,249	3.00%
121	43,680	28,680	1,721	3.94%	0	200	251	347	1,521	3.48%	1,470	3.37%	1,373	3.14%
122	45,760	30,760	1,846	4.03%	0	200	251	347	1,646	3.60%	1,595	3.48%	1,498	3.27%
123	47,840	32,840	1,970	4.12%	0	200	251	347	1,770	3.70%	1,720	3.59%	1,623	3.39%
124	49,920	34,920	2,095	4.20%	0	200	251	347	1,895	3.80%	1,844	3.69%	1,748	3.50%
125	52,000	37,000	2,220	4.27%	0	200	251	347	2,020	3.88%	1,969	3.79%	1,873	3.60%
126	54,080	39,080	2,345	4.34%	0	200	251	347	2,145	3.97%	2,094	3.87%	1,997	3.69%
127	56,160	41,160	2,470	4.40%	0	200	251	347	2,270	4.04%	2,219	3.95%	2,122	3.78%
128	58,240	43,240	2,594	4.45%	0	200	251	347	2,394	4.11%	2,344	4.02%	2,247	3.86%
129	60,320	45,320	2,719	4.51%	0	200	251	347	2,519	4.18%	2,468	4.09%	2,372	3.93%
130	62,400	47,400	2,844	4.56%	0	200	251	347	2,644	4.24%	2,593	4.16%	2,497	4.00%
131	64,480	49,480	2,969	4.60%	0	200	251	347	2,769	4.29%	2,718	4.22%	2,621	4.07%
132	66,560	51,560	3,094	4.65%	0	200	251	347	2,894	4.35%	2,843	4.27%	2,746	4.13%
133	68,640	53,640	3,218	4.69%	0	200	251	347	3,018	4.40%	2,968	4.32%	2,871	4.18%
134	70,720	55,720	3,343	4.73%	0	200	251	347	3,143	4.44%	3,092	4.37%	2,996	4.24%
135	72,800	57,800	3,468	4.76%	0	200	251	347	3,268	4.49%	3,217	4.42%	3,121	4.29%
136	74,880	59,880	3,593	4.80%	0	200	251	347	3,393	4.53%	3,342	4.46%	3,245	4.33%
137	76,960	61,960	3,718	4.83%	0	200	251	347	3,518	4.57%	3,467	4.50%	3,370	4.38%
138	79,040	64,040	3,842	4.86%	0	200	251	347	3,642	4.61%	3,592	4.54%	3,495	4.42%
139	81,120	66,120	3,967	4.89%	0	200	251	347	3,767	4.64%	3,716	4.58%	3,620	4.46%
140	83,200	68,200	4,092	4.92%	0	200	251	347	3,892	4.68%	3,841	4.62%	3,745	4.50%
141	85,280	70,280	4,217	4.94%	0	200	251	347	4,017	4.71%	3,966	4.65%	3,869	4.54%
142	93,600	78,600	4,716	5.04%	0	200	251	347	4,516	4.82%	4,465	4.77%	4,369	4.67%
143	104,000	89,000	5,340	5.13%	0	200	251	347	5,140	4.94%	5,089	4.89%	4,993	4.80%
144	114,400	99,400	5,964	5.21%	0	200	251	347	5,764	5.04%	5,713	4.99%	5,617	4.91%
145	124,800	109,800	6,588	5.28%	0	200	251	347	6,388	5.12%	6,337	5.08%	6,241	5.00%
146	135,200	120,200	7,212	5.33%	0	200	251	347	7,012	5.19%	6,961	5.15%	6,865	5.08%
147	145,600	130,600	7,836	5.38%	0	200	251	347	7,636	5.24%	7,585	5.21%	7,489	5.14%
148	156,000	141,000	8,460	5.42%	0	200	251	347	8,260	5.29%	8,209	5.26%	8,113	5.20%
149	166,400	151,400	9,084	5.46%	0	200	251	347	8,884	5.34%	8,833	5.31%	8,737	5.25%
150	176,800	161,800	9,708	5.49%	0	200	251	347	9,508	5.38%	9,457	5.35%	9,361	5.29%
151	187,200	172,200	10,332	5.52%	0	200	251	347	10,132	5.41%	10,081	5.39%	9,985	5.33%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

Table 204 Series
Filer is Head of Household, With 2 Dependents

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
204	$8,840	($9,660)	$0	0.00%	$270	$200	$251	$347	($470)	-5.32%	($521)	-5.89%	($617)	-6.98%
205	10,400	(8,100)	0	0.00%	270	200	251	347	(470)	-4.52%	(521)	-5.01%	(617)	-5.94%
206	12,480	(6,020)	0	0.00%	270	200	251	347	(470)	-3.77%	(521)	-4.17%	(617)	-4.95%
207	14,560	(3,940)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
208	16,640	(1,860)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
209	18,720	220	13	0.07%	0	200	251	347	(187)	-1.00%	(238)	-1.27%	(334)	-1.79%
210	20,800	2,300	138	0.66%	0	200	251	347	(62)	-0.30%	(113)	-0.54%	(209)	-1.01%
211	22,880	4,380	263	1.15%	0	200	251	347	63	0.27%	12	0.05%	(85)	-0.37%
212	24,960	6,460	388	1.55%	0	200	251	347	188	0.75%	137	0.55%	40	0.16%
213	27,040	8,540	512	1.89%	0	200	251	347	312	1.16%	262	0.97%	165	0.61%
214	29,120	10,620	637	2.19%	0	200	251	347	437	1.50%	386	1.33%	290	1.00%
215	31,200	12,700	762	2.44%	0	200	251	347	562	1.80%	511	1.64%	415	1.33%
216	33,280	14,780	887	2.66%	0	200	251	347	687	2.06%	636	1.91%	539	1.62%
217	35,360	16,860	1,012	2.86%	0	200	251	347	812	2.30%	761	2.15%	664	1.88%
218	37,440	18,940	1,136	3.04%	0	200	251	347	936	2.50%	886	2.37%	789	2.11%
219	39,520	21,020	1,261	3.19%	0	200	251	347	1,061	2.69%	1,010	2.56%	914	2.31%
220	41,600	23,100	1,386	3.33%	0	200	251	347	1,186	2.85%	1,135	2.73%	1,039	2.50%
221	43,680	25,180	1,511	3.46%	0	200	251	347	1,311	3.00%	1,260	2.88%	1,163	2.66%
222	45,760	27,260	1,636	3.57%	0	200	251	347	1,436	3.14%	1,385	3.03%	1,288	2.82%
223	47,840	29,340	1,760	3.68%	0	200	251	347	1,560	3.26%	1,510	3.16%	1,413	2.95%
224	49,920	31,420	1,885	3.78%	0	200	251	347	1,685	3.38%	1,634	3.27%	1,538	3.08%
225	52,000	33,500	2,010	3.87%	0	200	251	347	1,810	3.48%	1,759	3.38%	1,663	3.20%
226	54,080	35,580	2,135	3.95%	0	200	251	347	1,935	3.58%	1,884	3.48%	1,787	3.31%
227	56,160	37,660	2,260	4.02%	0	200	251	347	2,060	3.67%	2,009	3.58%	1,912	3.40%
228	58,240	39,740	2,384	4.09%	0	200	251	347	2,184	3.75%	2,134	3.66%	2,037	3.50%
229	60,320	41,820	2,509	4.16%	0	200	251	347	2,309	3.83%	2,258	3.74%	2,162	3.58%
230	62,400	43,900	2,634	4.22%	0	200	251	347	2,434	3.90%	2,383	3.82%	2,287	3.66%
231	64,480	45,980	2,759	4.28%	0	200	251	347	2,559	3.97%	2,508	3.89%	2,411	3.74%
232	66,560	48,060	2,884	4.33%	0	200	251	347	2,684	4.03%	2,633	3.96%	2,536	3.81%
233	68,640	50,140	3,008	4.38%	0	200	251	347	2,808	4.09%	2,758	4.02%	2,661	3.88%
234	70,720	52,220	3,133	4.43%	0	200	251	347	2,933	4.15%	2,882	4.08%	2,786	3.94%
235	72,800	54,300	3,258	4.48%	0	200	251	347	3,058	4.20%	3,007	4.13%	2,911	4.00%
236	74,880	56,380	3,383	4.52%	0	200	251	347	3,183	4.25%	3,132	4.18%	3,035	4.05%
237	76,960	58,460	3,508	4.56%	0	200	251	347	3,308	4.30%	3,257	4.23%	3,160	4.11%
238	79,040	60,540	3,632	4.60%	0	200	251	347	3,432	4.34%	3,382	4.28%	3,285	4.16%
239	81,120	62,620	3,757	4.63%	0	200	251	347	3,557	4.39%	3,506	4.32%	3,410	4.20%
240	83,200	64,700	3,882	4.67%	0	200	251	347	3,682	4.43%	3,631	4.36%	3,535	4.25%
241	85,280	66,780	4,007	4.70%	0	200	251	347	3,807	4.46%	3,756	4.40%	3,659	4.29%
242	93,600	75,100	4,506	4.81%	0	200	251	347	4,306	4.60%	4,255	4.55%	4,159	4.44%
243	104,000	85,500	5,130	4.93%	0	200	251	347	4,930	4.74%	4,879	4.69%	4,783	4.60%
244	114,400	95,900	5,754	5.03%	0	200	251	347	5,554	4.85%	5,503	4.81%	5,407	4.73%
245	124,800	106,300	6,378	5.11%	0	200	251	347	6,178	4.95%	6,127	4.91%	6,031	4.83%
246	135,200	116,700	7,002	5.18%	0	200	251	347	6,802	5.03%	6,751	4.99%	6,655	4.92%
247	145,600	127,100	7,626	5.24%	0	200	251	347	7,426	5.10%	7,375	5.07%	7,279	5.00%
248	156,000	137,500	8,250	5.29%	0	200	251	347	8,050	5.16%	7,999	5.13%	7,903	5.07%
249	166,400	147,900	8,874	5.33%	0	200	251	347	8,674	5.21%	8,623	5.18%	8,527	5.12%
250	176,800	158,300	9,498	5.37%	0	200	251	347	9,298	5.26%	9,247	5.23%	9,151	5.18%
251	187,200	168,700	10,122	5.41%	0	200	251	347	9,922	5.30%	9,871	5.27%	9,775	5.22%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

EXHIBIT 2
DATE 2-9-93
SB-247

Table 304 Series
Filer is Head of Household, With 3 Dependents

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
304	$8,840	($13,160)	$0	0.00%	$360	$200	$251	$347	($560)	-6.33%	($611)	-6.91%	($707)	-8.00%
305	10,400	(11,600)	0	0.00%	360	200	251	347	(560)	-5.38%	(611)	-5.87%	(707)	-6.80%
306	12,480	(9,520)	0	0.00%	360	200	251	347	(560)	-4.49%	(611)	-4.90%	(707)	-5.67%
307	14,560	(7,440)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
308	16,640	(5,360)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
309	18,720	(3,280)	0	0.00%	0	200	251	347	(200)	-1.07%	(251)	-1.34%	(347)	-1.86%
310	20,800	(1,200)	0	0.00%	0	200	251	347	(200)	-0.96%	(251)	-1.21%	(347)	-1.67%
311	22,880	880	53	0.23%	0	200	251	347	(147)	-0.64%	(198)	-0.87%	(295)	-1.29%
312	24,960	2,960	178	0.71%	0	200	251	347	(22)	-0.09%	(73)	-0.29%	(170)	-0.68%
313	27,040	5,040	302	1.12%	0	200	251	347	102	0.38%	51	0.19%	(45)	-0.17%
314	29,120	7,120	427	1.47%	0	200	251	347	227	0.78%	176	0.61%	80	0.27%
315	31,200	9,200	552	1.77%	0	200	251	347	352	1.13%	301	0.97%	205	0.66%
316	33,280	11,280	677	2.03%	0	200	251	347	477	1.43%	426	1.28%	329	0.99%
317	35,360	13,360	802	2.27%	0	200	251	347	602	1.70%	551	1.56%	454	1.28%
318	37,440	15,440	926	2.47%	0	200	251	347	726	1.94%	676	1.80%	579	1.55%
319	39,520	17,520	1,051	2.66%	0	200	251	347	851	2.15%	800	2.03%	704	1.78%
320	41,600	19,600	1,176	2.83%	0	200	251	347	976	2.35%	925	2.22%	829	1.99%
321	43,680	21,680	1,301	2.98%	0	200	251	347	1,101	2.52%	1,050	2.40%	953	2.18%
322	45,760	23,760	1,426	3.12%	0	200	251	347	1,226	2.68%	1,175	2.57%	1,078	2.36%
323	47,840	25,840	1,550	3.24%	0	200	251	347	1,350	2.82%	1,300	2.72%	1,203	2.51%
324	49,920	27,920	1,675	3.36%	0	200	251	347	1,475	2.96%	1,424	2.85%	1,328	2.66%
325	52,000	30,000	1,800	3.46%	0	200	251	347	1,600	3.08%	1,549	2.98%	1,453	2.79%
326	54,080	32,080	1,925	3.56%	0	200	251	347	1,725	3.19%	1,674	3.10%	1,577	2.92%
327	56,160	34,160	2,050	3.65%	0	200	251	347	1,850	3.29%	1,799	3.20%	1,702	3.03%
328	58,240	36,240	2,174	3.73%	0	200	251	347	1,974	3.39%	1,924	3.30%	1,827	3.14%
329	60,320	38,320	2,299	3.81%	0	200	251	347	2,099	3.48%	2,048	3.40%	1,952	3.24%
330	62,400	40,400	2,424	3.88%	0	200	251	347	2,224	3.56%	2,173	3.48%	2,077	3.33%
331	64,480	42,480	2,549	3.95%	0	200	251	347	2,349	3.64%	2,298	3.56%	2,201	3.41%
332	66,560	44,560	2,674	4.02%	0	200	251	347	2,474	3.72%	2,423	3.64%	2,326	3.49%
333	68,640	46,640	2,798	4.08%	0	200	251	347	2,598	3.79%	2,548	3.71%	2,451	3.57%
334	70,720	48,720	2,923	4.13%	0	200	251	347	2,723	3.85%	2,672	3.78%	2,576	3.64%
335	72,800	50,800	3,048	4.19%	0	200	251	347	2,848	3.91%	2,797	3.84%	2,701	3.71%
336	74,880	52,880	3,173	4.24%	0	200	251	347	2,973	3.97%	2,922	3.90%	2,825	3.77%
337	76,960	54,960	3,298	4.28%	0	200	251	347	3,098	4.02%	3,047	3.96%	2,950	3.83%
338	79,040	57,040	3,422	4.33%	0	200	251	347	3,222	4.08%	3,172	4.01%	3,075	3.89%
339	81,120	59,120	3,547	4.37%	0	200	251	347	3,347	4.13%	3,296	4.06%	3,200	3.94%
340	83,200	61,200	3,672	4.41%	0	200	251	347	3,472	4.17%	3,421	4.11%	3,325	4.00%
341	85,280	63,280	3,797	4.45%	0	200	251	347	3,597	4.22%	3,546	4.16%	3,449	4.04%
342	93,600	71,600	4,296	4.59%	0	200	251	347	4,096	4.38%	4,045	4.32%	3,949	4.22%
343	104,000	82,000	4,920	4.73%	0	200	251	347	4,720	4.54%	4,669	4.49%	4,573	4.40%
344	114,400	92,400	5,544	4.85%	0	200	251	347	5,344	4.67%	5,293	4.63%	5,197	4.54%
345	124,800	102,800	6,168	4.94%	0	200	251	347	5,968	4.78%	5,917	4.74%	5,821	4.66%
346	135,200	113,200	6,792	5.02%	0	200	251	347	6,592	4.88%	6,541	4.84%	6,445	4.77%
347	145,600	123,600	7,416	5.09%	0	200	251	347	7,216	4.96%	7,165	4.92%	7,069	4.85%
348	156,000	134,000	8,040	5.15%	0	200	251	347	7,840	5.03%	7,789	4.99%	7,693	4.93%
349	166,400	144,400	8,664	5.21%	0	200	251	347	8,464	5.09%	8,413	5.06%	8,317	5.00%
350	176,800	154,800	9,288	5.25%	0	200	251	347	9,088	5.14%	9,037	5.11%	8,941	5.06%
351	187,200	165,200	9,912	5.29%	0	200	251	347	9,712	5.19%	9,661	5.16%	9,565	5.11%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

Table 504 Series

Filers are Married, Joint Return, With 0 Dependents

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
504	$8,840	($8,160)	$0	0.00%	$180	$200	$251	$347	($380)	-4.30%	($431)	-4.87%	($527)	-5.97%
505	10,400	(6,600)	0	0.00%	180	200	251	347	(380)	-3.65%	(431)	-4.14%	(527)	-5.07%
506	12,480	(4,520)	0	0.00%	180	200	251	347	(380)	-3.04%	(431)	-3.45%	(527)	-4.23%
507	14,560	(2,440)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
508	16,640	(360)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
509	18,720	1,720	103	0.55%	0	200	251	347	(97)	-0.52%	(148)	-0.79%	(244)	-1.30%
510	20,800	3,800	228	1.10%	0	200	251	347	28	0.13%	(23)	-0.11%	(119)	-0.57%
511	22,880	5,880	353	1.54%	0	200	251	347	153	0.67%	102	0.45%	5	0.02%
512	24,960	7,960	478	1.91%	0	200	251	347	278	1.11%	227	0.91%	130	0.52%
513	27,040	10,040	602	2.23%	0	200	251	347	402	1.49%	352	1.30%	255	0.94%
514	29,120	12,120	727	2.50%	0	200	251	347	527	1.81%	476	1.64%	380	1.30%
515	31,200	14,200	852	2.73%	0	200	251	347	652	2.09%	601	1.93%	505	1.62%
516	33,280	16,280	977	2.94%	0	200	251	347	777	2.33%	726	2.18%	629	1.89%
517	35,360	18,360	1,102	3.12%	0	200	251	347	902	2.55%	851	2.41%	754	2.13%
518	37,440	20,440	1,226	3.28%	0	200	251	347	1,026	2.74%	976	2.61%	879	2.35%
519	39,520	22,520	1,351	3.42%	0	200	251	347	1,151	2.91%	1,100	2.78%	1,004	2.54%
520	41,600	24,600	1,476	3.55%	0	200	251	347	1,276	3.07%	1,225	2.94%	1,129	2.71%
521	43,680	26,680	1,601	3.66%	0	200	251	347	1,401	3.21%	1,350	3.09%	1,253	2.87%
522	45,760	28,760	1,726	3.77%	0	200	251	347	1,526	3.33%	1,475	3.22%	1,378	3.01%
523	47,840	30,840	1,850	3.87%	0	200	251	347	1,650	3.45%	1,600	3.34%	1,503	3.14%
524	49,920	32,920	1,975	3.96%	0	200	251	347	1,775	3.56%	1,724	3.45%	1,628	3.26%
525	52,000	35,000	2,100	4.04%	0	200	251	347	1,900	3.65%	1,849	3.56%	1,753	3.37%
526	54,080	37,080	2,225	4.11%	0	200	251	347	2,025	3.74%	1,974	3.65%	1,877	3.47%
527	56,160	39,160	2,350	4.18%	0	200	251	347	2,150	3.83%	2,099	3.74%	2,002	3.57%
528	58,240	41,240	2,474	4.25%	0	200	251	347	2,274	3.91%	2,224	3.82%	2,127	3.65%
529	60,320	43,320	2,599	4.31%	0	200	251	347	2,399	3.98%	2,348	3.89%	2,252	3.73%
530	62,400	45,400	2,724	4.37%	0	200	251	347	2,524	4.04%	2,473	3.96%	2,377	3.81%
531	64,480	47,480	2,849	4.42%	0	200	251	347	2,649	4.11%	2,598	4.03%	2,501	3.88%
532	66,560	49,560	2,974	4.47%	0	200	251	347	2,774	4.17%	2,723	4.09%	2,626	3.95%
533	68,640	51,640	3,098	4.51%	0	200	251	347	2,898	4.22%	2,848	4.15%	2,751	4.01%
534	70,720	53,720	3,223	4.56%	0	200	251	347	3,023	4.27%	2,972	4.20%	2,876	4.07%
535	72,800	55,800	3,348	4.60%	0	200	251	347	3,148	4.32%	3,097	4.25%	3,001	4.12%
536	74,880	57,880	3,473	4.64%	0	200	251	347	3,273	4.37%	3,222	4.30%	3,125	4.17%
537	76,960	59,960	3,598	4.67%	0	200	251	347	3,398	4.41%	3,347	4.35%	3,250	4.22%
538	79,040	62,040	3,722	4.71%	0	200	251	347	3,522	4.46%	3,472	4.39%	3,375	4.27%
539	81,120	64,120	3,847	4.74%	0	200	251	347	3,647	4.50%	3,596	4.43%	3,500	4.31%
540	83,200	66,200	3,972	4.77%	0	200	251	347	3,772	4.53%	3,721	4.47%	3,625	4.36%
541	85,280	68,280	4,097	4.80%	0	200	251	347	3,897	4.57%	3,846	4.51%	3,749	4.40%
542	93,600	76,600	4,596	4.91%	0	200	251	347	4,396	4.70%	4,345	4.64%	4,249	4.54%
543	104,000	87,000	5,220	5.02%	0	200	251	347	5,020	4.83%	4,969	4.78%	4,873	4.69%
544	114,400	97,400	5,844	5.11%	0	200	251	347	5,644	4.93%	5,593	4.89%	5,497	4.80%
545	124,800	107,800	6,468	5.18%	0	200	251	347	6,268	5.02%	6,217	4.98%	6,121	4.90%
546	135,200	118,200	7,092	5.25%	0	200	251	347	6,892	5.10%	6,841	5.06%	6,745	4.99%
547	145,600	128,600	7,716	5.30%	0	200	251	347	7,516	5.16%	7,465	5.13%	7,369	5.06%
548	156,000	139,000	8,340	5.35%	0	200	251	347	8,140	5.22%	8,089	5.19%	7,993	5.12%
549	166,400	149,400	8,964	5.39%	0	200	251	347	8,764	5.27%	8,713	5.24%	8,617	5.18%
550	176,800	159,800	9,588	5.42%	0	200	251	347	9,388	5.31%	9,337	5.28%	9,241	5.23%
551	187,200	170,200	10,212	5.46%	0	200	251	347	10,012	5.35%	9,961	5.32%	9,865	5.27%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

Table 604 Series

Filers are Married, Joint Return, With 1 Dependent

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
604	$8,840	($11,660)	$0	0.00%	$270	$200	$251	$347	($470)	-5.32%	($521)	-5.89%	($617)	-6.98%
605	10,400	(10,100)	0	0.00%	270	200	251	347	(470)	-4.52%	(521)	-5.01%	(617)	-5.94%
606	12,480	(8,020)	0	0.00%	270	200	251	347	(470)	-3.77%	(521)	-4.17%	(617)	-4.95%
607	14,560	(5,940)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
608	16,640	(3,860)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
609	18,720	(1,780)	0	0.00%	0	200	251	347	(200)	-1.07%	(251)	-1.34%	(347)	-1.86%
610	20,800	300	18	0.09%	0	200	251	347	(182)	-0.88%	(233)	-1.12%	(329)	-1.58%
611	22,880	2,380	143	0.62%	0	200	251	347	(57)	-0.25%	(108)	-0.47%	(205)	-0.89%
612	24,960	4,460	268	1.07%	0	200	251	347	68	0.27%	17	0.07%	(80)	-0.32%
613	27,040	6,540	392	1.45%	0	200	251	347	192	0.71%	142	0.52%	45	0.17%
614	29,120	8,620	517	1.78%	0	200	251	347	317	1.09%	266	0.91%	170	0.58%
615	31,200	10,700	642	2.06%	0	200	251	347	442	1.42%	391	1.25%	295	0.94%
616	33,280	12,780	767	2.30%	0	200	251	347	567	1.70%	516	1.55%	419	1.26%
617	35,360	14,860	892	2.52%	0	200	251	347	692	1.96%	641	1.81%	544	1.54%
618	37,440	16,940	1,016	2.71%	0	200	251	347	816	2.18%	766	2.04%	669	1.79%
619	39,520	19,020	1,141	2.89%	0	200	251	347	941	2.38%	890	2.25%	794	2.01%
620	41,600	21,100	1,266	3.04%	0	200	251	347	1,066	2.56%	1,015	2.44%	919	2.21%
621	43,680	23,180	1,391	3.18%	0	200	251	347	1,191	2.73%	1,140	2.61%	1,043	2.39%
622	45,760	25,260	1,516	3.31%	0	200	251	347	1,316	2.88%	1,265	2.76%	1,168	2.55%
623	47,840	27,340	1,640	3.43%	0	200	251	347	1,440	3.01%	1,390	2.90%	1,293	2.70%
624	49,920	29,420	1,765	3.54%	0	200	251	347	1,565	3.14%	1,514	3.03%	1,418	2.84%
625	52,000	31,500	1,890	3.63%	0	200	251	347	1,690	3.25%	1,639	3.15%	1,543	2.97%
626	54,080	33,580	2,015	3.73%	0	200	251	347	1,815	3.36%	1,764	3.26%	1,667	3.08%
627	56,160	35,660	2,140	3.81%	0	200	251	347	1,940	3.45%	1,889	3.36%	1,792	3.19%
628	58,240	37,740	2,264	3.89%	0	200	251	347	2,064	3.54%	2,014	3.46%	1,917	3.29%
629	60,320	39,820	2,389	3.96%	0	200	251	347	2,189	3.63%	2,138	3.54%	2,042	3.38%
630	62,400	41,900	2,514	4.03%	0	200	251	347	2,314	3.71%	2,263	3.63%	2,167	3.47%
631	64,480	43,980	2,639	4.09%	0	200	251	347	2,439	3.78%	2,388	3.70%	2,291	3.55%
632	66,560	46,060	2,764	4.15%	0	200	251	347	2,564	3.85%	2,513	3.78%	2,416	3.63%
633	68,640	48,140	2,888	4.21%	0	200	251	347	2,688	3.92%	2,638	3.84%	2,541	3.70%
634	70,720	50,220	3,013	4.26%	0	200	251	347	2,813	3.98%	2,762	3.91%	2,666	3.77%
635	72,800	52,300	3,138	4.31%	0	200	251	347	2,938	4.04%	2,887	3.97%	2,791	3.83%
636	74,880	54,380	3,263	4.36%	0	200	251	347	3,063	4.09%	3,012	4.02%	2,915	3.89%
637	76,960	56,460	3,388	4.40%	0	200	251	347	3,188	4.14%	3,137	4.08%	3,040	3.95%
638	79,040	58,540	3,512	4.44%	0	200	251	347	3,312	4.19%	3,262	4.13%	3,165	4.00%
639	81,120	60,620	3,637	4.48%	0	200	251	347	3,437	4.24%	3,386	4.17%	3,290	4.06%
640	83,200	62,700	3,762	4.52%	0	200	251	347	3,562	4.28%	3,511	4.22%	3,415	4.10%
641	85,280	64,780	3,887	4.56%	0	200	251	347	3,687	4.32%	3,636	4.26%	3,539	4.15%
642	93,600	73,100	4,386	4.69%	0	200	251	347	4,186	4.47%	4,135	4.42%	4,039	4.31%
643	104,000	83,500	5,010	4.82%	0	200	251	347	4,810	4.63%	4,759	4.58%	4,663	4.48%
644	114,400	93,900	5,634	4.92%	0	200	251	347	5,434	4.75%	5,383	4.71%	5,287	4.62%
645	124,800	104,300	6,258	5.01%	0	200	251	347	6,058	4.85%	6,007	4.81%	5,911	4.74%
646	135,200	114,700	6,882	5.09%	0	200	251	347	6,682	4.94%	6,631	4.90%	6,535	4.83%
647	145,600	125,100	7,506	5.16%	0	200	251	347	7,306	5.02%	7,255	4.98%	7,159	4.92%
648	156,000	135,500	8,130	5.21%	0	200	251	347	7,930	5.08%	7,879	5.05%	7,783	4.99%
649	166,400	145,900	8,754	5.26%	0	200	251	347	8,554	5.14%	8,503	5.11%	8,407	5.05%
650	176,800	156,300	9,378	5.30%	0	200	251	347	9,178	5.19%	9,127	5.16%	9,031	5.11%
651	187,200	166,700	10,002	5.34%	0	200	251	347	9,802	5.24%	9,751	5.21%	9,655	5.16%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

Table 704 Series

Filers are Married, Joint Return, With 2 Dependents

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
704	$8,840	(15,160)	$0	0.00%	$360	$200	$251	$347	($560)	-6.33%	($611)	-6.91%	($707)	-8.00%
705	10,400	($13,600)	0	0.00%	360	200	251	347	(560)	-5.38%	(611)	-5.87%	(707)	-6.80%
706	12,480	(11,520)	0	0.00%	360	200	251	347	(560)	-4.49%	(611)	-4.90%	(707)	-5.67%
707	14,560	(9,440)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
708	16,640	(7,360)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
709	18,720	(5,280)	0	0.00%	0	200	251	347	(200)	-1.07%	(251)	-1.34%	(347)	-1.86%
710	20,800	(3,200)	0	0.00%	0	200	251	347	(200)	-0.96%	(251)	-1.21%	(347)	-1.67%
711	22,880	(1,120)	0	0.00%	0	200	251	347	(200)	-0.87%	(251)	-1.10%	(347)	-1.52%
712	24,960	960	58	0.23%	0	200	251	347	(142)	-0.57%	(193)	-0.77%	(290)	-1.16%
713	27,040	3,040	182	0.67%	0	200	251	347	(18)	-0.07%	(69)	-0.25%	(165)	-0.61%
714	29,120	5,120	307	1.05%	0	200	251	347	107	0.37%	56	0.19%	(40)	-0.14%
715	31,200	7,200	432	1.38%	0	200	251	347	232	0.74%	181	0.58%	85	0.27%
716	33,280	9,280	557	1.67%	0	200	251	347	357	1.07%	306	0.92%	209	0.63%
717	35,360	11,360	682	1.93%	0	200	251	347	482	1.36%	431	1.22%	334	0.95%
718	37,440	13,440	806	2.15%	0	200	251	347	606	1.62%	556	1.48%	459	1.23%
719	39,520	15,520	931	2.36%	0	200	251	347	731	1.85%	680	1.72%	584	1.48%
720	41,600	17,600	1,056	2.54%	0	200	251	347	856	2.06%	805	1.94%	709	1.70%
721	43,680	19,680	1,181	2.70%	0	200	251	347	981	2.25%	930	2.13%	833	1.91%
722	45,760	21,760	1,306	2.85%	0	200	251	347	1,106	2.42%	1,055	2.30%	958	2.09%
723	47,840	23,840	1,430	2.99%	0	200	251	347	1,230	2.57%	1,180	2.47%	1,083	2.26%
724	49,920	25,920	1,555	3.12%	0	200	251	347	1,355	2.71%	1,304	2.61%	1,208	2.42%
725	52,000	28,000	1,680	3.23%	0	200	251	347	1,480	2.85%	1,429	2.75%	1,333	2.56%
726	54,080	30,080	1,805	3.34%	0	200	251	347	1,605	2.97%	1,554	2.87%	1,457	2.69%
727	56,160	32,160	1,930	3.44%	0	200	251	347	1,730	3.08%	1,679	2.99%	1,582	2.82%
728	58,240	34,240	2,054	3.53%	0	200	251	347	1,854	3.18%	1,804	3.10%	1,707	2.93%
729	60,320	36,320	2,179	3.61%	0	200	251	347	1,979	3.28%	1,928	3.20%	1,832	3.04%
730	62,400	38,400	2,304	3.69%	0	200	251	347	2,104	3.37%	2,053	3.29%	1,957	3.14%
731	64,480	40,480	2,429	3.77%	0	200	251	347	2,229	3.46%	2,178	3.38%	2,081	3.23%
732	66,560	42,560	2,554	3.84%	0	200	251	347	2,354	3.54%	2,303	3.46%	2,206	3.31%
733	68,640	44,640	2,678	3.90%	0	200	251	347	2,478	3.61%	2,428	3.54%	2,331	3.40%
734	70,720	46,720	2,803	3.96%	0	200	251	347	2,603	3.68%	2,552	3.61%	2,456	3.47%
735	72,800	48,800	2,928	4.02%	0	200	251	347	2,728	3.75%	2,677	3.68%	2,581	3.54%
736	74,880	50,880	3,053	4.08%	0	200	251	347	2,853	3.81%	2,802	3.74%	2,705	3.61%
737	76,960	52,960	3,178	4.13%	0	200	251	347	2,978	3.87%	2,927	3.80%	2,830	3.68%
738	79,040	55,040	3,302	4.18%	0	200	251	347	3,102	3.93%	3,052	3.86%	2,955	3.74%
739	81,120	57,120	3,427	4.22%	0	200	251	347	3,227	3.98%	3,176	3.92%	3,080	3.80%
740	83,200	59,200	3,552	4.27%	0	200	251	347	3,352	4.03%	3,301	3.97%	3,205	3.85%
741	85,280	61,280	3,677	4.31%	0	200	251	347	3,477	4.08%	3,426	4.02%	3,329	3.90%
742	93,600	69,600	4,176	4.46%	0	200	251	347	3,976	4.25%	3,925	4.19%	3,829	4.09%
743	104,000	80,000	4,800	4.62%	0	200	251	347	4,600	4.42%	4,549	4.37%	4,453	4.28%
744	114,400	90,400	5,424	4.74%	0	200	251	347	5,224	4.57%	5,173	4.52%	5,077	4.44%
745	124,800	100,800	6,048	4.85%	0	200	251	347	5,848	4.69%	5,797	4.65%	5,701	4.57%
746	135,200	111,200	6,672	4.93%	0	200	251	347	6,472	4.79%	6,421	4.75%	6,325	4.68%
747	145,600	121,600	7,296	5.01%	0	200	251	347	7,096	4.87%	7,045	4.84%	6,949	4.77%
748	156,000	132,000	7,920	5.08%	0	200	251	347	7,720	4.95%	7,669	4.92%	7,573	4.85%
749	166,400	142,400	8,544	5.13%	0	200	251	347	8,344	5.01%	8,293	4.98%	8,197	4.93%
750	176,800	152,800	9,168	5.19%	0	200	251	347	8,968	5.07%	8,917	5.04%	8,821	4.99%
751	187,200	163,200	9,792	5.23%	0	200	251	347	9,592	5.12%	9,541	5.10%	9,445	5.05%

Estimates prepared by Montana Legislative Council, January 27, 1993.

NOTE: Estimates are rough and are based on SB 235, as introduced. Individual experiences may vary, based upon nature of income.

EXHIBIT 3
DATE 2-9-93
SB-247

Table 804 Series
Filers are Married, Joint Return, With 3 Dependents

TABL	FILER'S FAGI	TAXABLE INCOME	FILER'S GROSS TAX	FILER'S GROSS ETR	AMT. OF L-I CREDIT	RENT CREDIT	H-OWN CREDIT 325	H-OWN CREDIT 450	RENTER NET TAX	RENT ETR	H-OWN NET TAX @ 325	H-OWN ETR	H-OWN NET TAX @ 450	H-OWN ETR
804	$8,840	($18,660)	$0	0.00%	$450	$200	$251	$347	($650)	-7.35%	($701)	-7.93%	($797)	-9.02%
805	10,400	(17,100)	0	0.00%	450	200	251	347	(650)	-6.25%	(701)	-6.74%	(797)	-7.67%
806	12,480	(15,020)	0	0.00%	450	200	251	347	(650)	-5.21%	(701)	-5.62%	(797)	-6.39%
807	14,560	(12,940)	0	0.00%	0	200	251	347	(200)	-1.37%	(251)	-1.72%	(347)	-2.39%
808	16,640	(10,860)	0	0.00%	0	200	251	347	(200)	-1.20%	(251)	-1.51%	(347)	-2.09%
809	18,720	(8,780)	0	0.00%	0	200	251	347	(200)	-1.07%	(251)	-1.34%	(347)	-1.86%
810	20,800	(6,700)	0	0.00%	0	200	251	347	(200)	-0.96%	(251)	-1.21%	(347)	-1.67%
811	22,880	(4,620)	0	0.00%	0	200	251	347	(200)	-0.87%	(251)	-1.10%	(347)	-1.52%
812	24,960	(2,540)	0	0.00%	0	200	251	347	(200)	-0.80%	(251)	-1.01%	(347)	-1.39%
813	27,040	(460)	0	0.00%	0	200	251	347	(200)	-0.74%	(251)	-0.93%	(347)	-1.28%
814	29,120	1,620	97	0.33%	0	200	251	347	(103)	-0.35%	(154)	-0.53%	(250)	-0.86%
815	31,200	3,700	222	0.71%	0	200	251	347	22	0.07%	(29)	-0.09%	(125)	-0.40%
816	33,280	5,780	347	1.04%	0	200	251	347	147	0.44%	96	0.29%	(1)	0.00%
817	35,360	7,860	472	1.33%	0	200	251	347	272	0.77%	221	0.62%	124	0.35%
818	37,440	9,940	596	1.59%	0	200	251	347	396	1.06%	346	0.92%	249	0.67%
819	39,520	12,020	721	1.82%	0	200	251	347	521	1.32%	470	1.19%	374	0.95%
820	41,600	14,100	846	2.03%	0	200	251	347	646	1.55%	595	1.43%	499	1.20%
821	43,680	16,180	971	2.22%	0	200	251	347	771	1.76%	720	1.65%	623	1.43%
822	45,760	18,260	1,096	2.39%	0	200	251	347	896	1.96%	845	1.85%	748	1.64%
823	47,840	20,340	1,220	2.55%	0	200	251	347	1,020	2.13%	970	2.03%	873	1.82%
824	49,920	22,420	1,345	2.69%	0	200	251	347	1,145	2.29%	1,094	2.19%	998	2.00%
825	52,000	24,500	1,470	2.83%	0	200	251	347	1,270	2.44%	1,219	2.34%	1,123	2.16%
826	54,080	26,580	1,595	2.95%	0	200	251	347	1,395	2.58%	1,344	2.49%	1,247	2.31%
827	56,160	28,660	1,720	3.06%	0	200	251	347	1,520	2.71%	1,469	2.62%	1,372	2.44%
828	58,240	30,740	1,844	3.17%	0	200	251	347	1,644	2.82%	1,594	2.74%	1,497	2.57%
829	60,320	32,820	1,969	3.26%	0	200	251	347	1,769	2.93%	1,718	2.85%	1,622	2.69%
830	62,400	34,900	2,094	3.36%	0	200	251	347	1,894	3.04%	1,843	2.95%	1,747	2.80%
831	64,480	36,980	2,219	3.44%	0	200	251	347	2,019	3.13%	1,968	3.05%	1,871	2.90%
832	66,560	39,060	2,344	3.52%	0	200	251	347	2,144	3.22%	2,093	3.14%	1,996	3.00%
833	68,640	41,140	2,468	3.60%	0	200	251	347	2,268	3.30%	2,218	3.23%	2,121	3.09%
834	70,720	43,220	2,593	3.67%	0	200	251	347	2,393	3.38%	2,342	3.31%	2,246	3.18%
835	72,800	45,300	2,718	3.73%	0	200	251	347	2,518	3.46%	2,467	3.39%	2,371	3.26%
836	74,880	47,380	2,843	3.80%	0	200	251	347	2,643	3.53%	2,592	3.46%	2,495	3.33%
837	76,960	49,460	2,968	3.86%	0	200	251	347	2,768	3.60%	2,717	3.53%	2,620	3.40%
838	79,040	51,540	3,092	3.91%	0	200	251	347	2,892	3.66%	2,842	3.60%	2,745	3.47%
839	81,120	53,620	3,217	3.97%	0	200	251	347	3,017	3.72%	2,966	3.66%	2,870	3.54%
840	83,200	55,700	3,342	4.02%	0	200	251	347	3,142	3.78%	3,091	3.72%	2,995	3.60%
841	85,280	57,780	3,467	4.07%	0	200	251	347	3,267	3.83%	3,216	3.77%	3,119	3.66%
842	93,600	66,100	3,966	4.24%	0	200	251	347	3,766	4.02%	3,715	3.97%	3,619	3.87%
843	104,000	76,500	4,590	4.41%	0	200	251	347	4,390	4.22%	4,339	4.17%	4,243	4.08%
844	114,400	86,900	5,214	4.56%	0	200	251	347	5,014	4.38%	4,963	4.34%	4,867	4.25%
845	124,800	97,300	5,838	4.68%	0	200	251	347	5,638	4.52%	5,587	4.48%	5,491	4.40%
846	135,200	107,700	6,462	4.78%	0	200	251	347	6,262	4.63%	6,211	4.59%	6,115	4.52%
847	145,600	118,100	7,086	4.87%	0	200	251	347	6,886	4.73%	6,835	4.69%	6,739	4.63%
848	156,000	128,500	7,710	4.94%	0	200	251	347	7,510	4.81%	7,459	4.78%	7,363	4.72%
849	166,400	138,900	8,334	5.01%	0	200	251	347	8,134	4.89%	8,083	4.86%	7,987	4.80%
850	176,800	149,300	8,958	5.07%	0	200	251	347	8,758	4.95%	8,707	4.92%	8,611	4.87%
851	187,200	159,700	9,582	5.12%	0	200	251	347	9,382	5.01%	9,331	4.98%	9,235	4.93%

DATE 2-9-93

SENATE COMMITTEE ON Taxation

BILLS BEING HEARD TODAY: SB 245, 247

Name	Representing	Bill No.	Check One Support	Oppose
Verner Bertelsen	Self	245		X
Jim Mockler	Mt Coal Council	247	✓	
~~EDOUG~~ Abelin	NMOGA	247	✓	
CHRISTINE MANGIANTINI	League of W. Voters			X
Janet Ellis	MT Audubon Council	247		X
Lynn Moon	City of Helena	245		X
Dennis Olson	NPRC	245		X
Gloria Hermanson	MT Cultural Advocacy	245		X
Parker Leach	Frontier Farm Rep			

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY

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