MINUTES OF THE MEETING
TAXATION COMMITTEE
MONTANA STATE SENATE

January 31, 1985

The eighteenth meeting of the Senate Taxation Committee was called to order by Chairman Thomas E. Towe at 8:10 am in Room 413-415 of the Capitol Building.

ROLL CALL: All members of the committee were present.

Chairman Towe introduced Judy Rippengale, the Legisaltive Fiscal Analyst, and David Hunter, Director of the Governor's Office of Budget and Program Planning. They were invited with members of their staff to discuss revenue and appropriation projections for the biennium.

Judy Rippengale began by explaining a handout provided to the committee (Exhibit 1). She said the LFA office estimated $18.4 million less revenue than did the Governor's office. She expected the total appropriation to be close to the $800 million mark which even with no ending fund balance, would be a serious deficit. She introduced Judy Waldron, the revenue projector on her own staff.

Ms. Waldron discussed areas of difference with the Governor's projection. The coal severance tax difference had been reestimated by the LFA based on new statistics recently available and was much closer to the Governor's estimate now. The projections of the LFA see the contract sales price declining based on coal company's projections, noting that all coal mined from Bell River won't come from Montana.

Taxable oil production in LFA estimates showed a decline in per barrel price of oil and a resulting $1.8 million loss of revenue over the biennium.

LFA also predicts a production and price drop with natural gas due to deregulation. The cold winter could affect that, however.

With regard to the School Foundation Program, Ms. Rippengale explained that key policies of that program directly impact the general fund.

In response to questions Ms. Waldron said they anticipate a modest growth in individual income taxes. She said they did not include revenue to be generated by taxing social security. The interest rate figures for 1985, 1986 and 1987 were estimated at 10 percent, 10.25 percent and 9.75 percent respectively.

David Hunter began his presentation by pointing out that the Governor has recommended tax policy changes which would balance the budget. He also gave the committee a handout (Exhibit 2). The main policy changes include an 8-cent cigarette tax, a switch of local impact funding for the coal money to the general fund, putting federal mineral royalties in the foundation program and replacing the lost highway funds with the 3-cent gas tax.

He discussed fiscal notes saying that the OBPP revenue estimates are the basis of fiscal notes. He said that if the committee has any problems with a particular fiscal note, they would be glad to review their work.

Mr. Hunter said that revenue projections must indicate a broader economic thinking; he said if interest rates are down, for example, personal income should rise.

He introduced Terry Johnson of his staff to discuss specific details of the projections. Mr. Johnson said that production estimates by the coal companies have been historically conservative and can be relied on. He said that all forecasting is based on current law and does not include the tax policy changes addressed by the Governor. He explained assumptions made by his office regarding price and production of oil.

Interest rate assumptions of OBPP are 10.87 percent for 1985, 10.75 percent for 1986 and 10.9 percent for 1987 for treasury cash and long term rates, applicable to new cash would be 12.5 percent for 1985, 11.9 percent for 1986 and 11.6 percent for 1987. Ms. Waldron said that similar models are used for LFA work with personal income growth and with interest rate projection.

Mr. Hunter said the committee will have to focus on the expenditure side as well. Ms. Rippengale said that without tax policy changes the executive budget is $27 million out of balance and the LFA budget is about $53 million down.

Chairman Towe thanked all parties for their discussion and adjourned the meeting at 10 am.

Thomas E. Towe

Chairman

ROLL CALL

SENATE TAXATION COMMITTEE

49th Legislative Session -- 1985

Date January 31

Location -- Room 413-415

- -

Name	Present	Absent	Excused
Senator Brown	✓		
Senator Eck	✓		
Senator Goodover	✓		
Senator Hager	✓		
Senator Halligan	✓		
Senator Hirsch	✓		
Senator Lybeck	✓		
Senator Mazurek	✓		
Senator McCallum	✓		
Senator Neuman	✓		[illegible]
Senator Severson	✓		
Senator Towe	✓		

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
Prepared for Senate Taxation
January 31, 1985

GENERAL FUND FISCAL OUTLOOK
1987 Biennium
(Millions)

	Executive	LFA	Difference
Beginning Balance 7/1/85	$ 21.8	$ 3.4	$18.4
Revenue 1987 Biennium	755.5	744.1	11.4
Funds Available[1]	$773.30	$747.5	$29.8

Beginning Balance 7/1/85 difference due to:

1.	Revenue-Fiscal 1985	$12.2
2.	School Foundation Revision-Fiscal 1985	5.2
3.	Miscellaneous	1.0
	Total	$18.4

[1]Without an increase in the cigarette tax.

EXHIBIT 1 -- Revenue Estimates
January 31, 1985

JCLEG:GF OUTLOOK 1-30-5

January 31, 1985

Office of the Legislative Fiscal Analyst
General Fund Revenue Comparison
(Thousands)

Category	FY 1985 LFA	FY 1985 Executive	FY 1985 Difference	FY 1986 LFA	FY 1986 Executive	FY 1986 Difference	FY 1987 LFA	FY 1987 Executive	FY 1987 Difference	1987 Biennium Difference
Individual Income Tax	$113,044	$116,582	$(3,538)	$123,442	$125,541	$ (2,099)	$133,513	$134,330	$ (817)	$ (2,916)
Corporation License Tax	31,217	35,017	(3,800)	29,388	29,957	(569)	32,561	32,304	257	(312)
Coal Severance Tax	17,346	17,444	(98)	19,040	19,735	(695)	18,035	18,732	(697)	(1,392)
Oil Severance Tax	29,331	30,929	(1,598)	23,466	23,882	(416)	25,059	22,524	2,535	2,119
Interest on Investments	25,044	26,482	(1,438)	23,044	22,656	388	21,920	22,961	(1,041)	(653)
Long-range Bond Excess	36,185	38,437	(2,252)	37,479	39,237	(1,758)	39,582	41,288	(1,706)	(3,464)
Coal Trust Fund Interest	23,590	24,378	(788)	28,844	28,158	686	34,165	32,259	1,906	2,592
Insurance Premiums Tax	15,753	16,109	(356)	16,195	16,139	56	16,737	17,558	(821)	(765)
Institutional Reimbursement	12,893	12,213	680	14,902	14,758	144	15,356	15,310	46	190
Liquor Profits	5,197	4,466	731	5,263	5,222	41	5,315	5,077	238	279
Liquor Excise Tax	6,029	6,191	(162)	6,045	6,600	(555)	6,038	6,736	(698)	(1,253)
Inheritance Tax	6,247	6,289	(42)	6,247	6,656	(409)	6,247	7,072	(825)	(1,234)
Metal Mines Tax	1,610	1,711	(101)	1,149	1,185	(36)	1,282	1,190	92	56
Electrical Energy Tax	2,084	1,986	98	2,074	2,042	32	2,165	2,169	(4)	28
Drivers' License Fees	905	817	88	905	835	70	905	854	51	121
Telephone License Tax	2,661	2,814	(153)	2,798	3,053	(255)	2,944	3,311	(367)	(622)
Beer License Tax	1,175	1,180	(5)	1,146	1,157	(11)	1,096	1,133	(37)	(48)
Natural Gas Severance Tax	2,505	3,290	(785)	2,486	3,448	(962)	2,500	3,648	(1,148)	(2,110)
Freight Line Tax	1,387	1,402	(15)	1,450	1,465	(15)	1,522	1,556	(34)	(49)
Wine Tax	967	917	50	1,015	928	87	1,066	940	126	213
Other Revenue	14,364	13,474	890	14,326	15,030	(704)	15,413	14,922	491	(213)
Sub Total	$349,534	$362,128	$(12,594)	$360,704	$367,684	$ (6,980)	$383,421	$385,874	$(2,453)	$ (9,433)
Institutional Reimbursement	2,388	-0-	2,388	-0-	-0-	-0-	-0-	-0-	-0-	-0-
County Oil Revenue	1,332	982	350	-0-	772	(772)	-0-	750	(750)	(1,522)
County Natural Gas Revenue	231	191	40	-0-	202	(202)	-0-	214	(214)	(416)
Total	$353,485	$363,301	$ (9,816)	$360,704	$368,658	$ (7,954)	$383,421	$386,838	$(3,417)	$(11,371)

COAL SEVERANCE TAX

Table 1 compares actual fiscal 1984 and projected fiscal 1985 through 1987 taxable coal production, contract sales price, and general fund revenue.

Table 1
Taxable Coal Production, Contract Sales Price, and General Fund Revenue

Production(tons)	Actual FY 1984	FY 1985	FY 1986	FY 1987
LFA	27,394,512	30,655,000	31,920,000	32,390,000
Executive		30,079,000	32,916,000	34,973,000
Difference		576,000	(996,000)	(2,583,000)
Contract Sales Price				
LFA	$10.10	$ 9.93	$10.46	$11.11
Executive		10.201	10.545	10.703
Difference		$(0.271)	$(0.085)	$ 0.407
General Fund Revenue				
LFA	$15,736,468	$17,346,200	$19,039,500	$18,035,000
Executive		17,444,000	19,735,000	18,732,000
Difference		$ (97,800)	$ (695,500)	$ (697,000)

OIL SEVERANCE TAX

Table 2 compares actual fiscal 1984 and projected fiscal 1985 through 1987 taxable oil production, average price, and general fund revenue.

Table 2
Taxable Oil Production, Average Price, and General Fund Revenue

Production (barrels)	Actual FY 1984	FY 1985 (Projected)	FY 1986 (Projected)	FY 1987 (Projected)
LFA	28,517,073	28,101,147	27,690,453	27,286,173
Executive		28,801,000	28,341,000	27,939,000
Difference		(699,853)	(650,547)	(652,827)
Average Price				
LFA	$28.540	$27.280	$26.500	$27.500
Executive		27.699	26.097	24.990
Difference		$(0.419)	$0.403	$ 2.51
General Fund Revenue				
LFA	$32,686,015	$30,663,000	$23,466,000	$25,059,000
Executive		31,911,000	23,882,000	22,524,000
Difference		$(1,248,000)	$ (416,000)	$(2,535,000)

The revenue projections exclude for fiscal 1986 and fiscal 1987 the amount of estimated payments to counties with increased production. The executive includes the money needed for county payments in its general fund forecasts.

LONG-RANGE BOND EXCESS

The long-range bond excess receives revenue from 11 percent of individual and corporation taxes, 79.25 percent of the cigarette tax, and the tobacco products tax. The executive estimate of the bond excess contains $2.7 million more in revenue from the cigarette tax, accounting for the majority of the $3.5 million difference between the two projections in the 1987 biennium.

NATURAL GAS TAX

Table 3 compares actual fiscal 1984 and projected fiscal 1985 through 1987 taxable natural gas production, average price and general fund revenue.

Table 3
Taxable Natural Gas Production, Average Price, and General Fund Revenue

		Projected		
Production(Mcf's)	FY 1984	FY 1985	FY 1986	FY 1987
LFA	44,213,508	41,847,616	40,801,424	39,781,390
Executive		49,787,000	49,589,000	49,448,000
Difference		(7,939,384)	(8,787,576)	(9,666,610)
Price				
LFA	$2.46	$ 2.47	$ 2.52	$ 2.60
Executive		2.638	2.778	2.947
Difference		$(0.168)	$(0.258)	$(0.347)
General Fund Revenue				
LFA	$2,797,996	$2,736,000	$ 2,486,000	$ 2,500,000
Executive		3,481,000	3,448,000	3,648,000
Difference		$ (745,000)	$ (962,000)	$(1,148,000)

The revenue projections exclude for fiscal 1986 and fiscal 1987 the amount of estimated payments to counties with increased production.

JCLEG:COAL OIL COMB

COMPARISON OF SCHOOL FOUNDATION REVENUES
Fiscal 1985
(Millions)

Revenues Available	LFA	OBPP	Difference
County Equalization			
45 Mill Levy	$107.94[3]	$104.86	(3.08)
Miscellaneous[2]	11.77	11.77	--
Forest Funds	1.01	1.01	--
Grazing Funds	.12	.12	--
Elementary Trans.	(3.54)	(3.54)	--
High School Tuition	(.67)	(.67)	--
Total County Equalization[1]	$116.63	$113.55	(3.08)
State Equalization			
25 Percent Income Tax	$ 44.16	$ 45.54	1.38
25 Percent Corp. Tax	12.19	13.68	1.49
5 Percent Coal Tax	4.56	4.59	.03
Interest and Income	37.46	37.46	-0-
Federal Mineral Leasing	13.90	14.17	.27
Coal Trust Interest	6.22	6.01	(.21)
Balance Available	.21	-0-	(.21)
Miscellaneous	--	5.27	5.27
Total State Equalization	$118.70	$126.72	8.02
District Permissive (Includes Light Vehicle Fees and Replacement Funds)	18.50	18.74	.24
TOTAL REVENUES	$253.83	259.01	5.18

[1] County Surplus included in county equalization.

[2] Includes cash reappropriated, 45 mill levy shares of vehicle fees and state reimbursements, other minor revenues and portions of retroactive adjustment for Senate Bill 413 not included in 45 mill levy figures.

[3] Includes funds from retroactive adjustments to oil and gas net proceeds taxes resulting from Senate Bill 413 of 48th Legislature.

COMPARISON OF SCHOOL FOUNDATION REVENUES
1987 Biennium
(Millions)

Revenues Available	Current Level	OBPP	Difference
County Equalization			
45 Mill Levy	$211.70	$217.90	$ 6.20
Miscellaneous[2]	21.00	25.93	4.93
Forest Funds	3.60	3.60	-0-
Grazing Funds	.24	.25	.01
Elementary Trans.	(7.51)	(7.95)	(.44)
High School Tuition	(1.40)	(1.43)	(.03)
Total County Equalization[1]	$227.63	$238.30	$10.67
State Equalization			
25 Percent Income Tax	$100.37	$101.51	$ 1.14
25 Percent Corp. Tax	24.20	24.32	.12
5 Percent Coal Tax	9.76	10.12	.36
Interest and Income	85.30	79.27	(6.03)
Federal Mineral Leasing	28.30	25.27	(3.03)
Coal Trust Interest	14.96	14.25	(.71)
Total State Equalization	$262.89	$254.74	$(8.15)
District Permissive (Includes Light Vehicle Fees and Replacement Funds)	$ 37.90	$ 38.86	$ .96
Total Revenues with Current Policy	$528.42	$531.90	$ 3.48
Policy Options			
Reallocate Coal Tax[1]	$ 7.33	$ 7.59	$ .26
Reallocate Federal Mineral Leasing Funds[2]	13.98	12.16	(1.82)
Total Revenues with Policy Options	$549.73	$551.65	$ 1.92

[1] Increase public school share from 5 to 8 3/4 percent.
[2] Increase public school share to 100 percent less $3 million.
[3] 1/31/85 Coal Tax and Coal Net Proceeds Revised

CNLEG:Sch Foundation 1-31-5

WKS=RECON
DATE: 22-Jan-85

OFFICE OF BUDGET & PROGRAM PLANNING
RECONCILIATION OF
REVISED REVENUES & EXPENDITURES

	LFA FY 85	OBPP FY 85	DIFFERENCE FY 85	LFA FY 86	OBPP FY 86	DIFFERENCE FY 86	LFA FY 87	OBPP FY 87	DIFFERENCE FY 87
BEGINNING FUND BALANCE	30,531,293	35,057,000	4,525,707	2,196,585	21,820,031	19,623,446	(20,371,675)	22,277,503	42,649,193
ESTIMATED RECEIPTS	352,333,000	363,301,000	10,968,000	358,231,000	368,658,000	10,427,000	381,620,000	386,838,000	5,218,000
TOTAL AVAILABLE	382,364,293	398,358,000	15,493,707	360,427,585	390,478,031	30,050,446	361,248,325	409,115,508	47,867,183
BUDGETED EXPENDITURES	378,799,002	380,241,114	1,442,112	381,499,260	376,743,523	(4,755,737)	390,598,367	381,363,045	(9,235,322)
SUPPLEMENTAL REQUESTS	6,800,000	7,937,075	1,137,075						
FEED BILL	4,000,000	4,122,272	122,272				4,000,000	4,122,272	122,272
PAY PLAN CARRY FORWARD		2,000,000	2,000,000						
PAY PLAN PROPOSAL				5,800,000	5,950,000	150,000	11,600,000	11,750,000	150,000
CLASS ENHANCEMENT					0	0			
MODS FOR ELECTED OFFICIALS					1,000,000	1,000,000		1,000,000	1,000,000
OTHER OBLIGATIONS									
TANS	2,304,714	2,304,714	0						
COUNTY OIL & GAS	1,562,948	1,215,000	(347,948)						
DEBT SERVICE	10,063,547	10,004,699	(58,848)						
ADJUSTMENTS									
FY 84 DEBT SERVICE	(1,406,100)		1,406,100						
OTHER	(386,403)		386,403						
FY 85 TRANSFERS		(1,650,968)	(1,650,968)						
FED FUNDS SWITCH		(88,937)	(88,937)						
REVERSIONS									
PUBLIC SCHOOLS	(14,570,000)	(19,347,000)	(4,777,000)						
DEBT SERVICE			0						
COUNTY OIL & GAS			0						
OTHER	(6,500,000)	(10,200,000)	(3,700,000)	(6,500,000)	(6,500,000)	0	(6,500,000)	(6,500,000)	0
TOTAL EXPENDITURES	380,667,708	376,537,969	(4,129,739)	380,799,260	377,193,523	(3,605,737)	399,698,367	391,735,317	(7,963,050)
CIGARETTE TAX PROPOSAL					5,493,000	5,493,000		7,355,000	7,355,000
LEGACY PROGRAM DELAY					3,500,000	3,500,000			
ENDING FUND BALANCE	2,196,585	21,820,031	19,623,446	(20,371,675)	22,277,508	42,649,183	(38,450,042)	24,735,191	63,185,233

EXHIBIT 2 -- Revenue Estimates
January 31, 1985

WKS=RESCOMP4

GENERAL FUND REVENUE ESTIMATE COMPARISON
OBPP VERSUS LFA

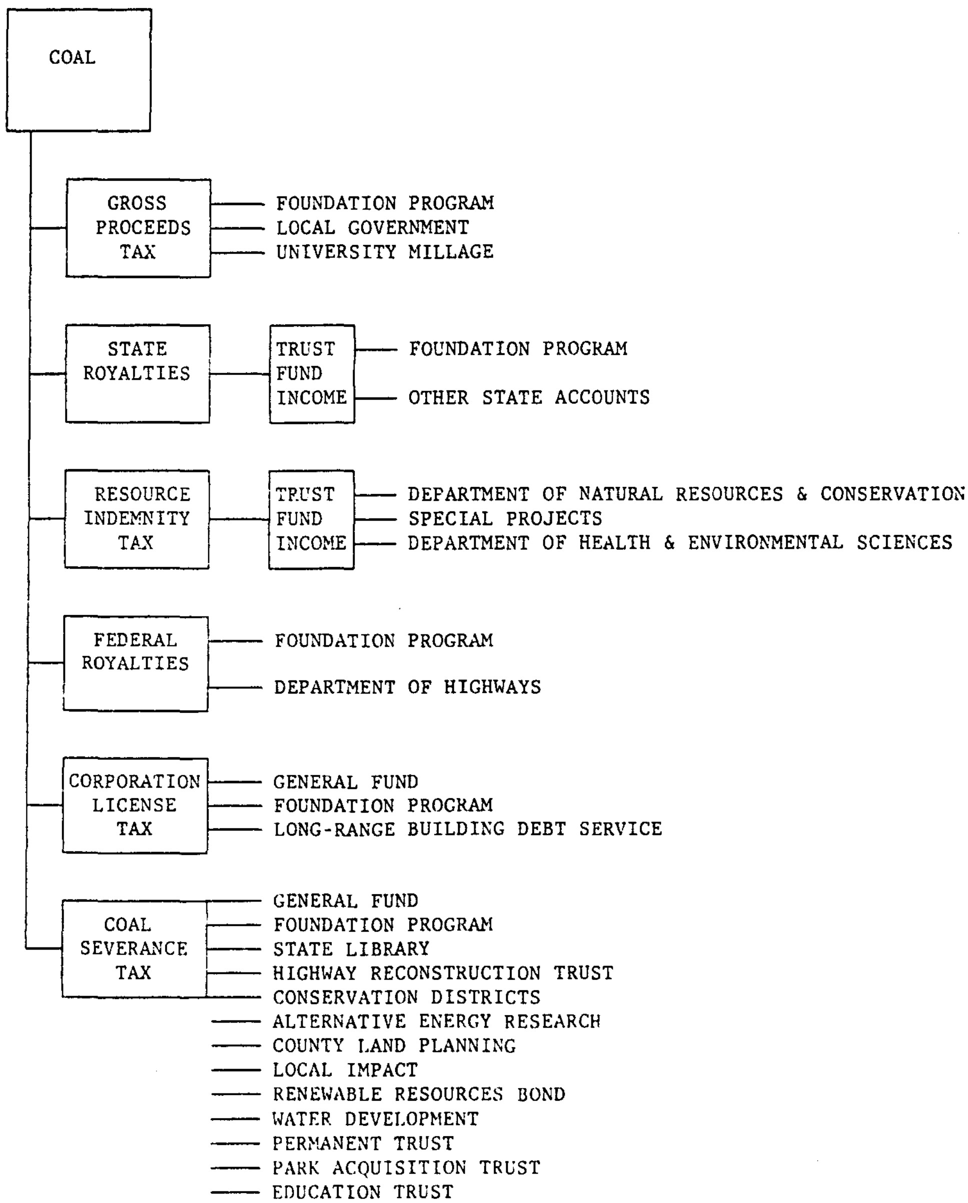
Source of Revenue	Actual FY 83	Actual FY 84	OBPP FY 85	LFA FY 85	DIFFERENCE FY 85	OBPP FY 86	LFA FY 86	DIFFERENCE FY 86	OBPP FY 87	LFA FY 87	DIFFERENCE FY 87	OBPP FY 86 & 87	LFA FY 86 & 87	DIFFERENCE FY 86 & 87
Individual Income Tax	97,152,215	109,021,660	116,582,000	113,044,000	3,538,000	125,541,000	123,442,000	2,099,000	134,330,000	133,513,000	817,000	259,871,000	256,955,000	2,916,000
Oil Severance Tax	43,787,960	32,686,014	31,911,000	30,663,000	1,248,000	24,654,000	23,466,000	1,188,000	23,274,000	25,059,000	(1,785,000)	47,928,000	48,525,000	(597,000)
Interest on Investments	29,918,421	23,527,514	26,482,000	25,044,000	1,438,000	22,656,000	23,044,000	(388,000)	22,961,000	21,920,000	1,041,000	45,617,000	44,964,000	653,000
Corporation License Tax	20,733,658	20,547,177	35,017,000	31,217,000	3,800,000	29,957,000	29,388,000	569,000	32,304,000	32,561,000	(257,000)	62,261,000	61,949,000	312,000
Long Range Bond Excess	22,797,971	41,682,643	38,437,000	36,185,000	2,252,000	39,237,000	37,479,000	1,758,000	41,288,000	39,582,000	1,706,000	80,525,000	77,061,000	3,464,000
Coal Severance Tax	15,208,581	15,736,468	17,444,000	16,329,000	1,115,000	19,735,000	17,028,000	2,707,000	18,732,000	16,934,000	1,798,000	38,467,000	33,962,000	4,505,000
Coal Trust Interest	18,466,762	18,747,636	24,378,000	23,455,000	923,000	28,158,000	28,383,000	(225,000)	32,259,000	33,465,000	(1,206,000)	60,417,000	61,848,000	(1,431,000)
Insurance Tax	13,011,479	13,621,332	16,109,000	15,753,000	356,000	16,139,000	16,195,000	(56,000)	17,558,000	16,737,000	821,000	33,697,000	32,932,000	765,000
Institution Reimbursements	11,406,505	9,179,921	12,213,000	15,281,000	(3,068,000)	14,758,000	14,902,000	(144,000)	15,310,000	15,356,000	(46,000)	30,068,000	30,258,000	(190,000)
Inheritance Tax	6,398,489	5,960,471	6,289,000	6,247,000	42,000	6,656,000	6,247,000	409,000	7,072,000	6,247,000	825,000	13,728,000	12,494,000	1,234,000
Liquor Excise Tax	6,559,727	6,415,784	6,191,000	6,029,000	162,000	6,600,000	6,045,000	555,000	6,736,000	6,038,000	698,000	13,336,000	12,083,000	1,253,000
Liquor Profits	4,500,000	5,782,000	4,466,000	5,197,000	(731,000)	5,222,000	5,263,000	(41,000)	5,077,000	5,315,000	(238,000)	10,299,000	10,578,000	(279,000)
Natural Gas Tax	2,525,059	2,797,996	3,481,000	2,736,000	745,000	3,650,000	2,486,000	1,164,000	3,862,000	2,500,000	1,362,000	7,512,000	4,986,000	2,526,000
Telephone Tax	2,463,670	2,521,905	2,814,000	2,661,000	153,000	3,053,000	2,798,000	255,000	3,311,000	2,944,000	367,000	6,364,000	5,742,000	622,000
Metal Mines Tax	1,542,061	2,630,135	1,711,000	1,610,000	101,000	1,185,000	1,149,000	36,000	1,190,000	1,282,000	(92,000)	2,375,000	2,431,000	(56,000)
Electrical Energy Tax	1,546,157	2,413,172	1,986,000	2,084,000	(98,000)	2,042,000	2,074,000	(32,000)	2,169,000	2,165,000	4,000	4,211,000	4,239,000	(28,000)
Freight Line Tax	1,432,164	1,334,111	1,402,000	1,387,000	15,000	1,465,000	1,450,000	15,000	1,556,000	1,522,000	34,000	3,021,000	2,972,000	49,000
Beer Tax	1,235,805	1,204,236	1,180,000	1,175,000	5,000	1,157,000	1,146,000	11,000	1,133,000	1,096,000	37,000	2,290,000	2,242,000	48,000
Drivers' License Fees	816,365	779,616	817,000	905,000	(88,000)	835,000	905,000	(70,000)	854,000	905,000	(51,000)	1,689,000	1,810,000	(121,000)
Wine Tax	895,884	904,905	917,000	967,000	(50,000)	928,000	1,015,000	(87,000)	940,000	1,066,000	(126,000)	1,868,000	2,081,000	(213,000)
Other Revenue	11,176,083	12,590,802	13,474,000	14,364,000	(890,000)	15,030,000	14,326,000	704,000	14,922,000	15,413,000	(491,000)	29,952,000	29,739,000	213,000
Prior Year Adjustments	8,369,749	(866,898)	0	0	0	0	0	0	0	0	0	0	0	0
Totals	321,944,765	329,438,600	363,301,000	352,333,000	10,968,000	368,658,000	358,231,000	10,427,000	386,838,000	381,620,000	5,218,000	755,496,000	737,851,000	15,645,000

JKS=RESCOMP5

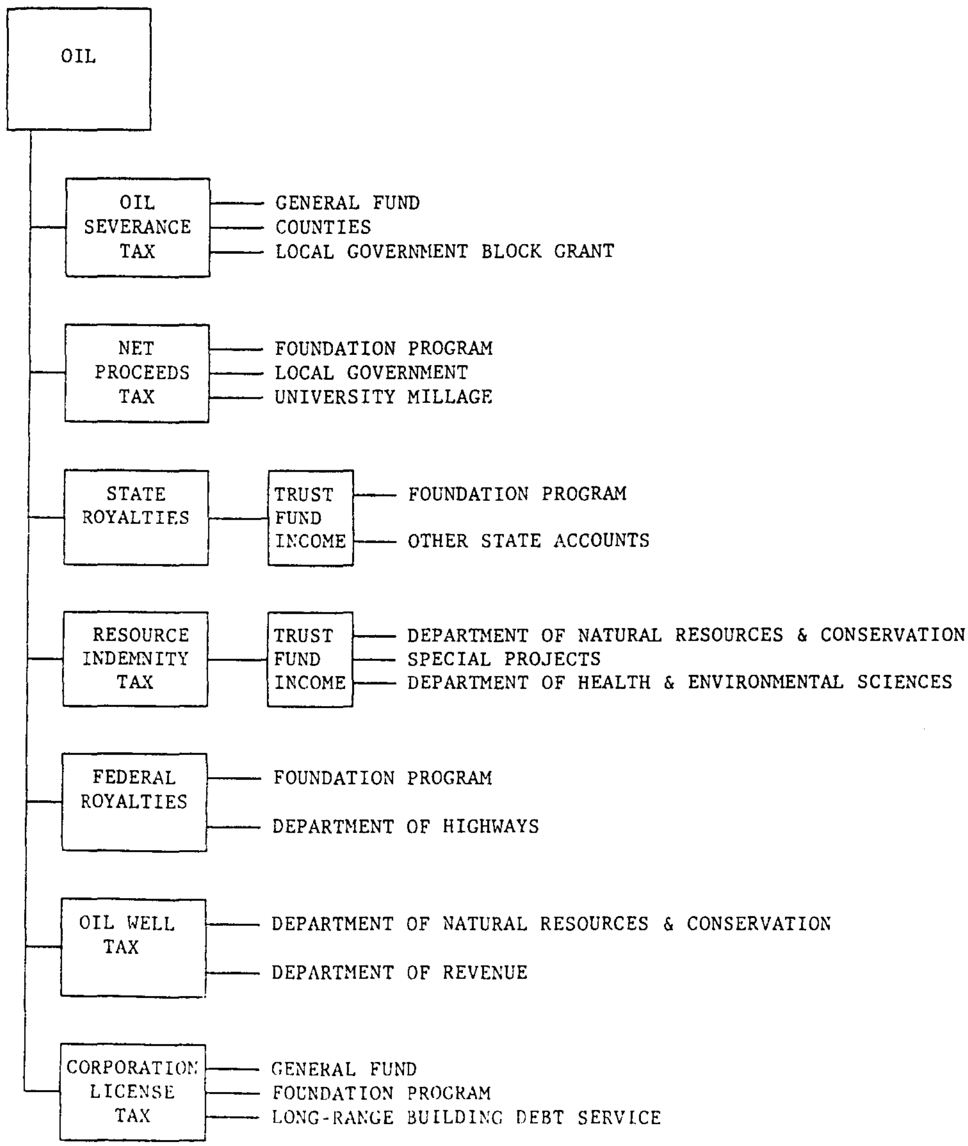
FOUNDATION PROGRAM REVENUE ESTIMATE COMPARISON
OBPP VERSUS LFA

Source of Revenue	Actual FY 83	Actual FY 84	OBPP FY 85	LFA FY 85	DIFFERENCE FY 85	OBPP FY 86	LFA FY 86	DIFFERENCE FY 86	OBPP FY 87	LFA FY 87	DIFFERENCE FY 87	OBPP FY 86 & 87	LFA FY 86 & 87	DIFFERENCE FY 86 & 87
STATE REVENUE														
Individual Income Tax	37,950,067	42,586,587	45,540,000	44,160,000	1,380,000	49,040,000	48,220,000	820,000	52,473,000	52,150,000	323,000	101,513,000	100,370,000	1,143,000
Corporation License Tax	8,099,084	8,026,240	13,678,000	12,190,000	1,488,000	11,702,000	11,480,000	222,000	12,619,000	12,720,000	(101,000)	24,321,000	24,200,000	121,000
Coal Severance Tax	4,002,249	4,141,172	4,590,000	4,300,000	290,000	9,088,000	4,480,000	4,608,000	8,627,000	4,460,000	4,167,000	17,715,000	8,940,000	8,775,000
Interest and Income	36,398,297	36,982,835	37,456,000	38,200,000	(744,000)	38,860,000	41,630,000	(2,770,000)	40,411,000	43,670,000	(3,259,000)	79,271,000	85,300,000	(6,029,000)
US Oil and Gas Royalties	11,543,027	14,948,556	14,167,000	13,900,000	267,000	18,671,000	13,900,000	4,771,000	18,762,000	14,400,000	4,362,000	37,433,000	28,300,000	9,133,000
Education Trust Interest	8,230,693	5,107,578	6,019,000	6,220,000	(201,000)	6,809,000	7,080,000	(271,000)	7,436,000	7,880,000	(444,000)	14,245,000	14,960,000	(715,000)
Miscellaneous	24,013	2,145,511	5,268,000	0	5,268,000	0	0	0	0	0	0	0	0	0
Totals	106,247,430	113,938,479	126,718,000	118,970,000	7,748,000	134,170,000	126,790,000	7,380,000	140,328,000	135,280,000	5,048,000	274,498,000	262,070,000	12,428,000
COUNTY REVENUE														
45 Mills			104,864,000	107,940,000	(3,076,000)	107,879,000	105,140,000	2,739,000	110,020,000	106,130,000	3,890,000	217,899,000	211,270,000	6,629,000
Elementary Transportation			(3,540,000)	(3,540,000)	0	(3,823,000)	(3,680,000)	(143,000)	(4,129,000)	(3,830,000)	(299,000)	(7,952,000)	(7,510,000)	(442,000)
Cash Reappropriated			3,189,000	0	3,189,000	3,189,000	0	3,189,000	3,189,000	0	3,189,000	6,378,000	0	6,378,000
Forest Funds			1,014,000	1,010,000	4,000	1,800,000	1,000,000	800,000	1,800,000	1,000,000	800,000	3,600,000	2,000,000	1,600,000
Taylor Grazing			123,000	120,000	3,000	123,000	120,000	3,000	123,000	120,000	3,000	246,000	240,000	6,000
Miscellaneous			8,580,000	11,770,000	(3,190,000)	9,355,000	10,500,000	(1,145,000)	10,200,000	10,500,000	(300,000)	19,555,000	21,000,000	(1,445,000)
High School Tuition			(673,000)	(670,000)	(3,000)	(701,000)	(700,000)	(1,000)	(730,000)	(700,000)	(30,000)	(1,431,000)	(1,400,000)	(31,000)
Totals			113,557,000	116,630,000	(3,073,000)	117,822,000	112,380,000	5,442,000	120,473,000	113,220,000	7,253,000	238,295,000	225,600,000	12,695,000
DISTRICT REVENUE			18,739,000	18,500,000	239,000	19,248,000	18,800,000	448,000	19,609,000	19,100,000	509,000	38,857,000	37,900,000	957,000
TOTAL REVENUES	106,247,430	113,938,479	257,014,000	254,100,000	4,914,000	271,240,000	257,970,000	13,270,000	280,410,000	267,600,000	12,810,000	551,650,000	525,570,000	26,080,000

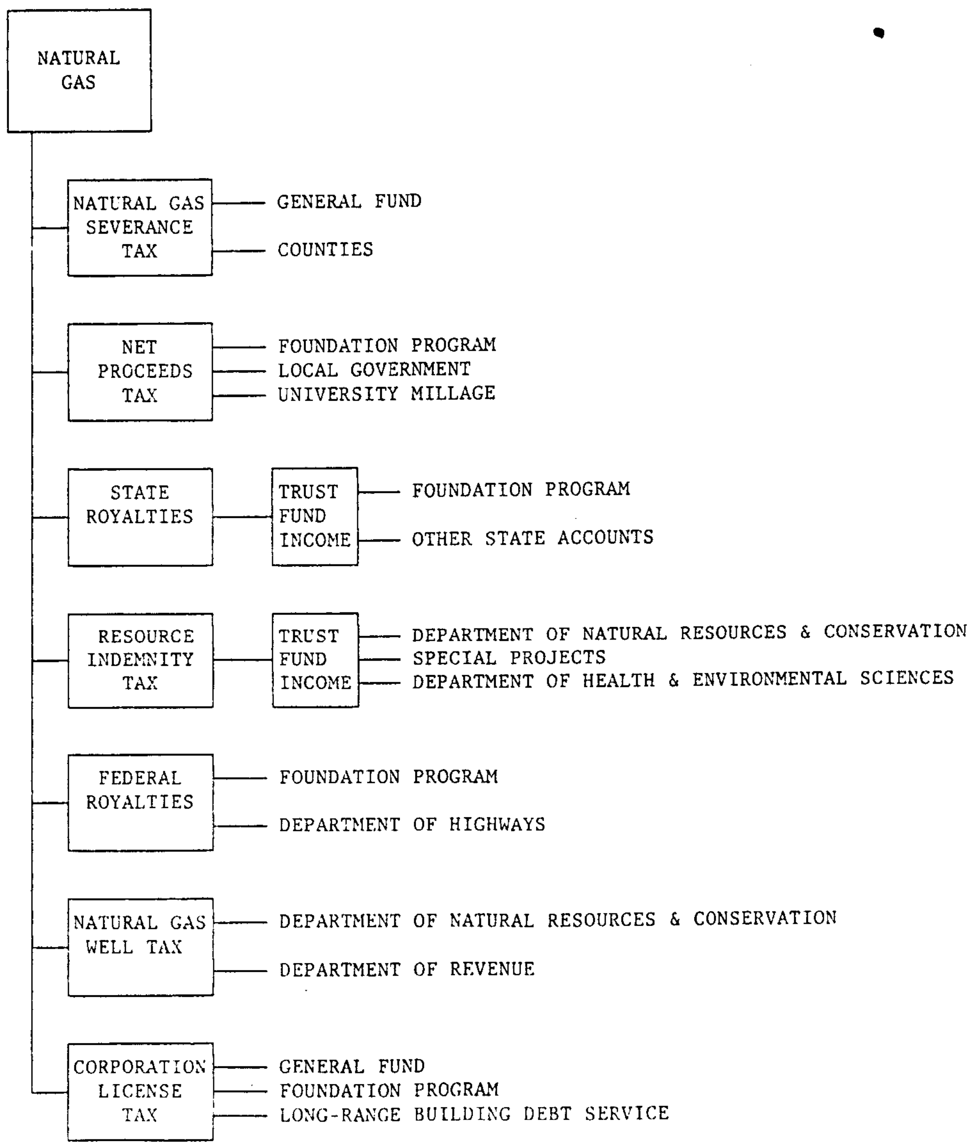
GRAPHIC REPRESENTATION OF REVENUE IMPACT
COAL



GRAPHIC REPRESENTATION OF REVENUE IMPACT
OIL



GRAPHIC REPRESENTATION OF REVENUE IMPACT
NATURAL GAS



MONTANA STATE SENATE

SENATE TAXATION COMMITTEE

49TH LEGISLATURE

COMMITTEE MEMBERS:	Senator Tom Towe, Chairman Senator Joe Mazurek, Vice-Chairman Senator Bob Brown Senator Dorothy Eck Senator Pat Goodover Senator Tom Hager Senator Mike Halligan Senator Les Hirsch Senator Ray Lybeck Senator George McCallum Senator Ted Neuman Senator Elmer Severson
STAFF ATTORNEY:	Jim Lear
SECRETARY:	Nancy Aagenes