

MINUTES

MONTANA SENATE 53rd LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: By Chairman Mike Halligan, on March 16, 1993, at 8:05 a.m.

ROLL CALL

Members Present:

Sen. Mike Halligan, Chair (D)
Sen. Dorothy Eck, Vice Chair (D)
Sen. Bob Brown (R)
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: Sen. Steve Doherty (D)

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: HB 279, HB 402, HB 490, HJR 3
Executive Action: HB 279, HB 402, HB 490, HJR 3

HEARING ON HB 402

Opening Statement by Sponsor:

Representative Bill Strizich, House District #41, presented HB 402, which is an act changing from 10 years to 5 years the time when personal property taxes may be cancelled if the County has exhausted all efforts to seize and sell the property, and clarifying that personal property taxes unpaid because of bankruptcy or other litigation need not be listed as uncollected. Rep. Strizich said his County Treasurer asked him to carry this bill, which has no fiscal impact on the General Fund. Rep. Strizich said that almost all collectable personal property taxes are paid within two to three years, either by payment or by seizure and sale.

Proponents' Testimony:

Cort Harrington, representing the Montana County Treasurer's Association (MCTA), said HB 402 was introduced at the request of MCTA. The MCTA doesn't think there is any need to carry delinquent personal property taxes on the tax rolls for 10 years; if these taxes can't be collected within 2 to 3 years, there is a good chance the property owners have left that County and there is no chance of collecting the tax. If the Treasurer cannot collect the tax within 5 years, there is probably something wrong. Mr. Harrington urged support of HB 402.

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

In answer to questions by Senator Towe concerning the status of taxes uncollected at the end of the 5-year period, Mr. Harrington said that if the tax is not collected within the five year period, it is written off, and if the circumstances change, the tax is still not collectable. It is the view of the County Treasurers that if they haven't been able to find the taxpayers in five years, they probably aren't going to be able to find them. Also, if the assessment is on some type of equipment, it is difficult to prove that it is the same property the County assessed 8 or 9 years earlier.

Closing by Sponsor:

Senator Strizich encouraged support of HB 402.

HEARING ON HB 279**Opening Statement by Sponsor:**

Rep. Bob Gilbert, House District #22, presented HB 279, which establishes requirements for liquor agency store franchise agreements. Rep. Gilbert said HB 279 will take the agency liquor stores out of Section 18 and move them into Section 16. In the last legislative session, a similar bill passed both houses but the bill had some other issues included and was vetoed by the Governor. HB 279 only deals with liquor stores, and allows for negotiation of a 10-year agency franchise agreement with the State Department of Revenue (DOR). Section 2 deals with establishing and closing agency franchise stores. Rep. Gilbert said the original bill read that the State couldn't stop the renewal of the agency franchise agreement until the agent

mutually agreed. The House amended the bill so that if the agent didn't agree with the negotiation and the rates, the store would be advertised for a franchise, and after the agreement was made by the people who responded to the advertisement, the current owner of the agency liquor store had the right to meet that new agreement. At present, every three years the liquor agency store has to re-negotiate an agreement with the State. The State requires an agency store to modify its building to meet State specifications. Presently, a person could put thousands of dollars into a building to meet State specs, and in three years the person could be replaced. Rep. Gilbert said it is hard to justify that kind of investment for a 3-year lease.

Proponents' Testimony:

Mike Grunow, representing the Montana Agency Liquor Store Association (MALSA), who is also an agent in Lolo, spoke in favor of HB 279. Mr. Grunow said this past year there have been some problems in the agency liquor system and he believes HB 279 will take care of those problems. He said this bill will serve to clarify the agency liquor system, it doesn't have any affect on the Montana Tavern Association, it has no affect on the current quota system Montana has established, and it will give the agent/owner/operator the ability to amortize his investment and plan for his future and not have to re-bid his store every three years. Equally as important, according to Mr. Grunow, it doesn't preclude the State from at some point in the future potentially looking at privatization of the liquor issue. He asked that this bill be supported.

Willard Hill, the agent at the Ronan Store 101, spoke in favor of HB 279, saying he supports the longer terms so an owner can do some kind of planning. Mr. Hill said it is hard to find good employees and keep them when an owner doesn't know from day to day if he will have a store or not. He asks support of HB 279.

Opponents' Testimony:

None.

Informational Testimony:

None.

Questions From Committee Members and Responses:

Senator Eck asked Gary Blewett, Administrator of the DOR Liquor Division, for his assessment of HB 279. Mr. Blewett said he finds no problem whatsoever with this bill. He thinks it does iron out some problems that the Liquor Division had in the past regarding re-contracting every three years. Mr. Blewett said HB 279 will further better management of the liquor agency system.

Closing by Sponsor:

Rep. Gilbert said HB 279 will have a positive impact on rural communities, and the longevity is needed because most often the liquor agency business is part of another existing business and if the liquor agency business should go out, the other business could be jeopardized. Rep. Gilbert recommends the bill and asks committee support.

HEARING ON HJR 3**Opening Statement by Sponsor:**

Rep. Bob Gilbert, House District #22, presented HJR 3, which is the Revenue Oversight Committee's (ROC) income projection for the State of Montana. Rep. Gilbert turned the presentation over to Terry Johnson.

Informational Testimony:

Terry Johnson, Principal Fiscal Analyst, Legislative Fiscal Analyst's Office (LFA), presented Exhibit No. 1 to these minutes, which is entitled, "Major Economic Assumptions For The 1995 Biennium". Mr. Johnson explained this exhibit is a summarization of the economic assumptions as adopted by the Revenue Oversight Committee on January 5, 1993. Since the adoption of those assumptions, HJR 3 was introduced and passed the House. There is one adjustment which will not affect any of the underlying economic assumptions but it did change the anticipated revenue for the General Fund category called "All Other Revenue". The Department of State Lands indicated to the LFA they would receive an additional \$400,000 revenue due to a Federal reimbursement for fires. This amount is included in the HJR 3 bill; however, it does not show in Exhibit No. 1.

Questions From Committee Members and Responses:

Mr. Johnson answered questions from the committee as he reviewed the estimates listed in Exhibit No. 1.

In response to questions by Senator Towe, Mr. Johnson said the Other Revenue Sources line item on the General Fund Revenue Estimates chart should read \$21.483 (million) in FY 1993.

Senator Harp questioned the pie chart which shows the Foundation Program Revenue income changing from 24.1% in FY 92-93 to 26.8% in FY 94-95. Mr. Johnson said the portion of the income tax going to the School Equalization Account (SEA) in 1994-95 has been changed to 31.8%, so a larger percentage of the total income tax is being deposited into that account. Unless there are further changes, that percentage is fixed. Mr. Johnson said in terms of the need in the SEA account, if there is inadequate revenue available, there is a General Fund supplement to make up

the difference. In past legislative sessions, there has been an attempt to make sure that account is self-supporting, so there have been adjustments in these percentages.

Mr. Johnson said the Major Economic Assumptions listed in Exhibit No. 1 were adopted by the ROC. The ROC has categorized the assumptions by economic indicators, i.e., Population and Employment Indicators are grouped together, income components are grouped together, and various natural resources are grouped together. Consumption indicators include cigarette and tobacco consumptions, liquor sales, etc.

Senator Harp questioned the TRANS figures under Major Economic Assumptions, which shows \$135.600 million in FY '93; however, there is nothing shown in TRANS in '94 and '95. At the time the ROC adopted the underlying assumptions, they chose to assume a zero TRANS because of the uncertainty of how the budget was actually going to be balanced.

Senator Towe asked what COM indicates on the chart. Mr. Johnson said COM indicates a computed number. The ROC adopted the assumptions and then directed Mr. Johnson and his staff to go back and compute those particular components.

Mr. Johnson said in addition to the economic assumptions in Exhibit No. 1, there are a series of graphs dealing with five or six major economic assumptions. The ROC is trying to show graphically what the trend is, as well as the historical data and forecast for each one of those major components.

Mr. Johnson pointed out the Freight Line Tax listed under the General Fund Revenue Estimates chart, which shows \$1.272 million was collected in FY '92. The estimates for '93, '94, and '95 show zero. Last fall, when the ROC was developing the economic assumptions and the associated revenue estimates, they decided not to develop a revenue estimate on this particular source due to the action by the July Special Session that repealed the Freight Line Tax. The Freight Line Tax has been replaced with a property tax. When ROC talked to the DOR in December, 1992, DOR indicated they were working on the re-valuation of that railroad car company stock, but the DOR was unsure how much revenue would be generated, and indicated it might be revenue-neutral or may be a bit higher. The ROC chose to assume zero revenue and wait until the DOR developed permanent numbers. Mr. Johnson said the DOR has now indicated they do have some firmer numbers for this tax source and at this point they have provided information on HB 640, a bill dealing with this particular tax source. Based on new DOR valuation numbers, it appears there is \$12.5 million additional revenue for Fiscal Years 1992 through 1995. If the impacts of HB 640 are included, that revenue would be reduced by about \$500,000, so there is approximately a \$12 million net additional revenue available that possibly could be included in HJR 3. Ken Morrison, DOR, has indicated to Mr. Johnson there is a possibility of further

litigation from this tax source, so Mr. Johnson recommends this committee seek information from the DOR before taking action to incorporate these numbers into the resolution.

In response to questions by Senator Towe, Mr. Johnson said of the \$12 million net impact, roughly \$6 million is for the '92-'93 biennium, and \$6 million is for the '94-'95 biennium, which would all be General Fund revenue.

Mr. Johnson said the history of this Freight Line Tax is that it was assessed on railroad cars that essentially were leased and was a way of capturing a tax in lieu of property tax. Mr. Johnson thinks the tax was 1.5% of the gross value of the freight cars. Over the years, the tax has generated about \$1.2 million. There was a company that brought suit against the State on this tax, so in the July, 1992, Special Session, there was a bill that repealed the Freight Line Tax. The DOR is now in the process of determining the value of the stock and will apply a property tax on the railroad cars.

Dave Woodgerd, Chief Legal Council for the DOR, said this new tax is not like a Beneficial Use Tax, it is a straight property tax that replaces the previous license tax, and the money comes to the state. The owner, the lessor, is the one being taxed. Mr. Woodgerd said a state-wide average mill levy is now being applied on the value of the railroad car, but the House bill will change that so the average commercial-industrial property mill levy will be applied.

Mick Robinson, Director of DOR, said an adjustment may have to be made in the revenue estimates to account for loss of interest. If DOR does not have appropriation money to restore extra staff for their peak income tax season, they estimate a \$200,000 loss in interest earnings. Mr. Robinson said they are presently four days behind in opening mail, and in April, they receive about 1/3 of all of the mail they receive in a fiscal year. If they don't have extra temporary staff, a significant amount of money is not getting into the bank in order to collect interest.

Mr. Robinson said Rep. Kadas made a motion in the Appropriations Committee to restore temporary staff for the DOR in that peak season, however the motion failed. Mr. Robinson said this temporary staff reduction will have an impact on revenue but that temporary staff was probably the lowest impact in terms of revenue lost, whereas if the DOR lost one auditor, it would have a much higher impact than the loss of interest. When the motion failed in the Appropriations Committee, Rep. Kadas wanted to make sure DOR communicated the information to this committee, from the standpoint that if it wasn't going to be part of the appropriations, the revenue estimate would be down.

Senator Towe questioned Director Robinson if there are any other similar problems. Mr. Robinson said he is not aware of anything specifically, and he wanted to make sure this was communicated to the ROC where this would be recognized.

Senator Towe questioned Terry Johnson on where this change would be made, if he thinks it is appropriate. Mr. Johnson recommended that this committee not make a change to the HJR 3, because HJR 3 is current-law revenue estimates, and it maintains its current-law status throughout the Session. The way that ROC takes care of any additional legislation that impacts the revenues is on the General Fund Status Sheet (GFSS). Any bill that has a revenue impact shows up on the GFSS as it progresses through the process. In the case of HB 2, if it does ultimately have revenue impact, ROC would show it on the GFSS. ROC will take a look at DOR's concerns regarding loss of interest revenue because of lack of adequate staffing, and ROC will more than likely incorporate it on the General Fund Status Sheet.

Senator Van Valkenburg asked Director Robinson if he has come up with any plans as to how to collect bad debts in the individual income tax area. Mr. Robinson said he hasn't had time to address all the administrative functions in DOR within the past 2 1/2 months, but there has been a significant improvement in trying to identify areas that are potential sources of revenue to the state, and there has been a significant improvement in the income tax collections, both individual and corporate, in the past year. This is an area that needs to be reviewed constantly and continuously in making sure DOR is doing an adequate job in collecting these bad debts. It looks like DOR has a very high accounts receivable dollar amount, but the largest portion of that, at this point in time, is connected with the drug tax, where they tax illegal profits from sale of drugs. DOR has not been successful in trying to collect that tax and they have just had the Ninth Circuit Court indicate that tax is not constitutional. They have communicated to the subcommittee that this particular tax was taking a lot of time and effort on the part of the DOR and not getting much in terms of return, and they have requested a committee bill through appropriations that does away with that drug tax.

Senator Van Valkenburg said he is more concerned about the \$20 million in individual income tax that has not been collected and how the DOR plans to reduce that figure. Director Robinson said it has been reduced, but he is not sure it will ever get down to a low level.

On questions by Senator Harp, Jack Ellery, Deputy Director, Operations Division of DOR, said DOR had a target in FY 1992 of collecting over \$11 million in outstanding accounts receivable. They met and exceeded that target by collecting \$13 million. The target for FY 1993 is \$16.1 million of the \$20 million outstanding. Mr. Ellery said as fast as they are collecting these outstanding accounts, they are identifying additional

people who have not paid their fair share. He said they have done everything operational that can be done, and the money that the legislature has invested in staff, has paid off in the collections made.

Senator Harp asked how many FTEs were allowed during last session towards collecting these bad accounts. Mr. Ellery said that during the 1991 Session, DOR had an accounts receivable modification of 4.5 FTEs, which was approved.

Senator Gage asked, in the whole budgeting process, do we make accrual of 100% of what we think the tax liabilities are, and if so, where does the dead beat file work into this. Mr. Ellery said DOR follows general accepted accounting principles as far as what can be identified as reasonably collectable into the next fiscal year. They identify what has historically been collected in a 60-day period and make that accrual. If the DOR cannot locate a debtor in a two or three year period, the debt is turned over to a bad debt collection agency to see what they can do. However, their experience has been marginal and they have only collected 2% or 3% of what DOR has turned over to them.

In response to questions by Senator Towe, Mr. Ellery said he thinks DOR is optimally staffed for the income tax division, and has not made requests for additional staff for this division.

In response to questions by Senator Gage, Mr. Ellery said 96% of Montanans pay their taxes, their fair share, the first time, every time. The 4% makes up the \$20 million-plus that the DOR is dealing with in bad debt collections.

Closing by Sponsor:

Rep. Gilbert had no further comments in closing.

HEARING ON HB 490

Opening Statement by Sponsor:

Rep. Scott Orr, House District 2, presented HB 490, which is a bill concerning motor fuel tax evasion. It is presently possible to bring gas into Montana and not pay the state tax. The reason is that the State does their bookkeeping and the Federal government does their bookkeeping, and they don't necessarily mesh. This wasn't a problem until the state increased the tax on the gas and made it pretty lucrative for people to evade the taxes. When the Department of Transportation (DOT) came into existence, they made the decision to aggressively pursue motor fuel tax evaders.

Informational Testimony:

Bill Salisbury, Administrator, Administration Division, DOT, presented Exhibit No. 2 to these minutes, which is his written testimony urging the committee to support this legislation. Mr. Salisbury said under current law, people can import gasoline into Montana without paying a tax, without being licensed, the state cannot track the gasoline sales, and Montana has no provisions to penalize the importer. HB 490 would allow the DOT to enter into contracts with other states which would allow them to collect the tax for Montana.

Proponents' Testimony:

None.

Opponents' Testimony:

None.

Questions From Committee Members and Responses:

In response to questions by Senator Towe, Mr. Salisbury explained this is a tax on gasoline which would be paid by the distributor. Presently, the state requires a license for gasoline distributors who export. Section 2 of HB 490 is adding the requirement that all persons who import gasoline into the state have a distributor's license. Mr. Salisbury said fuel tax evasion usually takes place across state lines. The Federal government is releasing 100% Federal funds for states to establish computer programs for exchanging information between states and for working with the industry to create the reports coming from refiners.

Senator Towe asked for clarification of Section 3, on Page 6, Lines 20-22. Mr. Salisbury explained this section is the cooperation agreement between Montana and other states. Currently, if a distributor is exporting fuel to another state, he can subtract that tax off his distributor's report. However, HB 490 will require the distributor to pay the tax to Montana and then if the distributor is not licensed in the state the fuel is destined for, the distributor cannot make application for a deduction. This will be handled administratively through compact agreements with other states.

Closing by Sponsor:

In closing, Rep. Orr said it is difficult to determine the revenue impact of HB 490 because the DOT doesn't know to what extent the gasoline taxes have been evaded in the past.

EXECUTIVE ACTION ON HB 490

MOTION/VOTE:

Senator Stang moved HB 490 BE CONCURRED IN. The motion CARRIED UNANIMOUSLY on oral vote (591154SC.Sma). Senator Stang will carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 279

DISCUSSION:

Senator Towe commented about the administrative hearing process listed on Page 10 where there is no reference to hearing decisions according to the Montana Administrative Procedure Act (MAPA), and on Page 11 where the bill twice refers to hearing decisions according to MAPA, and asked why a hearing would not be held subject to MAPA. Mr. Salisbury said in one instance a franchise would be taken away; in another instance, where the DOR is asking for a higher rate, they could request a hearing.

Senator Towe noted the time limit for holding the hearing is not provided in HB 279. He thinks if MAPA rules apply, it should say so in HB 279.

MOTION/VOTE:

Senator Towe moved HB 279 BE CONCURRED IN. The motion CARRIED on oral vote (591152SC.Sma). Senator Stang did not vote because of a conflict of interest. Senator Swysgood will carry the bill on the Senate floor.

EXECUTIVE ACTION ON HB 402

DISCUSSION:

Senator Towe does not believe it should be mandatory that the County must charge off uncollected personal property taxes if there is a possibility the property might come back on the rolls. He thinks there should be some flexibility. He suggested taking out the word "not" on Line 2, and "because of" on Line 3, Page 2, of HB 402, and insert "notwithstanding" before "bankruptcy" on Line 3, Page 2, and add "or having been delinquent for five years if collection remains likely or probable" after "litigation" on Line 3, Page 2.

Senator Gage noted that the title of HB 402 reads, "If the county has exhausted all efforts to seize and sell the property", which language doesn't appear in the body of the bill. Senator Gage stated if this language were to be placed in the bill, he doesn't think it would be necessary for the amendments suggested by Senator Towe. Senator Towe agreed that if they have exhausted

all efforts it is fine, but he doesn't think it should be mandated to charge off the tax.

There was no further executive action taken on HB 402.

EXECUTIVE ACTION ON HJR 3

MOTION/VOTE:

Senator Towe moved HJR 3 BE CONCURRED IN. The motion CARRIED UNANIMOUSLY on oral vote. Senator Towe will carry the bill on the Senate floor.

MOTION/VOTE TO RECONSIDER:

Senator Towe moved this committee reconsider its action on HJR 3. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Terry Johnson said he would like the Department of Revenue's assessment on the possibility of further litigation regarding the Freight Line Tax source. If there is a greater chance of litigation, Mr. Johnson would recommend that the committee not include \$12 million in the budget estimates.

In answer to questions by Senator Towe, Mr. Johnson said current law does require a property tax, and HB 640 changes the mill levy calculation so that it effectively reduces the mills applied, which has the \$500,000 impact he spoke of during the hearing. Because of the uncertainty at this point in time, ROC determined to err on the conservative side and chose zero for the revenue estimate, knowing the DOR would have firmer numbers during the legislative session.

Senator Eck asked Mr. Johnson why all this revenue goes to the state instead of being considered as some other class. Mr. Johnson said the old Freight Line Tax revenue was all deposited into the state General Fund. That particular section of law was repealed in the July, 1992, Special Session; it was replaced with a State Property Tax, so it is unique in that respect.

Dave Woodgerd, said that during the Special Session, the DOR came to the Legislature and asked that the license tax be repealed and replaced with a property tax because the State was being sued in Federal Court in Billings under the 4R Act, with the plaintiffs saying the license tax was unconstitutional. At that point in time, the DOR was afraid of losing the case and, in fact, did lose the case. Mr. Woodgerd said the part that's the biggest problem in terms of litigation is that the license tax was retroactively repealed and the property tax was retroactively enacted. The DOR is looking at assessing and collecting four years' back property taxes as soon as the rules are in place.

The DOR thinks that is okay because the license tax was repealed and the property tax is just replacing it, but there has been indications there will be a lawsuit on the retroactive nature, probably in Federal Court; the plaintiffs will probably get an injunction, and the DOR will probably not collect this tax.

Senator Towe asked Mr. Woodgerd if he saw any problems or legal challenges with the prospective portion. Mr. Woodgerd said there is always a possibility of problems whenever dealing with the 4R Act, but the DOR has worked hard to get a tax that complies with the 4R Act.

Senator Towe asked Mr. Johnson if this committee should deal with the '94-'95 biennium and leave the other bienniums alone, and what numbers would he recommend using. Mr. Johnson said the ROC currently uses the revenue figure of \$3.349 million for each year, '94 and '95. On their LFA Status Sheet, ROC would show the \$500,000 reduction. This would affect the General Fund Revenue Estimates Freight Line Tax as follows: FY 1993, leave at zero; FY 1994 and FY 1995, \$3.349 million each.

MOTION/VOTE:

Senator Towe moved to amend HJR 3, on Page 9, Line 16, by leaving FY 1993 at zero and adopting \$3.349 million in FY 1994 and \$3.340 million in FY 1995, and call it Rail Car Tax instead of Freight Line Tax. The motion CARRIED UNANIMOUSLY on oral vote.

DISCUSSION:

Steve Bender, Office of Budget and Program Planning, asked if this committee would want to revisit the retro-applicability because that law was passed retroactive to calendar year 1992, and given the normal retro-applicability language, maybe 1993 calendar year liabilities can be salvaged.

Senator Towe asked Dave Woodgerd when the law was actually passed. Mr. Woodgerd said it was in the June, 1992, Special Session. Senator Towe said an argument could be made that the entire Fiscal Year 1993 was prospective and not retroactive. Mr. Woodgerd agreed.

Mr. Johnson said the FY 1993 revenue estimate would be \$3.310 million.

MOTION/VOTE:

Senator Towe moved to amend HJR 3, on Page 9, Line 16, FY 1993, by changing from zero to \$3.310 million. The motion CARRIED UNANIMOUSLY on oral vote.

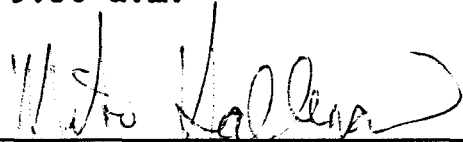
MOTION/VOTE:

Senator Towe moved HJR 3 BE CONCURRED IN AS AMENDED. The motion CARRIED UNANIMOUSLY on oral vote (591155SC.Sma).

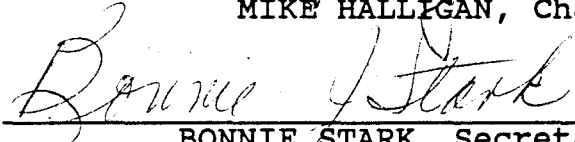
NOTE: On March 17, 1993, this committee reconsidered its action on HJR 3. Please refer to the minutes of that date for further information.

ADJOURNMENT

Adjournment: The meeting adjourned at 9:36 a.m.



MIKE HALLIGAN, Chair



BONNIE STARK, Secretary

MH/bjs

ROLL CALL

SENATE COMMITTEE

TAXATION

DATE

3-16-93

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

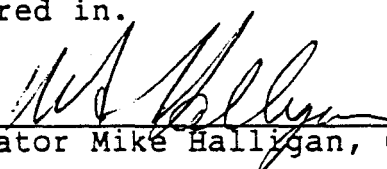
Attach to each day's minutes

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 16, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 490 (first reading copy -- blue), respectfully report that House Bill No. 490 be concurred in.

Signed: 

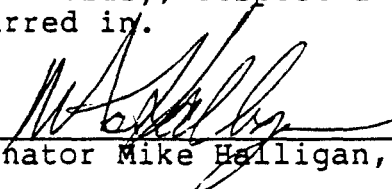
Senator Mike Halligan, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 16, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Bill No. 279 (first reading copy -- blue), respectfully report that House Bill No. 279 be concurred in.

Signed: 

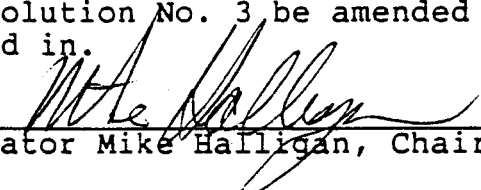
Senator Mike Halligan, Chair

SENATE STANDING COMMITTEE REPORT

Page 1 of 1
March 16, 1993

MR. PRESIDENT:

We, your committee on Taxation having had under consideration House Joint Resolution No. 3 (first reading copy -- blue), respectfully report that House Joint Resolution No. 3 be amended as follows and as so amended be concurred in.

Signed: 

Senator Mike Halligan, Chair

That such amendments read:

1. Page 3, line 2.

Strike: "\$523,841,000"

Insert: "\$527,151,000"

Strike: "\$465,293,000"

Insert: "\$468,783,000"

Strike: "\$480,745,000"

Insert: "\$484,235,000"

2. Page 9, line 16.

Strike: "Freight Line"

Insert: "Rail Car"

Strike: the first "0.000"

Insert: "3.310"

Strike: the second "0.000"

Insert: "3.490"

Strike: the third "0.000"

Insert: "3.490"

3. Page 10, line 1.

Strike: "\$465.293"

Insert: "\$468.783"

Strike: "\$480.745"

Insert: "\$484.235"

4. Page 10, line 2.

Strike: "\$523.841"

Insert: "\$527.151"

5. Page 11, line 20.

Strike: "\$865.930"

Insert: "\$860.420"

Strike: "\$881.443"

Insert: "\$884.933"

6. Page 11, line 21.

Strike: "\$924.525"

Insert: "\$927.835"

-END-

MAJOR ECONOMIC ASSUMPTIONS For The 1995 Biennium

SENATE TAXATION

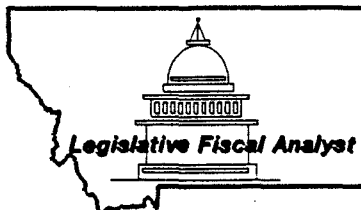
EXHIBIT NO. 1

DATE 3-16-93

BILL NO. HR 3

As Adopted By the
Revenue Oversight Committee
On January 5, 1993

Terry W. Johnson
Principal Fiscal Analyst
Legislative Fiscal Analyst's Office
January 6, 1993



Estimated General Fund Balance

Figures In Millions

	Actual Fiscal 1992	Estimated Fiscal 1993	Estimated Fiscal 1994	Estimated Fiscal 1995	Estimated FY 92-93	Estimated FY 94-95
Beginning Fund Balance	\$58.700	\$24.486	\$27.849	(\$69.568)	\$58.700	\$27.849
Receipts						
Estimated Receipts	487.036	523.400	465.293	480.745	1,010.436	946.038
Total Available	\$545.736	\$547.886	\$493.142	\$411.177	\$1,069.136	\$973.887
Disbursements						
General Appropriations	523.072	429.143	508.437	518.022	952.215	1,026.459
Appropriation Transfers		(1.849)			(1.849)	
Governor Elect Appropriation		0.050			0.050	
Pay Plan Appropriations		20.914			20.914	
Statutory Appropriations						
Property Tax Reimbursement		19.339	19.726	20.120	19.339	39.846
Debt Service		12.534	10.531	15.197	12.534	25.728
TRANS Interest		3.924			3.924	
Retirement Benefits		3.506	3.769	4.045	3.506	7.814
Miscellaneous Appropriations		2.879			2.879	
Continuing Appropriations		9.863			9.863	
Supplementals						
All Other Agencies		22.330			22.330	
School Equalization Account			23.889	21.325		45.214
Feed Bill		5.425		5.000	5.425	5.000
Reversions		(3.412)	(3.642)	(3.663)	(3.412)	(7.305)
Anticipated Disbursements	\$523.072	\$524.646	\$562.710	\$580.046	\$1,047.718	\$1,142.756
Adjustments	(2.058)	(0.855)			(2.913)	
Foundation Program Reversion						
Residual Equity Transfer	3.880	5.464			9.344	
Ending Fund Balance	<u>\$24.486</u>	<u>\$27.849</u>	<u>(\$69.568)</u>	<u>(\$168.869)</u>	<u>\$27.849</u>	<u>(\$168.869)</u>
Ending Cash Balance	<u>(\$22.285)</u>	<u>(\$18.922)</u>	<u>(\$116.339)</u>	<u>(\$215.640)</u>	<u>(\$18.922)</u>	<u>(\$215.640)</u>

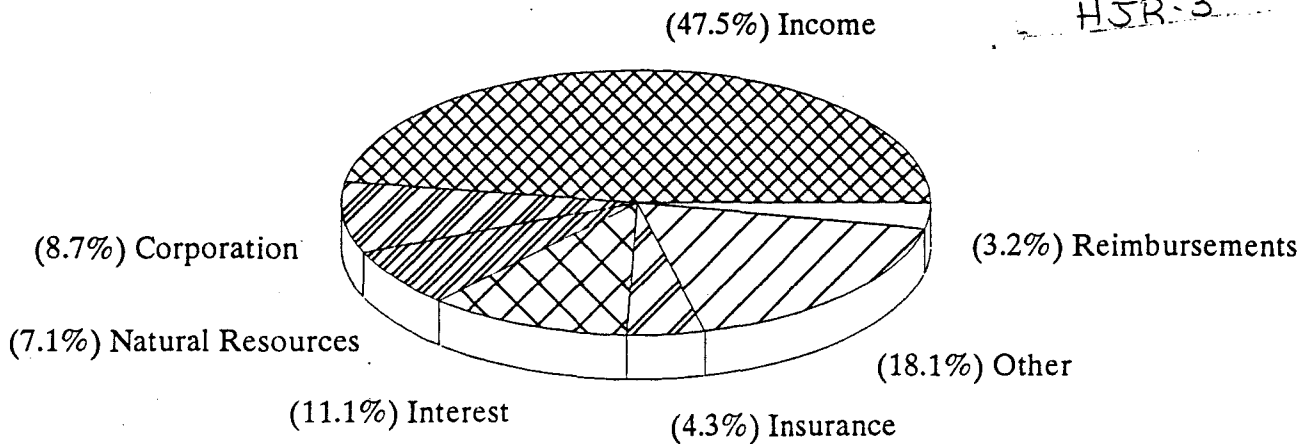
Estimated School Equalization Fund Balance

Figures In Millions

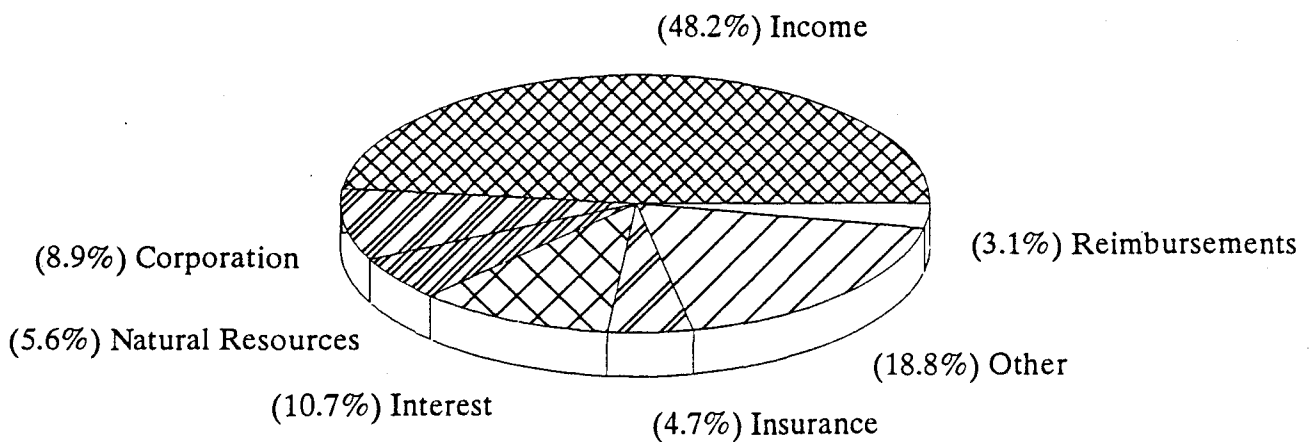
	Actual Fiscal 1992	Estimated Fiscal 1993	Estimated Fiscal 1994	Estimated Fiscal 1995	Estimated FY 92-93	Estimated FY 94-95
Beginning Fund Balance	\$8.474	\$2.552	\$2.174	\$0.000	\$8.474	\$2.174
Receipts						
Estimated Receipts	387.675	400.684	391.637	400.698	788.359	792.335
Total Available	\$396.149	\$403.236	\$393.811	\$400.698	\$796.833	\$794.509
Disbursements						
Current Level Schedules	347.866	353.198	363.899	367.226	701.064	731.125
Guaranteed Tax Base	46.138	47.001	49.887	50.883	93.139	100.770
Transportation Costs	3.908	3.914	3.914	3.914	7.822	7.828
Telecommunications Network	0.147	0.151			0.298	
Anticipated Disbursements	\$398.059	\$404.264	\$417.700	\$422.023	\$802.323	\$839.723
Adjustments	(7.638)				-7.638	
Residual Equity Transfer		3.202			3.202	
General Fund Transfer	12.100		23.889	21.325	12.100	45.214
Ending Fund Balance	<u>\$2.552</u>	<u>\$2.174</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$2.174</u>	<u>\$0.000</u>
Ending Cash Balance	<u>\$3.026</u>	<u>\$2.648</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$2.648</u>	<u>\$0.000</u>
Outstanding Loan Balance	<u>\$26.935</u>	<u>\$24.287</u>	<u>\$24.287</u>	<u>\$24.287</u>	<u>\$24.287</u>	<u>\$24.287</u>

General Fund Revenue Analysis
Contribution By Major Component FY 92-93

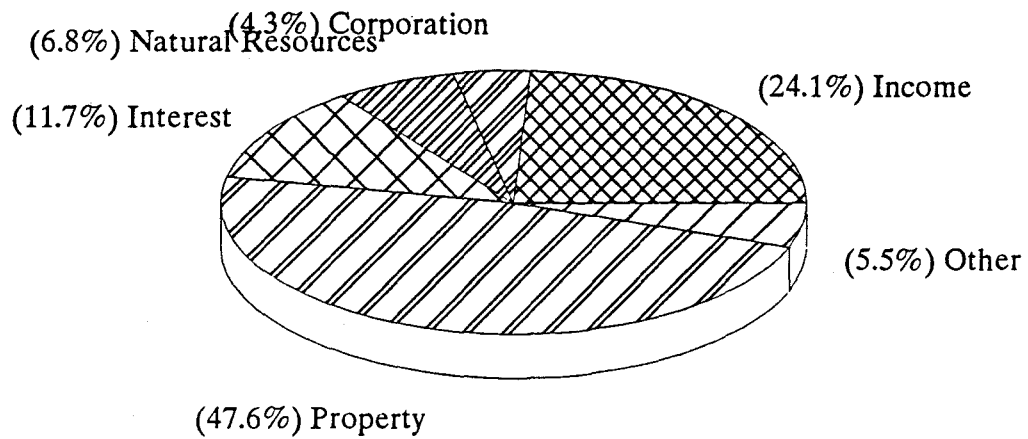
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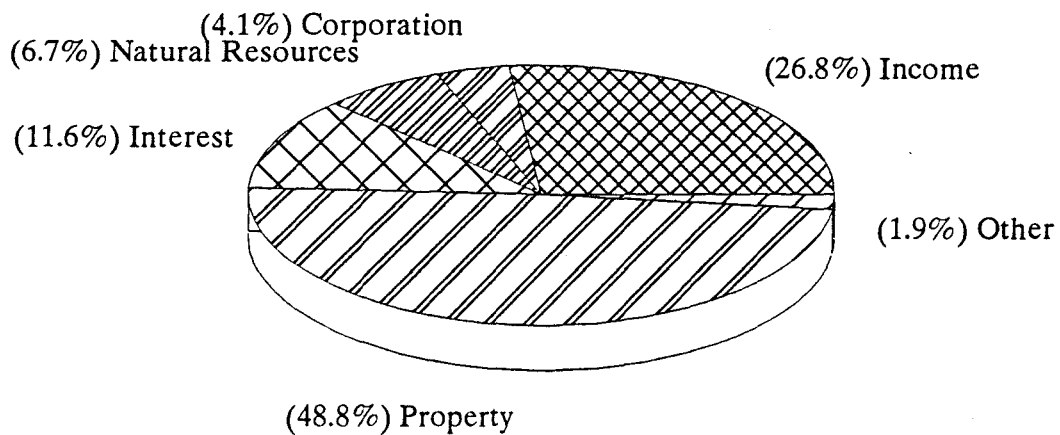
General Fund Revenue Analysis
Contribution By Major Component FY 94-95



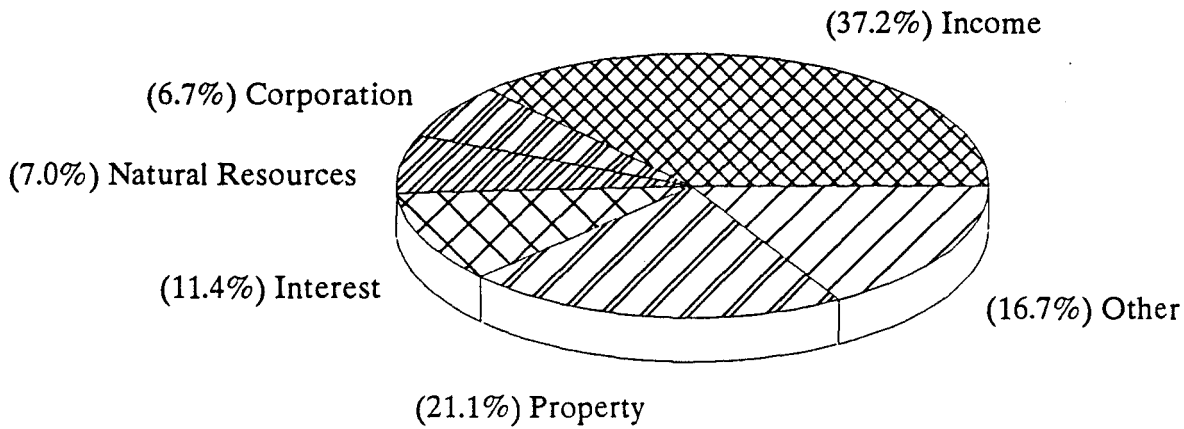
Foundation Program Revenue Analysis
Contribution By Major Component FY 92-93



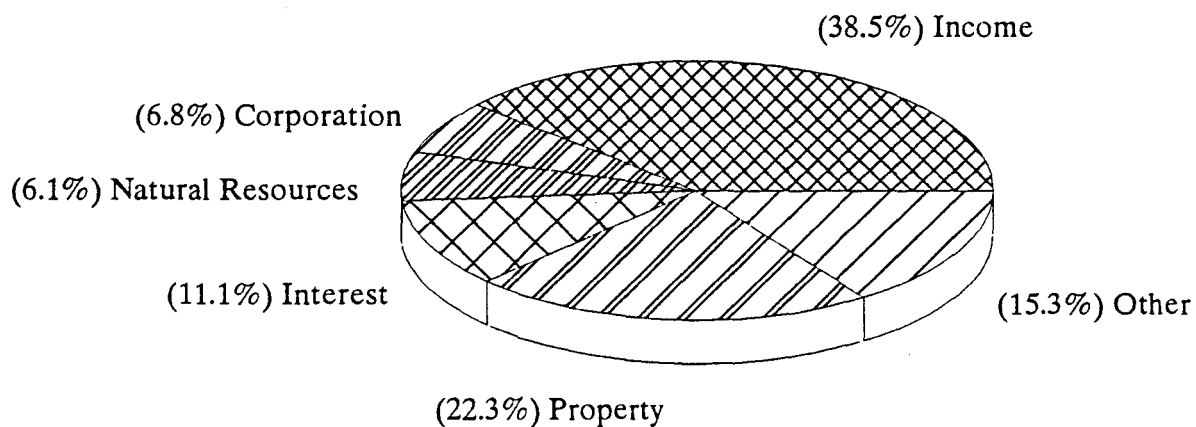
Foundation Program Revenue Analysis
Contribution By Major Component FY 94-95



General Fund & SEA Revenue Analysis
Contribution By Major Component FY 92-93



General Fund & SEA Revenue Analysis
Contribution By Major Component FY 94-95



General Fund Revenue Estimates

Figures In Millions

Source of Revenue	Actual FY 1992	Estimated FY 1993	Estimated FY 1994	Estimated FY 1995	Estimated FY 92-93	Estimated FY 94-95
Individual Income Tax	200.684	221.018	195.721	202.119	421.702	397.840
Corporation License Tax	32.052	42.897	36.180	36.235	74.949	72.415
Coal Severance Tax	9.609	14.260	6.217	6.200	23.869	12.417
Oil Severance Tax	20.427	16.815	15.160	15.328	37.242	30.488
Interest on Investments	16.494	16.475	9.804	10.011	32.969	19.815
Long-Range Bond Excess	42.734	48.121	44.223	45.589	90.855	89.812
Coal Trust Interest Income	40.010	39.608	40.317	41.393	79.618	81.710
Insurance Premiums Tax	20.387	22.648	20.526	23.505	43.035	44.031
Public Institutions Reimbursement	16.329	15.893	14.291	14.839	32.222	29.130
Liquor Profits	5.363	4.190	4.340	4.620	9.553	8.960
Liquor Excise Tax	6.122	6.720	6.533	6.823	12.842	13.356
Inheritance Tax	11.338	10.484	10.405	10.679	21.822	21.084
Metal Mines Tax	3.966	4.172	3.526	3.692	8.138	7.218
Electrical Energy Tax	4.938	4.255	3.994	4.021	9.193	8.015
Drivers' License Tax	1.776	1.722	1.800	1.805	3.498	3.605
Telephone License Tax	4.984	4.222	4.003	4.091	9.206	8.094
Beer License Tax	1.453	1.621	1.422	1.459	3.074	2.881
Natural Gas Severance Tax	1.396	1.283	1.249	1.264	2.679	2.513
Freight Line Tax	1.272	0.000	0.000	0.000	1.272	0.000
Wine Tax	0.853	0.897	0.798	0.804	1.750	1.602
Video Gaming Income Tax	9.875	11.019	10.035	10.804	20.894	20.839
Motor Vehicle Account	10.152	9.653	9.911	10.175	19.805	20.086
Vehicle Fees	3.227	3.114	3.248	3.397	6.341	6.645
Public Contractor's Tax	1.270	1.230	1.242	1.252	2.500	2.494
Other Revenue Sources	<u>20.324</u>	<u>21.083</u>	<u>20.348</u>	<u>20.640</u>	<u>41.407</u>	<u>40.988</u>
Grand Total	\$487.035	\$523.400	\$465.293	\$480.745	\$1,010.435	\$946.038

School Equalization Account Revenue Estimates

Figures In Millions

Source of Revenue	Actual FY 1992	Estimated FY 1993	Estimated FY 1994	Estimated FY 1995	Estimated FY 92-93	Estimated FY 94-95
State Revenue						
Individual Income Tax	92.880	100.303	104.604	108.023	193.183	212.627
Corporation License Tax	14.975	19.320	15.902	16.929	34.295	32.831
Coal Severance Tax	6.169	4.713	4.605	4.593	10.882	9.198
Interest & Income	39.616	39.847	37.756	39.288	79.463	77.044
US Oil & Gas Royalties	21.150	22.040	21.779	22.088	43.190	43.867
Education Trust Interest	0.108	0.138	0.139	0.143	0.246	0.282
SEA Interest	0.000	0.000	0.000	0.000	0.000	0.000
Coal Tax Trust Interest	7.060	6.990	7.115	7.305	14.050	14.420
Lottery	5.494	5.314	5.612	5.938	10.808	11.550
Statewide 40 Mills	76.612	72.612	74.006	75.379	149.224	149.385
Miscellaneous	12.100	0.000	0.000	0.000	12.100	0.000
County Levy Surplus	<u>9.874</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>9.874</u>	<u>0.000</u>
Total State	\$286.038	\$271.277	\$271.518	\$279.686	\$557.315	\$551.204
Statewide Taxable Valuation	\$1,559.407	\$1,612.780	\$1,640.208	\$1,666.001	NA	NA
County Revenue						
Statewide 55 Mills	75.893	88.703	90.211	91.630	164.596	181.841
Elementary Transportation	0.000	0.000	0.000	0.000	0.000	0.000
Cash Reappropriated	6.718	10.842	0.000	0.000	17.560	0.000
Forest Funds	2.306	2.997	2.599	3.017	5.303	5.616
Taylor Grazing	0.150	0.150	0.150	0.150	0.300	0.300
Miscellaneous	29.661	27.844	28.288	27.344	57.505	55.632
High School Tuition	<u>(0.993)</u>	<u>(1.129)</u>	<u>(1.129)</u>	<u>(1.129)</u>	<u>(2.122)</u>	<u>(2.258)</u>
Total County	\$113.735	\$129.407	\$120.119	\$121.012	\$243.142	\$241.131
Total State & County	\$399.773	\$400.684	\$391.637	\$400.698	\$800.457	\$792.335
Total GF & SEA	\$886.808	\$924.084	\$856.930	\$881.443	\$1,810.892	\$1,738.373

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Major Economic Assumptions

Year	Assumption	Units	CY/FY 1992	CY/FY 1993	CY/FY 1994	CY/FY 1995
Population & Employment Indicators						
ROC	MT Population July 1	Millions	0.811	0.817	0.823	0.829
Com	MT Population >= 16 July 1	Millions	0.602	0.604	0.606	0.608
Com	MT Population 18-24 July 1	Millions	0.067	0.064	0.061	0.059
ROC CY	MT Non-Farm Employment	Thousands	307.300	312.400	317.400	322.000
Montana Income Indicators						
Com CY	MT Total Personal Income	Millions	13,023.773	13,530.190	14,134.475	14,781.061
ROC CY	MT Net Farm Income	Millions	492.529	496.568	500.488	503.730
Com CY	MT Disposable Personal Income	Millions	11,419.184	11,863.118	12,392.840	12,959.639
Com CY	MT Non-Farm Wage & Salary Income	Millions	6,322.395	6,634.740	6,987.400	7,353.865
Individual Income Tax Indicators						
Com CY	MT Non-Farm Wage & Salary Growth	% Change	4.54%	4.94%	5.32%	5.24%
ROC CY	MT Interest/Dividend Growth	% Change	-2.55%	2.08%	6.05%	7.37%
ROC CY	MT Net Business Income	% Change	7.80%	7.60%	8.60%	8.70%
ROC CY	MT Capital Gains/Losses Income	% Change	1.68%	1.66%	1.65%	1.63%
ROC CY	MT Rent/Roy./Partnership Income	% Change	7.80%	7.60%	8.60%	8.70%
ROC CY	MT All Other Income	% Change	4.70%	5.10%	5.48%	5.38%
ROC FY	Individual Income Tax Audits	Millions	14.077	16.397	12.000	12.000
Corporate Income Tax Indicators						
ROC CY	US Corporate Profits Before Taxes	Billions	355.801	381.124	406.946	432.886
Com CY	MT Corporate Taxable Income	Millions	741.257	800.496	861.988	922.471
ROC FY	Corporate Income Tax Audits	Millions	15.317	23.338	7.800	7.800
Inflation & Interest Rate Indicators						
ROC CY	Consumer Price Index	% Change	3.01%	3.35%	3.93%	4.11%
ROC CY	Short Term Interest Rate	Percent	3.55%	3.53%	4.59%	5.39%
ROC CY	Long Term Interest Rate	Percent	8.06%	7.94%	8.26%	8.56%
Com FY	TCA Blended Interest Rate	Percent	6.17%	5.09%	4.90%	5.15%
ROC FY	TRANS Interest Spread	Percent	0.80%	0.00%	0.00%	0.00%
ROC FY	Treasury Cash Average Balance	Millions	267.461	314.992	200.090	194.390
ROC FY	TRANS Issue Size	Millions	85.000	135.600	0.000	0.000
ROC FY	Permanent Trust Gains/Losses	Millions	3.626	1.843	1.843	1.843
ROC FY	Common School Trust Gains/Losses	Millions	2.339	2.203	1.791	1.885
ROC FY	Resource Indemnity Trust Gains/Losses	Millions	0.845	0.845	0.845	0.845
ROC FY	Parks Trust Gains/Losses	Millions	0.000	0.102	0.102	0.102
ROC FY	Arts Trust Gains/Losses	Millions	0.119	0.119	0.119	0.119

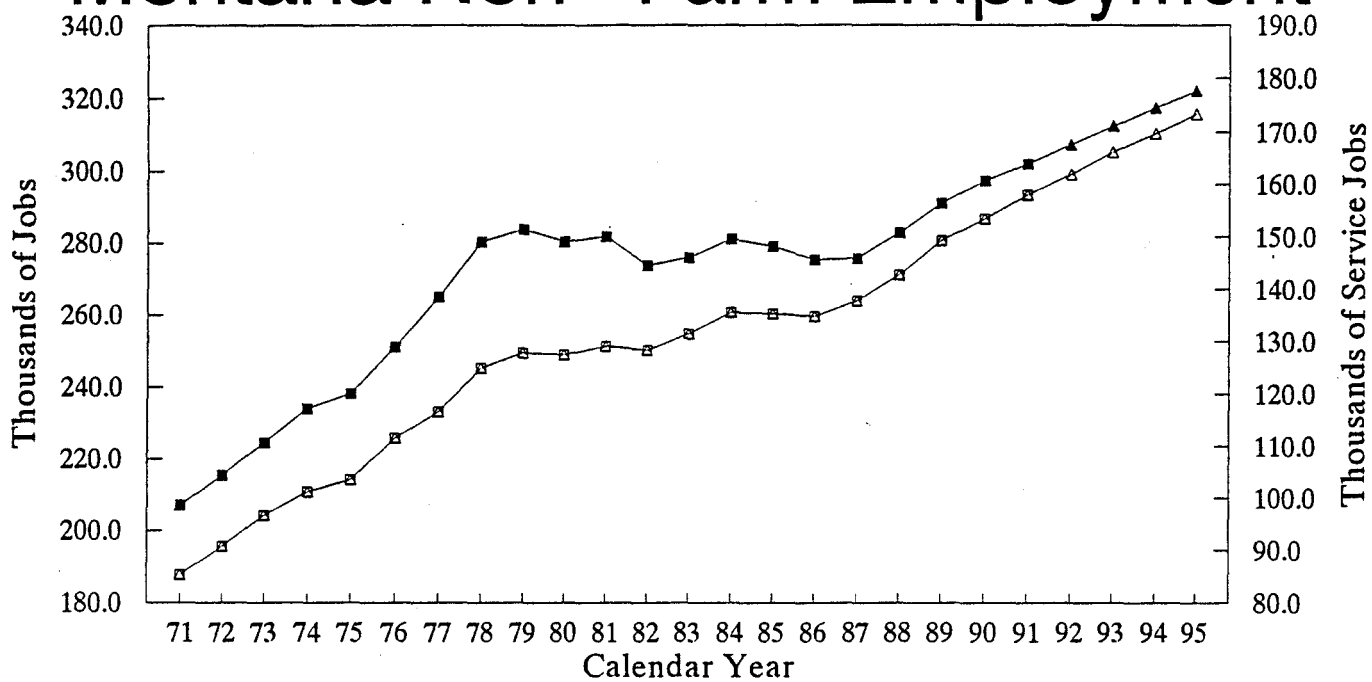
Major Economic Assumptions

Year	Assumption	Units	CY/FY 1992	CY/FY 1993	CY/FY 1994	CY/FY 1995
Natural Resource Tax Indicators						
ROC CY	Total Oil Production	Million Barrels	18.867	18.278	17.756	17.241
Com CY	Severance Tax Oil Production	Million Barrels	17.752	17.314	16.822	16.320
ROC CY	Montana Oil Price	\$ / Barrel	17.283	17.700	18.199	18.500
ROC CY	Total Coal Production	Million Tons	36.850	34.993	34.447	34.347
ROC CY	Montana Coal Price	CSP \$'s / Ton	7.641	7.829	7.875	8.070
Com FY	Coal Tax Credits	\$'s	3.331	0.627	0.000	0.000
ROC CY	Total Natural Gas Production	MCF's	47.360	47.940	48.756	49.388
ROC CY	Montana Natural Gas Price	\$ / MCF	1.512	1.663	1.862	2.079
ROC CY	Total Gas Liquids Production	Gallons	9.460	9.576	9.739	9.865
ROC CY	Montana Gas Liquids Price	\$ / Gallon	0.175	0.193	0.216	0.241
ROC CY	Copper Production	Million lbs	130.590	126.389	136.789	137.744
ROC CY	Silver Production	Million ozs	5.828	5.793	5.708	5.748
ROC CY	Gold Production	Million ozs	0.402	0.415	0.421	0.424
ROC CY	Lead Production	Million lbs	9.620	9.620	9.620	9.687
ROC CY	Zinc Production	Million lbs	23.140	23.140	23.140	23.301
ROC CY	Molybdenum Production	Million lbs	9.600	7.860	10.280	10.352
ROC CY	Palladium Production	Million ozs	0.208	0.206	0.206	0.207
ROC CY	Platinum Production	Million ozs	0.062	0.061	0.061	0.061
ROC CY	Nickel Production	Million lbs	0.313	0.310	0.310	0.312
ROC CY	Rhodium Production	Million ozs	0.002	0.002	0.002	0.002
ROC CY	Copper Price	\$ / lbs	0.850	0.850	0.850	0.850
ROC CY	Silver Price	\$ / ozs	3.800	3.800	3.800	3.800
ROC CY	Gold Price	\$ / ozs	340.000	340.000	340.000	340.000
ROC CY	Lead Price	\$ / lbs	0.250	0.250	0.250	0.250
ROC CY	Zinc Price	\$ / lbs	0.500	0.500	0.500	0.500
ROC CY	Molybdenum Price	\$ / lbs	2.380	2.380	2.380	2.380
ROC CY	Palladium Price	\$ / ozs	100.000	100.000	100.000	100.000
ROC CY	Platinum Price	\$ / ozs	350.000	350.000	350.000	350.000
ROC CY	Nickel Price	\$ / lbs	4.270	4.270	4.270	4.270
ROC CY	Rhodium Price	\$ / ozs	3,245.000	3,245.000	3,245.000	3,245.000
ROC FY	Total Federal Forest Receipts	Millions	36.038	46.833	40.610	47.147
Property Value Indicators						
Com FY	Total Statewide Taxable Valuation	Millions	1,559.407	1,612.780	1,640.208	1,666.001
Com FY	Net/Gross Proceeds Taxable Valuation	Millions	20.549	19.248	19.492	19.310
ROC FY	All Other Taxable Valuation	Millions	1,538.858	1,593.532	1,620.716	1,646.692
ROC FY	Statewide Vehicle Value	Millions	2,139.656	2,224.442	2,319.864	2,426.280

Major Economic Assumptions

Year	Assumption	Units	CY/FY 1992	CY/FY 1993	CY/FY 1994	CY/FY 1995
Consumption Tax Indicators						
ROC FY	Liquor Unit Sales	Millions	4.952	4.987	5.022	5.058
ROC FY	Wine Unit Sales	Millions	0.053	0.041	0.031	0.024
ROC FY	Liquor Cost Per Unit	\$'s	9.602	10.006	10.244	10.622
ROC FY	Wine Cost Per Unit	\$'s	5.798	6.177	6.307	6.577
ROC FY	Liquor Division Budget	% Change	6.54%	4.78%	3.00%	3.00%
ROC FY	Beer Gallons	Millions	0.741	0.771	0.790	0.811
ROC FY	Wine Liters	Millions	5.075	5.013	4.987	5.023
ROC FY	Cigarette Packs	Millions	69.182	68.462	67.676	66.827
ROC FY	Tobacco Value	Millions	9.237	9.752	10.854	12.117
ROC FY	Gallons of Gasoline	Millions	446.404	446.286	446.229	446.588
ROC FY	Gallons of Diesel	Millions	128.272	130.631	133.032	135.478
ROC FY	Video Machine Net Income	Millions	160.343	182.127	200.705	216.075
ROC FY	Total Lottery Sales	Millions	27.922	29.268	30.899	32.665
ROC FY	Insurance Premiums Growth	% Change	2.38%	5.52%	5.52%	5.52%
ROC FY	Insurance Premiums Tax Credit	Millions	2.757	3.774	4.530	3.024
ROC FY	Police & Firemen Retirement	Millions	6.516	7.073	7.374	7.691
ROC CY	Telephone Taxable Income	Millions	260.803	263.932	269.739	275.673
ROC CY	Kilowatt Hours Produced	Millions	21,185.258	21,394.332	21,589.242	21,571.699
Other Indicators						
ROC FY	Medicaid Reimbursements	Millions	10.366	11.845	11.548	12.039

Montana Non-Farm Employment

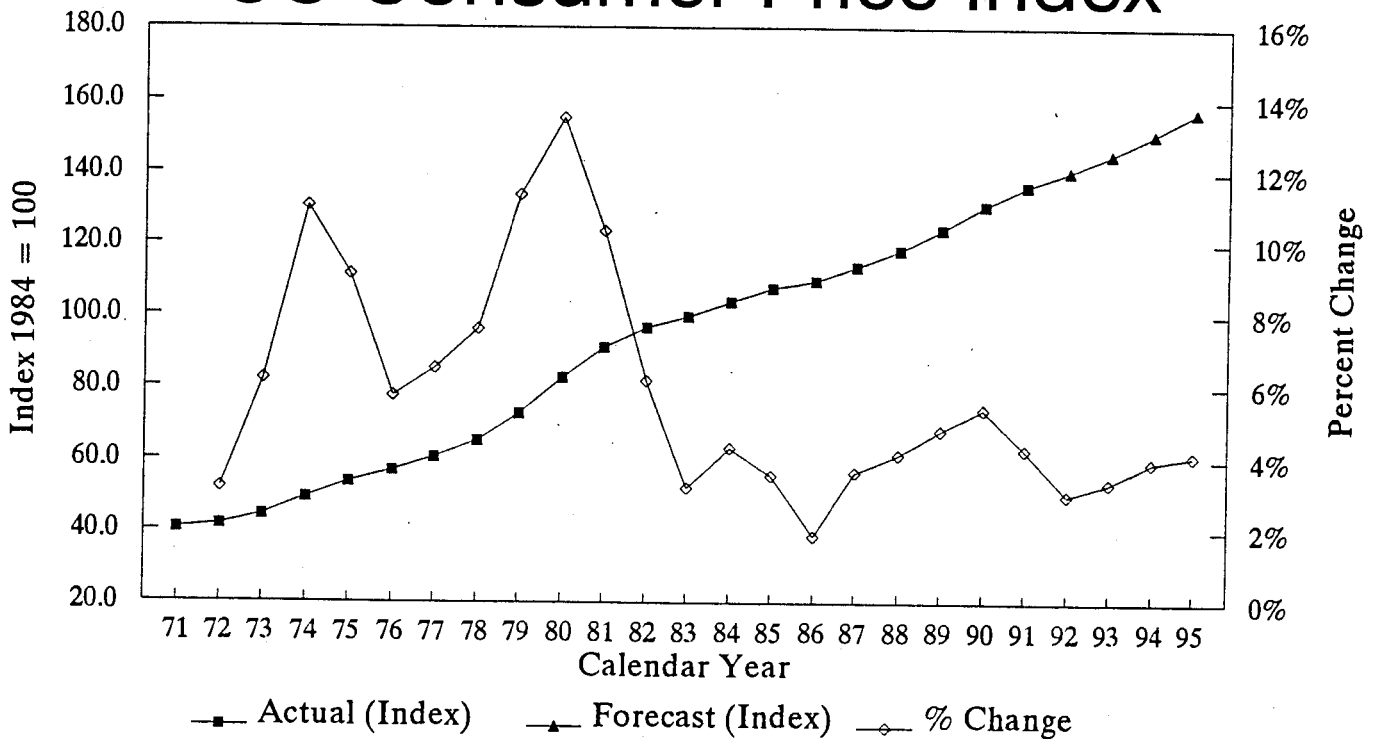


Total Non-Farm CY Employment			Percent Change	Total Service Jobs		Percent Services
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A	71	207.2	NA	85.4	41.22%
A	72	215.3	3.91%	90.8	42.17%
A	73	224.5	4.27%	96.7	43.07%
A	74	234.0	4.23%	101.2	43.25%
A	75	238.2	1.79%	103.4	43.41%
A	76	251.0	5.37%	111.4	44.38%
A	77	265.0	5.58%	116.4	43.92%
A	78	280.4	5.81%	124.8	44.51%
A	79	283.9	1.25%	127.7	44.98%
A	80	280.4	-1.23%	127.4	45.44%
A	81	281.8	0.50%	129.0	45.78%
A	82	273.9	-2.80%	128.2	46.81%
A	83	276.0	0.77%	131.4	47.61%
A	84	281.2	1.88%	135.5	48.19%
A	85	279.2	-0.71%	135.2	48.42%
A	86	275.5	-1.33%	134.7	48.89%
A	87	275.9	0.15%	137.7	49.91%
A	88	283.0	2.57%	142.7	50.42%
A	89	291.1	2.86%	149.3	51.29%
A	90	297.3	2.13%	153.4	51.60%
A	91	302.1	1.61%	158.1	52.33%
F	92	307.3	1.72%	161.9	52.68%
F	93	312.4	1.66%	166.2	53.20%
F	94	317.4	1.60%	169.7	53.47%
F	95	322.0	1.45%	173.3	53.82%

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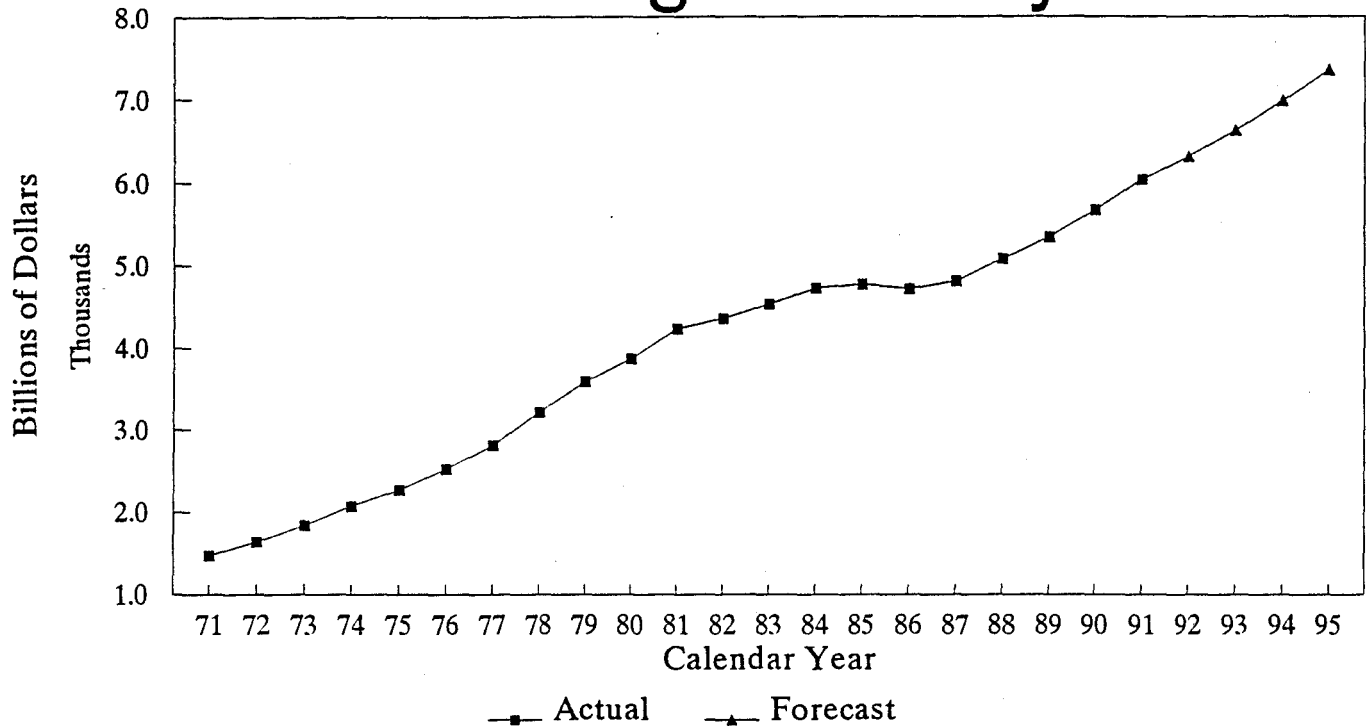
US Consumer Price Index



	Inflation	Percent	Short-Term	Long-Term
	Index	Change	Interest	Interest
CY	CPI	CPI	Rates	Rates

A	71	40.500	NA	4.47	7.37
A	72	41.800	3.21%	4.49	7.19
A	73	44.400	6.22%	7.64	7.50
A	74	49.300	11.04%	8.91	8.60
A	75	53.800	9.13%	6.11	9.27
A	76	56.900	5.76%	5.21	8.64
A	77	60.600	6.50%	5.49	8.22
A	78	65.200	7.59%	7.68	8.95
A	79	72.600	11.35%	10.50	10.00
A	80	82.400	13.50%	11.94	12.46
A	81	90.900	10.32%	14.48	14.84
A	82	96.500	6.16%	11.37	14.42
A	83	99.600	3.21%	8.78	12.42
A	84	103.900	4.32%	9.89	13.25
A	85	107.600	3.56%	7.77	11.69
A	86	109.600	1.86%	6.23	8.98
A	87	113.600	3.65%	6.37	9.49
A	88	118.300	4.14%	7.23	9.87
A	89	124.000	4.82%	8.48	9.27
A	90	130.700	5.40%	7.74	9.38
A	91	136.300	4.28%	5.63	8.82
F	92	140.400	3.01%	3.55	8.06
F	93	145.100	3.35%	3.53	7.94
F	94	150.800	3.93%	4.59	8.26
F	95	157.000	4.11%	5.39	8.56

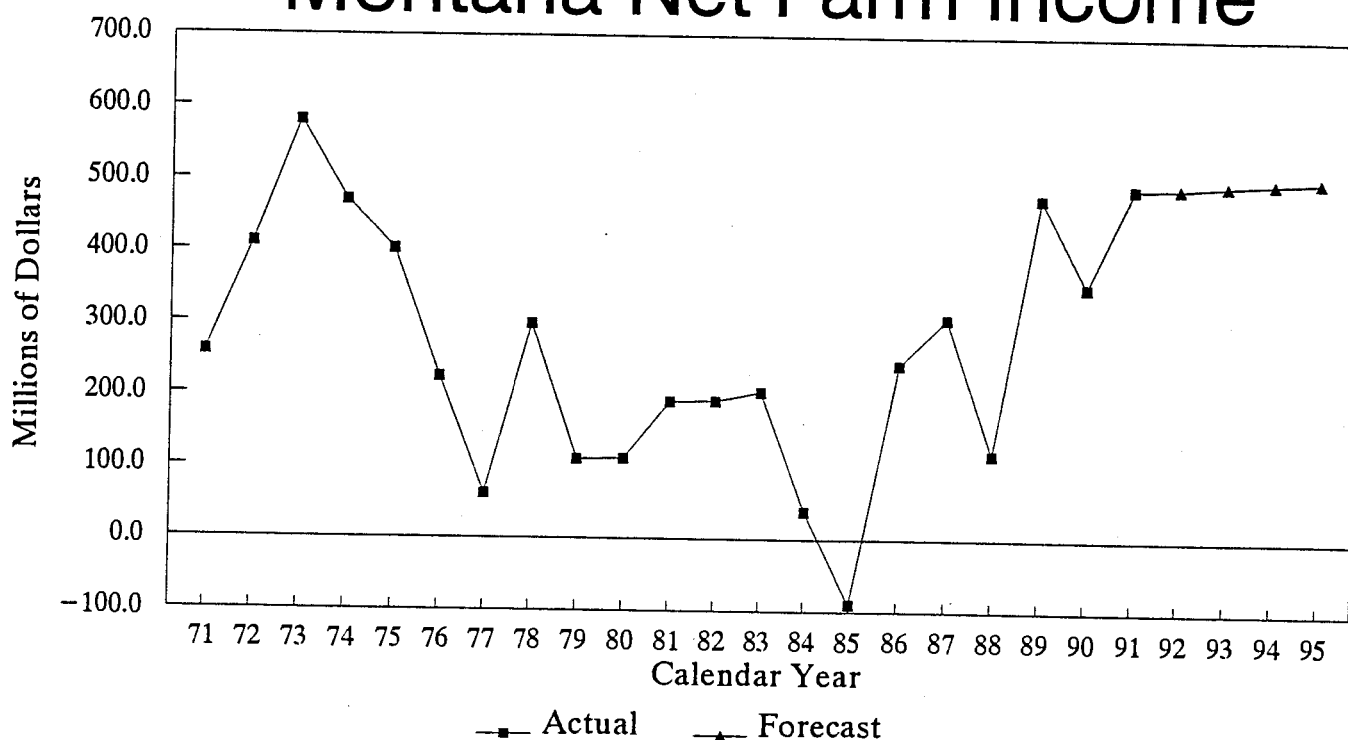
Montana Wage & Salary Income



CY	Montana Personal Income	Percent Change Personal	Montana Wage&Sal. Income	Percent Change Wage&Sal.
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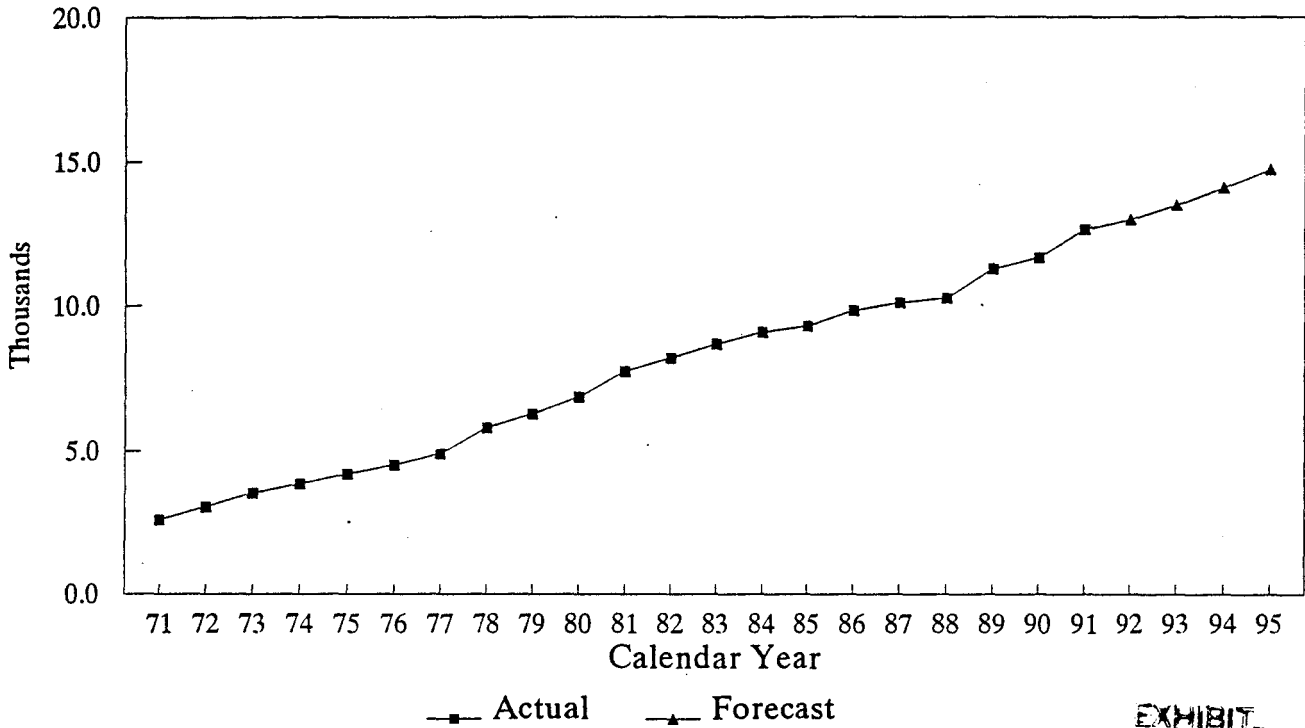
A	71	2610.455	NA	1471.340	NA
A	72	3039.346	16.43%	1640.168	11.47%
A	73	3540.089	16.48%	1837.878	12.05%
A	74	3839.886	8.47%	2065.305	12.37%
A	75	4191.310	9.15%	2266.338	9.73%
A	76	4513.702	7.69%	2519.223	11.16%
A	77	4899.413	8.55%	2806.648	11.41%
A	78	5808.967	18.56%	3212.836	14.47%
A	79	6278.406	8.08%	3590.959	11.77%
A	80	6879.179	9.57%	3870.699	7.79%
A	81	7765.220	12.88%	4234.895	9.41%
A	82	8215.699	5.80%	4360.953	2.98%
A	83	8699.987	5.89%	4540.592	4.12%
A	84	9110.912	4.72%	4729.290	4.16%
A	85	9312.901	2.22%	4781.796	1.11%
A	86	9873.191	6.02%	4718.185	-1.33%
A	87	10144.017	2.74%	4820.142	2.16%
A	88	10299.215	1.53%	5091.797	5.64%
A	89	11306.427	9.78%	5349.363	5.06%
A	90	11708.850	3.56%	5680.296	6.19%
A	91	12672.947	8.23%	6048.060	6.47%
F	92	13023.773	2.77%	6322.395	4.54%
F	93	13530.190	3.89%	6634.740	4.94%
F	94	14134.475	4.47%	6987.400	5.32%
F	95	14781.061	4.57%	7353.865	5.24%

Montana Net Farm Income



		Montana Personal Income	Percent Change Personal	Montana Net Farm Income	Percent Change Net Farm
CY					
A	71	2610.455	NA	258.617	NA
A	72	3039.346	16.43%	411.365	59.06%
A	73	3540.089	16.48%	580.535	41.12%
A	74	3839.886	8.47%	470.463	-18.96%
A	75	4191.310	9.15%	402.793	-14.38%
A	76	4513.702	7.69%	225.196	-44.09%
A	77	4899.413	8.55%	62.245	-72.36%
A	78	5808.967	18.56%	299.559	381.26%
A	79	6278.406	8.08%	110.190	-63.22%
A	80	6879.179	9.57%	111.314	1.02%
A	81	7765.220	12.88%	191.423	71.97%
A	82	8215.699	5.80%	192.134	0.37%
A	83	8699.987	5.89%	205.444	6.93%
A	84	9110.912	4.72%	38.966	-81.03%
A	85	9312.901	2.22%	-89.040	-328.51%
A	86	9873.191	6.02%	243.672	-373.67%
A	87	10144.017	2.74%	308.159	26.46%
A	88	10299.215	1.53%	119.121	-61.34%
A	89	11306.427	9.78%	476.776	300.25%
A	90	11708.850	3.56%	353.714	-25.81%
A	91	12672.947	8.23%	491.526	38.96%
F	92	13023.773	2.77%	492.529	0.20%
F	93	13530.190	3.89%	496.568	0.82%
F	94	14134.475	4.47%	500.488	0.79%
F	95	14781.061	4.57%	503.730	0.65%

Montana Personal Income



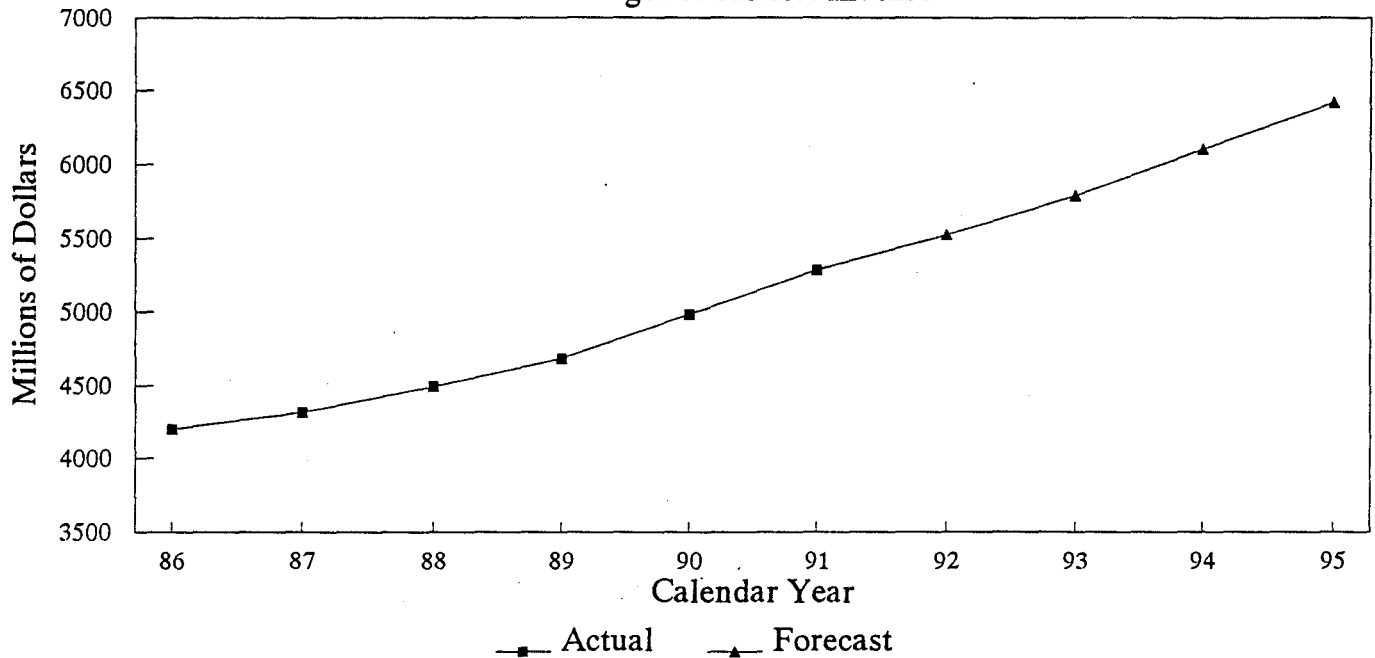
CY	Montana Personal Income	Percent Change Personal	Montana Wage&Sal. Income	Percent Change Wage&Sal.
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EXHIBIT 1
DATE 3-16-93
BY HJR-3

A	71	2610.455	NA	1471.340	NA
A	72	3039.346	16.43%	1640.168	11.47%
A	73	3540.089	16.48%	1837.878	12.05%
A	74	3839.886	8.47%	2065.305	12.37%
A	75	4191.310	9.15%	2266.338	9.73%
A	76	4513.702	7.69%	2519.223	11.16%
A	77	4899.413	8.55%	2806.648	11.41%
A	78	5808.967	18.56%	3212.836	14.47%
A	79	6278.406	8.08%	3590.959	11.77%
A	80	6879.179	9.57%	3870.699	7.79%
A	81	7765.220	12.88%	4234.895	9.41%
A	82	8215.699	5.80%	4360.953	2.98%
A	83	8699.987	5.89%	4540.592	4.12%
A	84	9110.912	4.72%	4729.290	4.16%
A	85	9312.901	2.22%	4781.796	1.11%
A	86	9873.191	6.02%	4718.185	-1.33%
A	87	10144.017	2.74%	4820.142	2.16%
A	88	10299.215	1.53%	5091.797	5.64%
A	89	11306.427	9.78%	5349.363	5.06%
A	90	11708.850	3.56%	5680.296	6.19%
A	91	12672.947	8.23%	6048.060	6.47%
F	92	13023.773	2.77%	6322.395	4.54%
F	93	13530.190	3.89%	6634.740	4.94%
F	94	14134.475	4.47%	6987.400	5.32%
F	95	14781.061	4.57%	7353.865	5.24%

Montana Income Trends

Wages & Salaries Income



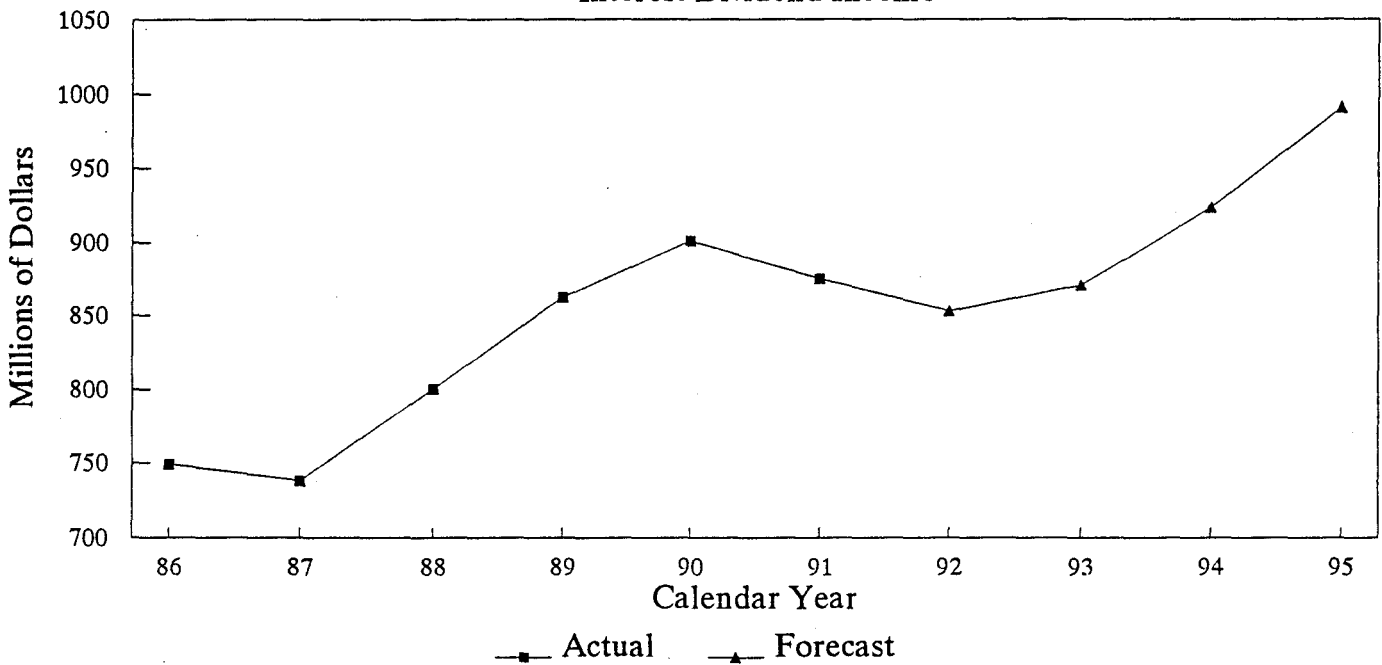
CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	2166.911
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	2430.178
A 90	4984.456	901.359	417.393	318.211	388.461	520.451	2545.875
A 91	5280.318	875.408	457.626	331.219	417.900	600.601	2682.754
F 92	5520.045	853.090	493.321	336.783	450.497	628.827	2762.518
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	2889.661
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
A 89	4.23%	7.80%	10.96%	26.14%	4.96%	15.63%	12.15%
A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	4.76%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.38%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	2.97%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Interest Dividend Income



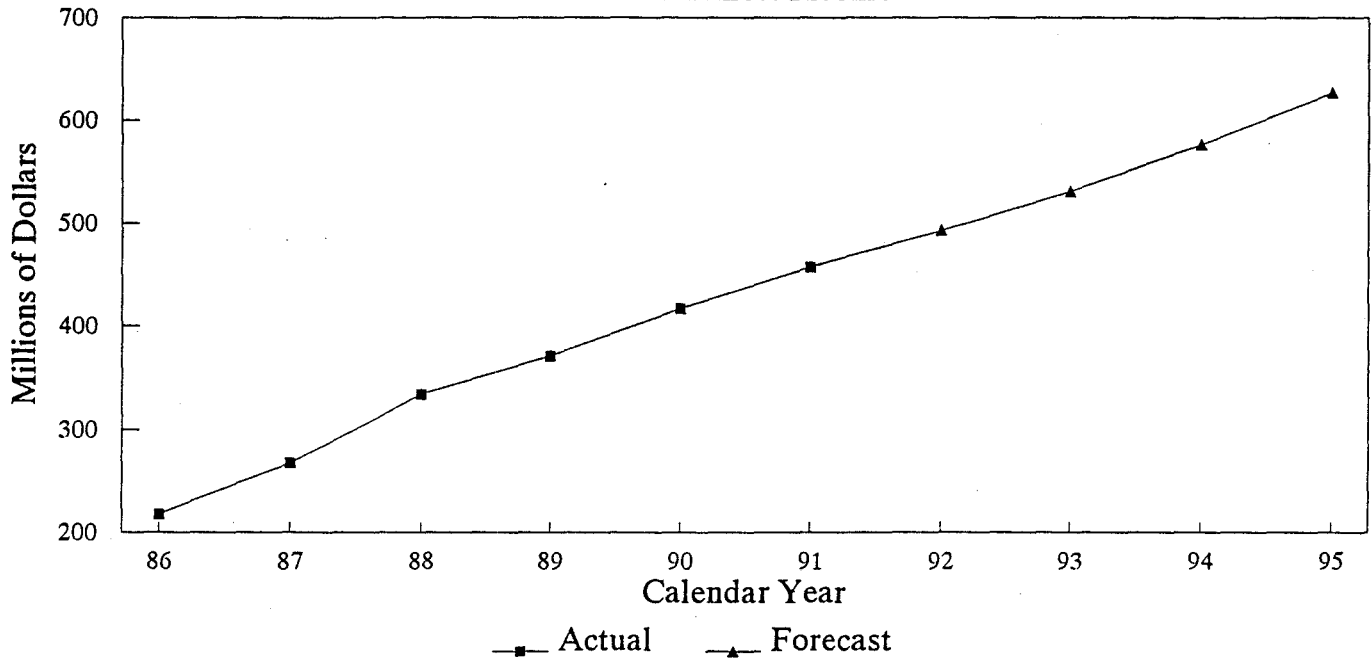
CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	2166.911
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	2430.178
A 90	4984.456	901.359	417.393	318.211	388.461	520.451	2545.875
A 91	5280.318	875.408	457.626	331.219	417.900	600.601	2682.754
F 92	5520.045	853.090	493.321	336.783	450.497	628.827	2762.518
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	2889.661
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
A 89	4.23%	7.80%	10.96%	26.14%	4.96%	15.63%	12.15%
A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	4.76%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.38%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	2.97%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Net Business Income



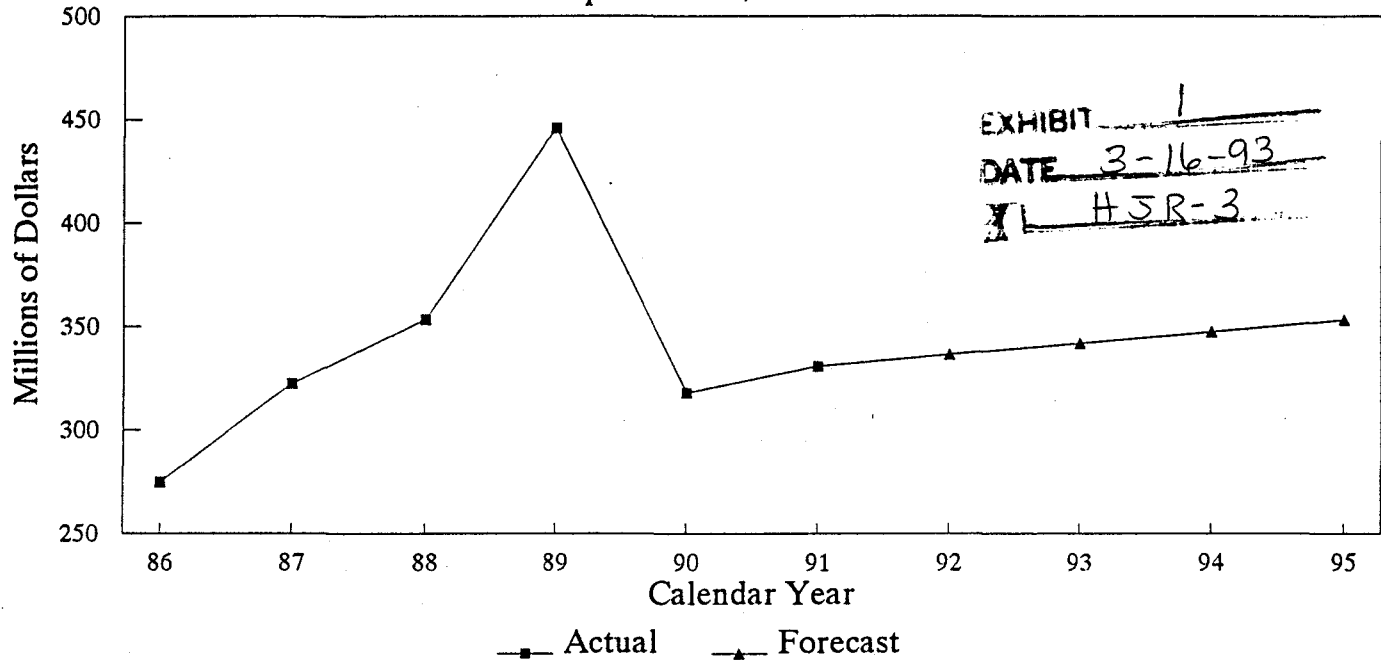
CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	2166.911
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	2430.178
A 90	4984.456	901.359	417.393	318.211	388.461	520.451	2545.875
A 91	5280.318	875.408	457.626	331.219	417.900	600.601	2682.754
F 92	5520.045	853.090	493.321	336.783	450.497	628.827	2762.518
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	2889.661
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
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A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	4.76%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.38%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	2.97%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Capital Gains/Losses Income



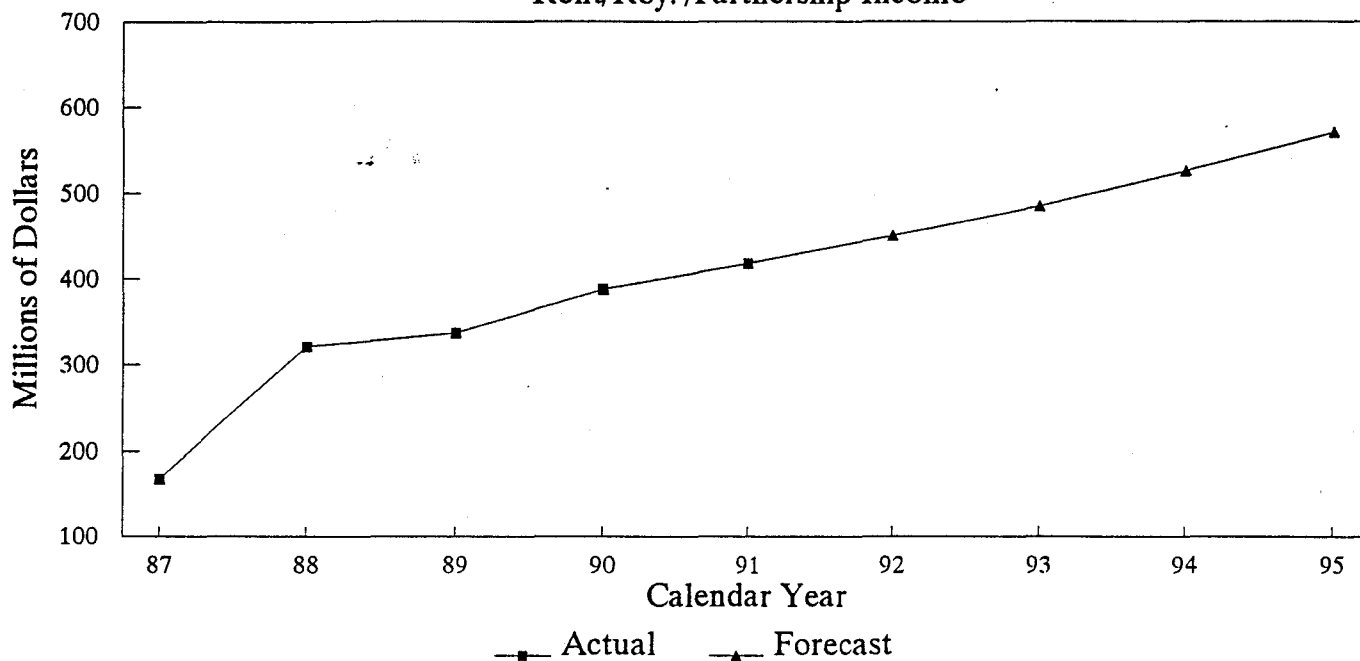
CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	2166.911
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	2430.178
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A 91	5280.318	875.408	457.626	331.219	417.900	600.601	2682.754
F 92	5520.045	853.090	493.321	336.783	450.497	628.827	2762.518
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	2889.661
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
A 89	4.23%	7.80%	10.96%	26.14%	4.96%	15.63%	12.15%
A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	4.76%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.38%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	2.97%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Rent/Roy. /Partnership Income



CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
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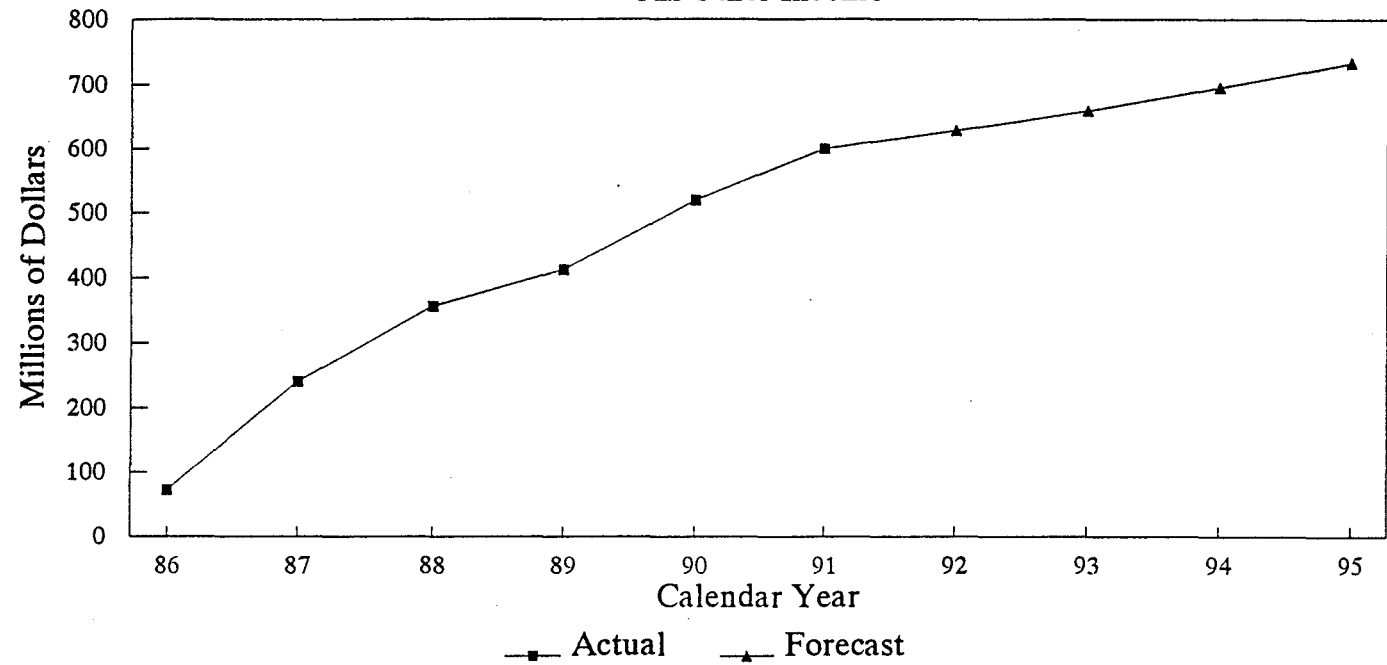
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	2166.911
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	2430.178
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F 92	5520.045	853.090	493.321	336.783	450.497	628.827	2762.518
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	2889.661
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
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F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

All Other Income



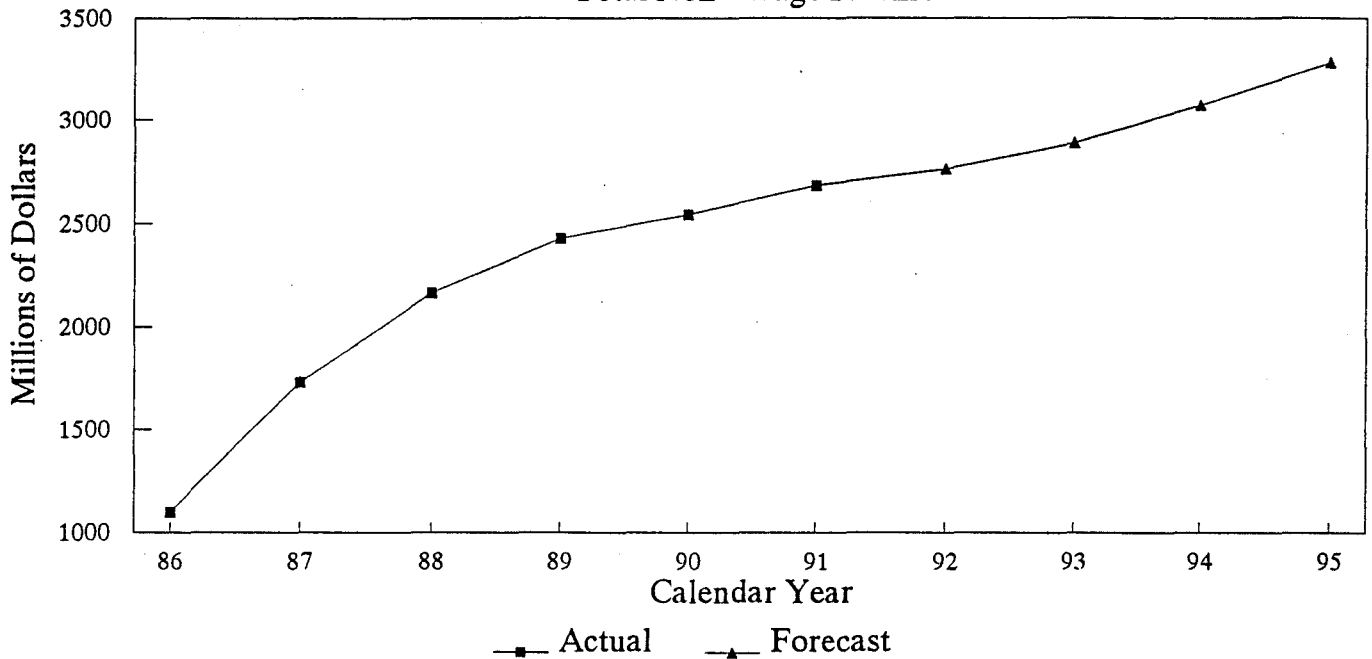
CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
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F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

A 86	NA	NA	NA	NA	NA	NA	NA
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F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Total Non-Wage Income



CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Non-Wage Income
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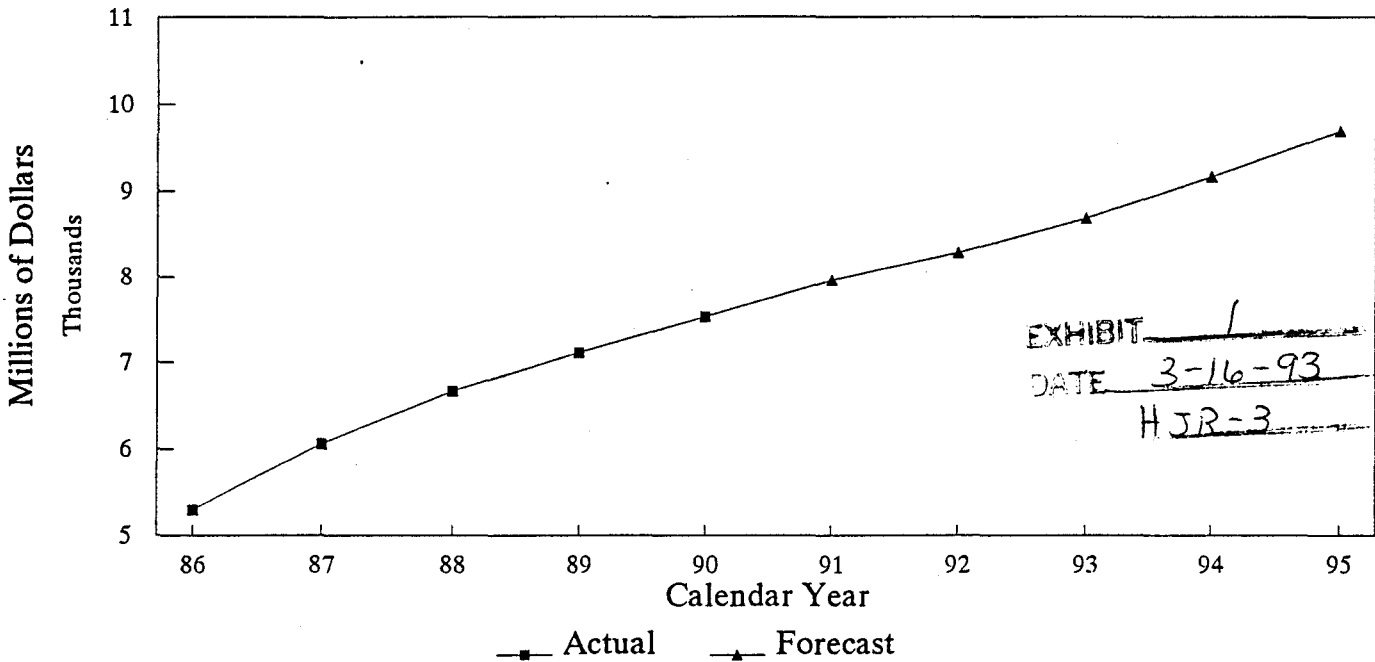
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	1096.653
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	1737.104
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F 94	6100.908	923.514	576.463	348.023	526.422	697.081	3071.503
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	3278.762

Annual Percent Changes

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A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	58.40%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	24.74%
A 89	4.23%	7.80%	10.96%	26.14%	4.96%	15.63%	12.15%
A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	4.76%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.38%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	2.97%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.60%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	6.29%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	6.75%

Montana Income Trends

Total Income

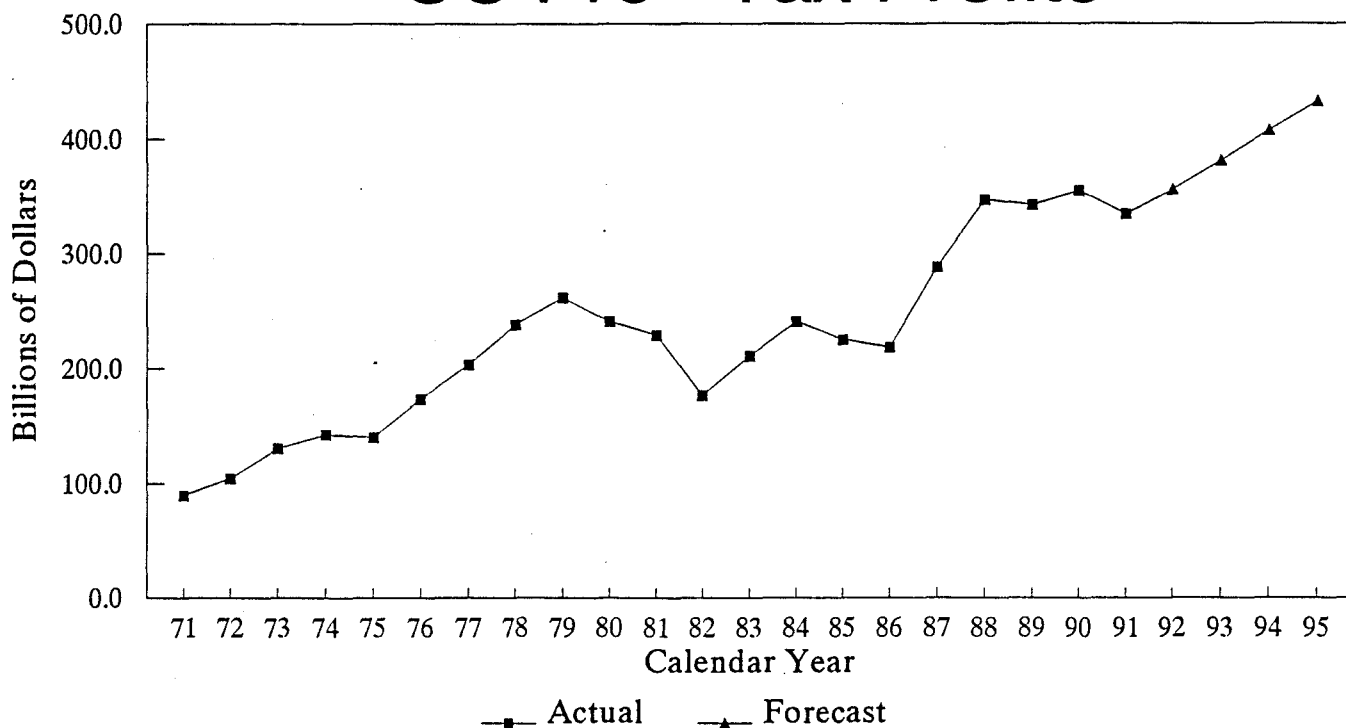


CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Income
A 86	4202.074	749.401	217.577	274.983	-217.864	72.556	5298.727
A 87	4317.930	737.834	268.076	322.597	167.593	241.004	6055.034
A 88	4495.487	800.310	334.652	353.657	321.352	356.940	6662.398
A 89	4685.827	862.730	371.320	446.095	337.297	412.736	7116.005
A 90	4984.456	901.359	417.393	318.211	388.461	520.451	7530.331
A 91	5280.318	875.408	457.626	331.219	417.900	600.601	7963.072
F 92	5520.045	853.090	493.321	336.783	450.497	628.827	8282.563
F 93	5792.735	870.851	530.813	342.374	484.734	660.889	8682.396
F 94	6100.908	923.514	576.463	348.023	526.422	697.081	9172.411
F 95	6420.596	991.615	626.616	353.696	572.220	734.615	9699.358

Annual Percent Changes

CY	Wages & Salaries Income	Interest Dividend Income	Net Business Income	Capital Gain /Losses Income	Rent/Roy. /Partnership Income	All Other Income	Total Income
A 86	NA	NA	NA	NA	NA	NA	NA
A 87	2.76%	-1.54%	23.21%	17.32%	-176.93%	232.16%	14.27%
A 88	4.11%	8.47%	24.83%	9.63%	91.75%	48.11%	10.03%
A 89	4.23%	7.80%	10.96%	26.14%	4.96%	15.63%	6.81%
A 90	6.37%	4.48%	12.41%	-28.67%	15.17%	26.10%	5.82%
A 91	5.94%	-2.88%	9.64%	4.09%	7.58%	15.40%	5.75%
F 92	4.54%	-2.55%	7.80%	1.68%	7.80%	4.70%	4.01%
F 93	4.94%	2.08%	7.60%	1.66%	7.60%	5.10%	4.83%
F 94	5.32%	6.05%	8.60%	1.65%	8.60%	5.48%	5.64%
F 95	5.24%	7.37%	8.70%	1.63%	8.70%	5.38%	5.74%

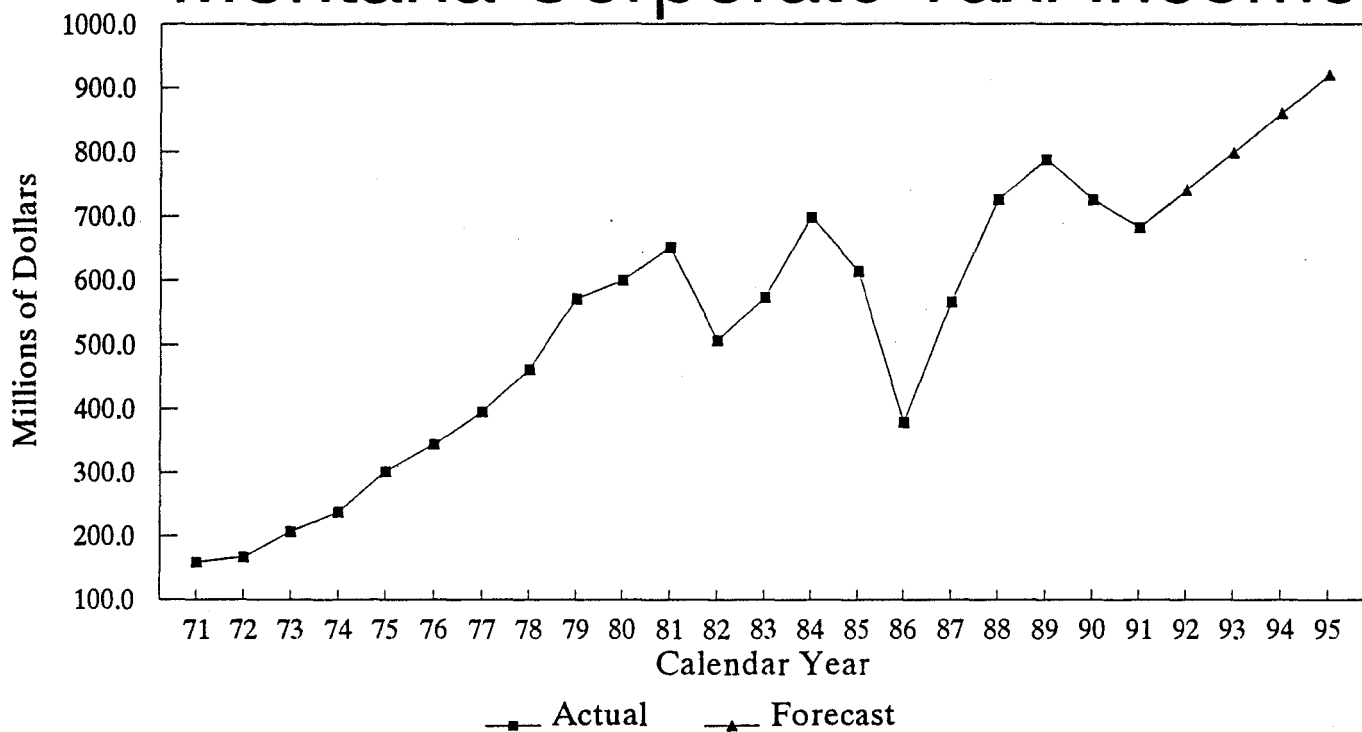
US Pre-Tax Profits



CY	US Pre-Tax Profits	Percent Change Profits	Montana Corporate Income	Percent Change Income
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A	71	90.100	NA	159.580	NA
A	72	104.500	15.98%	167.904	5.22%
A	73	130.900	25.26%	207.447	23.55%
A	74	142.800	9.09%	238.217	14.83%
A	75	140.400	-1.68%	301.914	26.74%
A	76	173.700	23.72%	344.852	14.22%
A	77	203.300	17.04%	396.485	14.97%
A	78	237.900	17.02%	461.853	16.49%
A	79	261.400	9.88%	571.400	23.72%
A	80	240.900	-7.84%	599.954	5.00%
A	81	228.900	-4.98%	651.722	8.63%
A	82	176.300	-22.98%	507.191	-22.18%
A	83	210.700	19.51%	573.493	13.07%
A	84	240.500	14.14%	698.183	21.74%
A	85	225.000	-6.44%	614.227	-12.02%
A	86	217.800	-3.20%	379.293	-38.25%
A	87	287.900	32.19%	565.967	49.22%
A	88	347.500	20.70%	725.997	28.28%
A	89	342.900	-1.32%	788.604	8.62%
A	90	355.400	3.65%	725.681	-7.98%
A	91	334.700	-5.82%	683.205	-5.85%
F	92	355.801	6.30%	741.257	8.50%
F	93	381.124	7.12%	800.496	7.99%
F	94	406.946	6.78%	861.988	7.68%
F	95	432.886	6.37%	922.471	7.02%

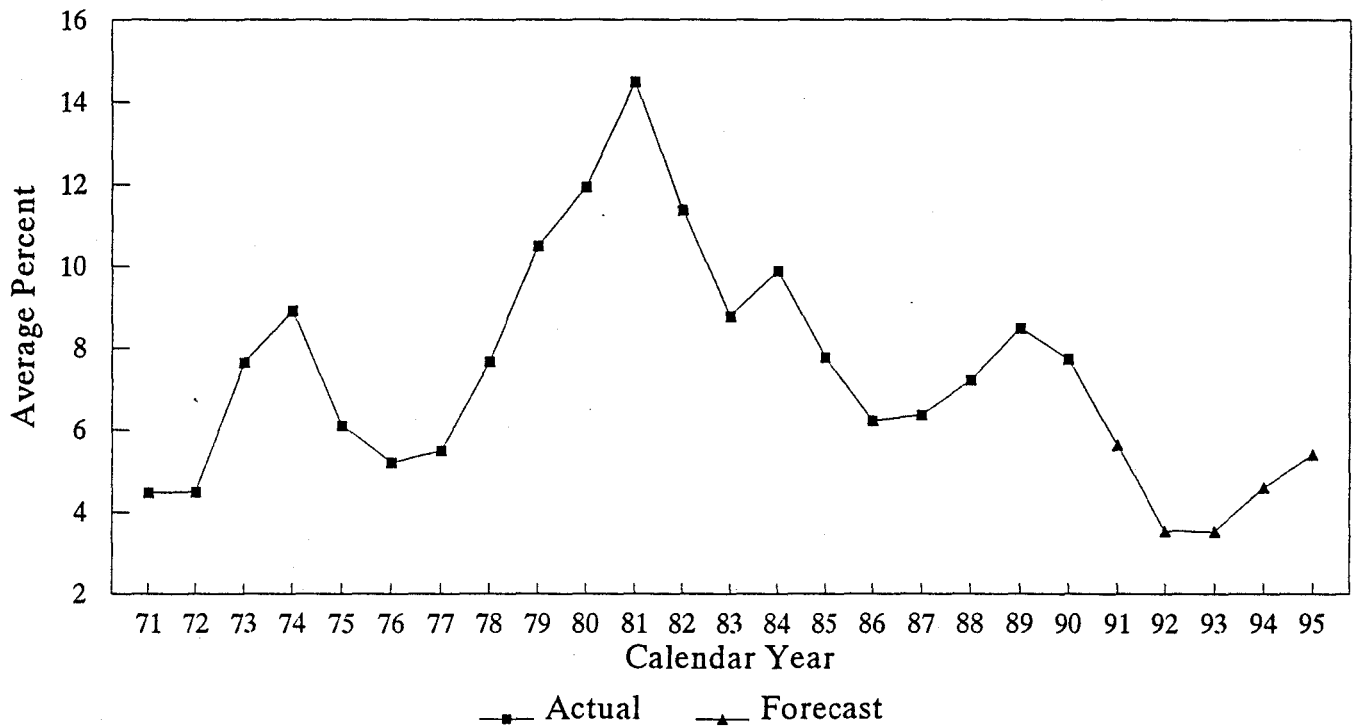
Montana Corporate Tax. Income



CY	US Pre-Tax Profits	Percent Change Profits	Montana Corporate Income	Percent Change Income
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A	71	90.100	NA	159.580	NA
A	72	104.500	15.98%	167.904	5.22%
A	73	130.900	25.26%	207.447	23.55%
A	74	142.800	9.09%	238.217	14.83%
A	75	140.400	-1.68%	301.914	26.74%
A	76	173.700	23.72%	344.852	14.22%
A	77	203.300	17.04%	396.485	14.97%
A	78	237.900	17.02%	461.853	16.49%
A	79	261.400	9.88%	571.400	23.72%
A	80	240.900	-7.84%	599.954	5.00%
A	81	228.900	-4.98%	651.722	8.63%
A	82	176.300	-22.98%	507.191	-22.18%
A	83	210.700	19.51%	573.493	13.07%
A	84	240.500	14.14%	698.183	21.74%
A	85	225.000	-6.44%	614.227	-12.02%
A	86	217.800	-3.20%	379.293	-38.25%
A	87	287.900	32.19%	565.967	49.22%
A	88	347.500	20.70%	725.997	28.28%
A	89	342.900	-1.32%	788.604	8.62%
A	90	355.400	3.65%	725.681	-7.98%
A	91	334.700	-5.82%	683.205	-5.85%
F	92	355.801	6.30%	741.257	8.50%
F	93	381.124	7.12%	800.496	7.99%
F	94	406.946	6.78%	861.988	7.68%
F	95	432.886	6.37%	922.471	7.02%

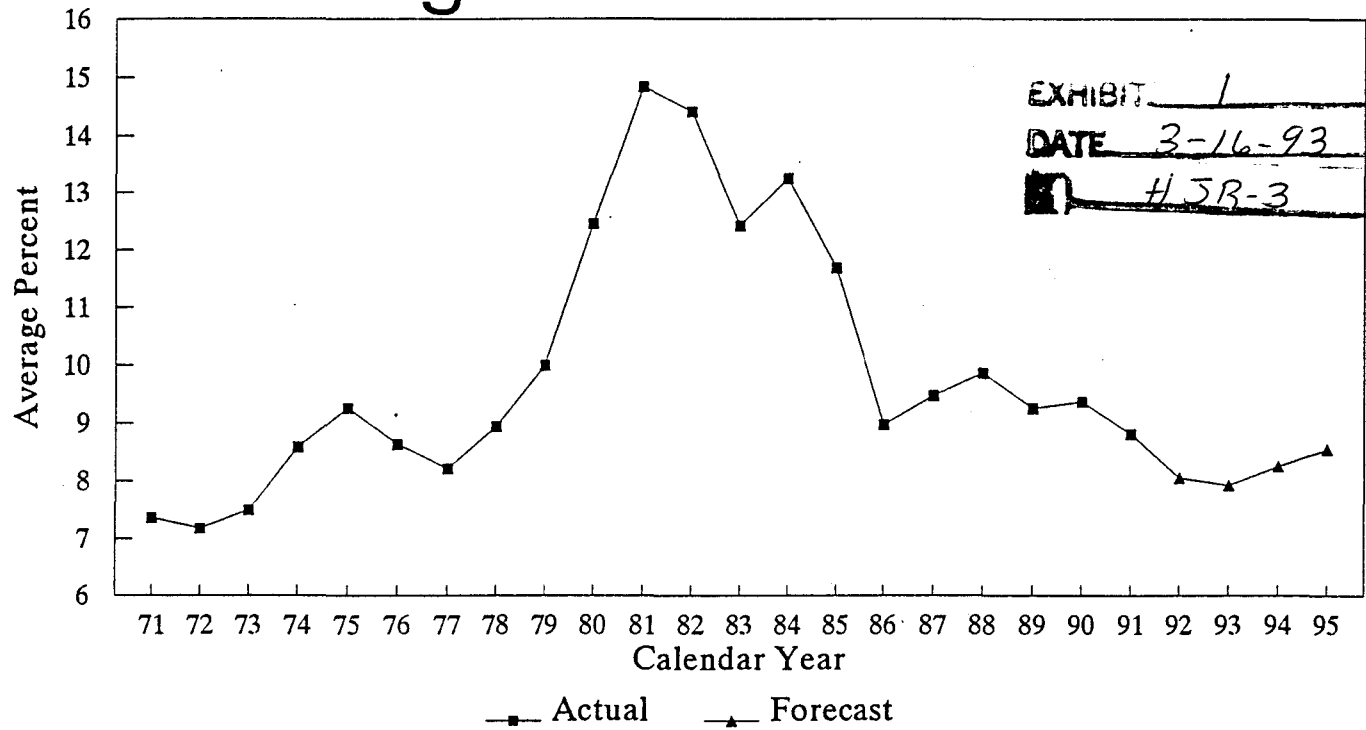
Short-Term Interest Rate



CY Average (CY) Average (CY) Average (FY) Average (FY)
 FY Short-Term Long-Term Short-Term Long-Term

A	71	4.47	7.37	4.86	7.85
A	72	4.49	7.19	4.48	7.29
A	73	7.64	7.50	5.81	7.32
A	74	8.91	8.60	8.17	7.96
A	75	6.11	9.27	7.73	8.88
A	76	5.21	8.64	5.73	9.01
A	77	5.49	8.22	5.33	8.46
A	78	7.68	8.95	6.41	8.53
A	79	10.50	10.00	8.86	9.39
A	80	11.94	12.46	11.10	11.03
A	81	14.48	14.84	13.01	13.46
A	82	11.37	14.42	13.17	14.66
A	83	8.78	12.42	10.28	13.58
A	84	9.89	13.25	9.25	12.77
A	85	7.77	11.69	9.00	12.59
A	86	6.23	8.98	7.12	10.55
A	87	6.37	9.49	6.29	9.19
A	88	7.23	9.87	6.73	9.65
A	89	8.48	9.27	7.76	9.62
A	90	7.74	9.38	8.17	9.32
A	91	5.63	8.82	6.85	9.14
F	92	3.55	8.06	4.76	8.50
F	93	3.53	7.94	3.54	8.01
F	94	4.59	8.26	3.98	8.07
F	95	5.39	8.56	4.93	8.39

Long-Term Interest Rate

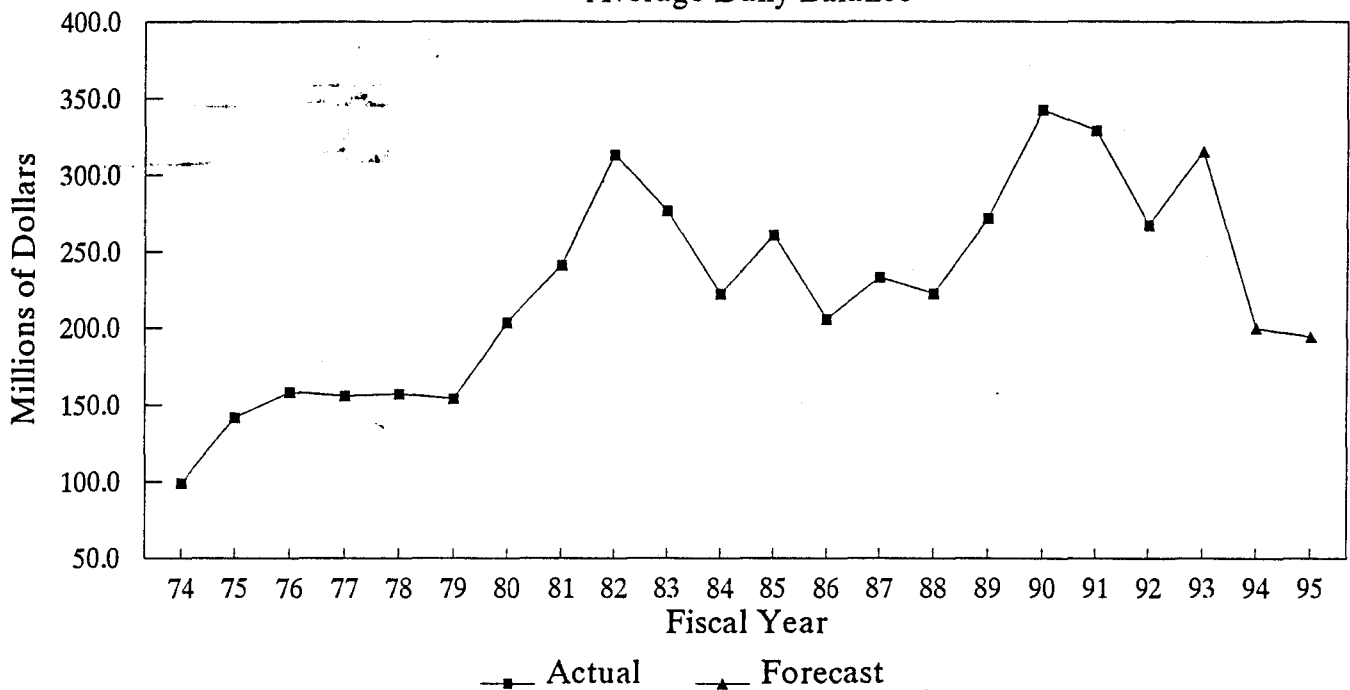


	CY Average (CY)	Average (CY)	Average (FY)	Average (FY)
	FY Short-Term	Long-Term	Short-Term	Long-Term

A	71	4.47	7.37	4.86	7.85
A	72	4.49	7.19	4.48	7.29
A	73	7.64	7.50	5.81	7.32
A	74	8.91	8.60	8.17	7.96
A	75	6.11	9.27	7.73	8.88
A	76	5.21	8.64	5.73	9.01
A	77	5.49	8.22	5.33	8.46
A	78	7.68	8.95	6.41	8.53
A	79	10.50	10.00	8.86	9.39
A	80	11.94	12.46	11.10	11.03
A	81	14.48	14.84	13.01	13.46
A	82	11.37	14.42	13.17	14.66
A	83	8.78	12.42	10.28	13.58
A	84	9.89	13.25	9.25	12.77
A	85	7.77	11.69	9.00	12.59
A	86	6.23	8.98	7.12	10.55
A	87	6.37	9.49	6.29	9.19
A	88	7.23	9.87	6.73	9.65
A	89	8.48	9.27	7.76	9.62
A	90	7.74	9.38	8.17	9.32
A	91	5.63	8.82	6.85	9.14
F	92	3.55	8.06	4.76	8.50
F	93	3.53	7.94	3.54	8.01
F	94	4.59	8.26	3.98	8.07
F	95	5.39	8.56	4.93	8.39

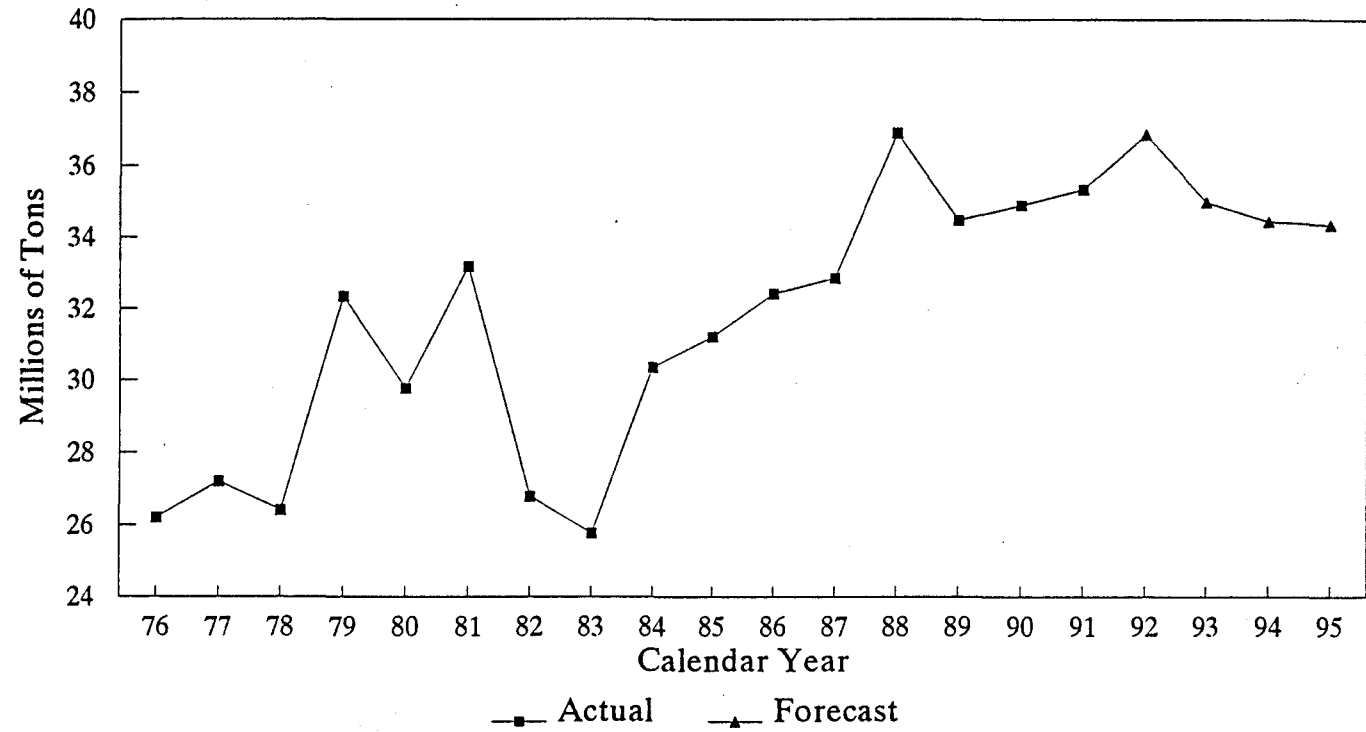
Treasury Cash Account

Average Daily Balance



	FY	Average Daily Bal. W/Trans	Computed Average Yield	TRANS Issue Size	Average Daily Bal. WO/Trans
A	74	98.976	8.98%	NA	NA
A	75	141.501	8.59%	NA	NA
A	76	158.384	6.70%	NA	NA
A	77	155.599	6.36%	NA	NA
A	78	157.070	6.79%	NA	NA
A	79	154.011	8.26%	NA	NA
A	80	203.300	9.17%	40.000	NA
A	81	240.834	11.03%	45.000	NA
A	82	313.160	13.55%	45.000	NA
A	83	276.320	10.83%	47.000	NA
A	84	222.246	10.59%	0.000	NA
A	85	260.501	9.80%	38.000	NA
A	86	205.765	6.46%	0.000	163.599
A	87	232.990	5.51%	83.200	156.724
A	88	222.374	7.07%	56.000	171.041
A	89	271.727	7.84%	0.000	271.727
A	90	342.968	7.54%	0.000	342.968
A	91	329.419	6.77%	0.000	329.419
A	92	267.461	6.17%	85.000	210.794
F	93	314.992	5.09%	135.600	213.292
F	94	200.090	4.90%	0.000	200.090
F	95	194.390	5.15%	0.000	194.390

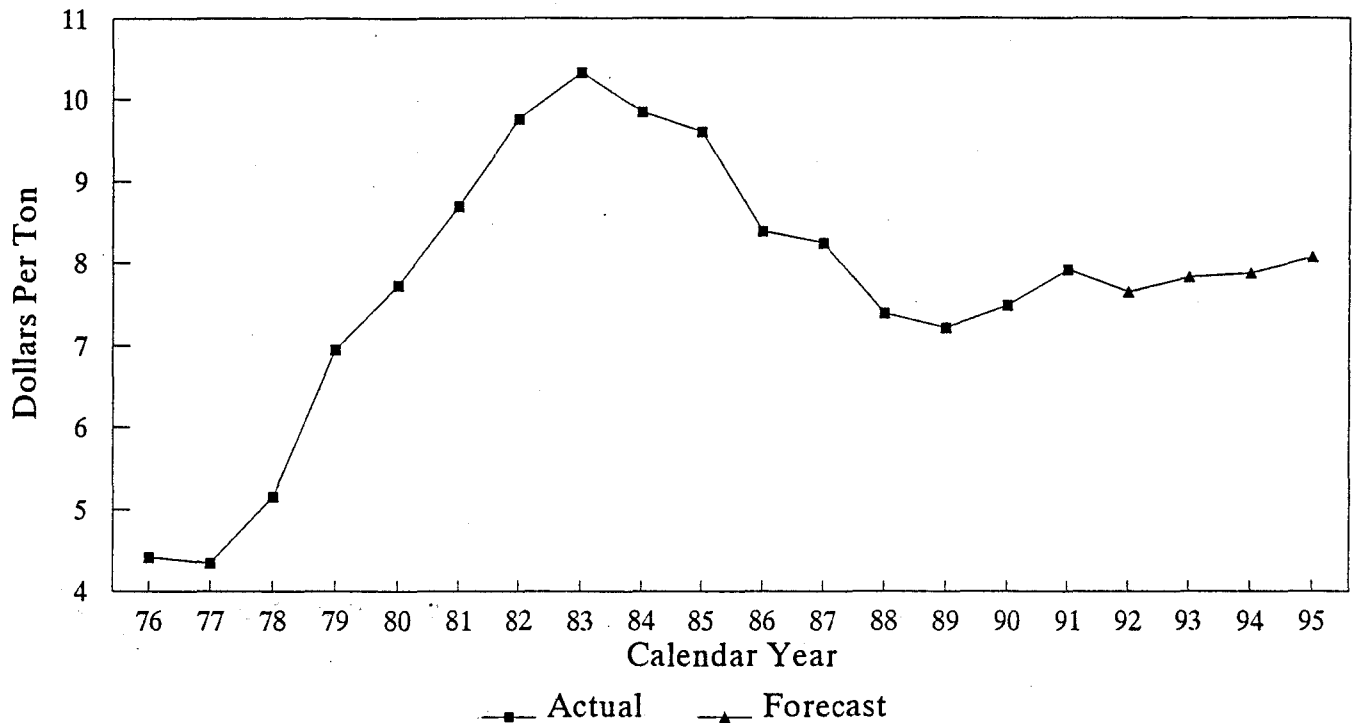
Montana Coal Production



CY	Severance Tax Tons	Percent Change Tons	Severance Tax CSP	Percent Change CSP
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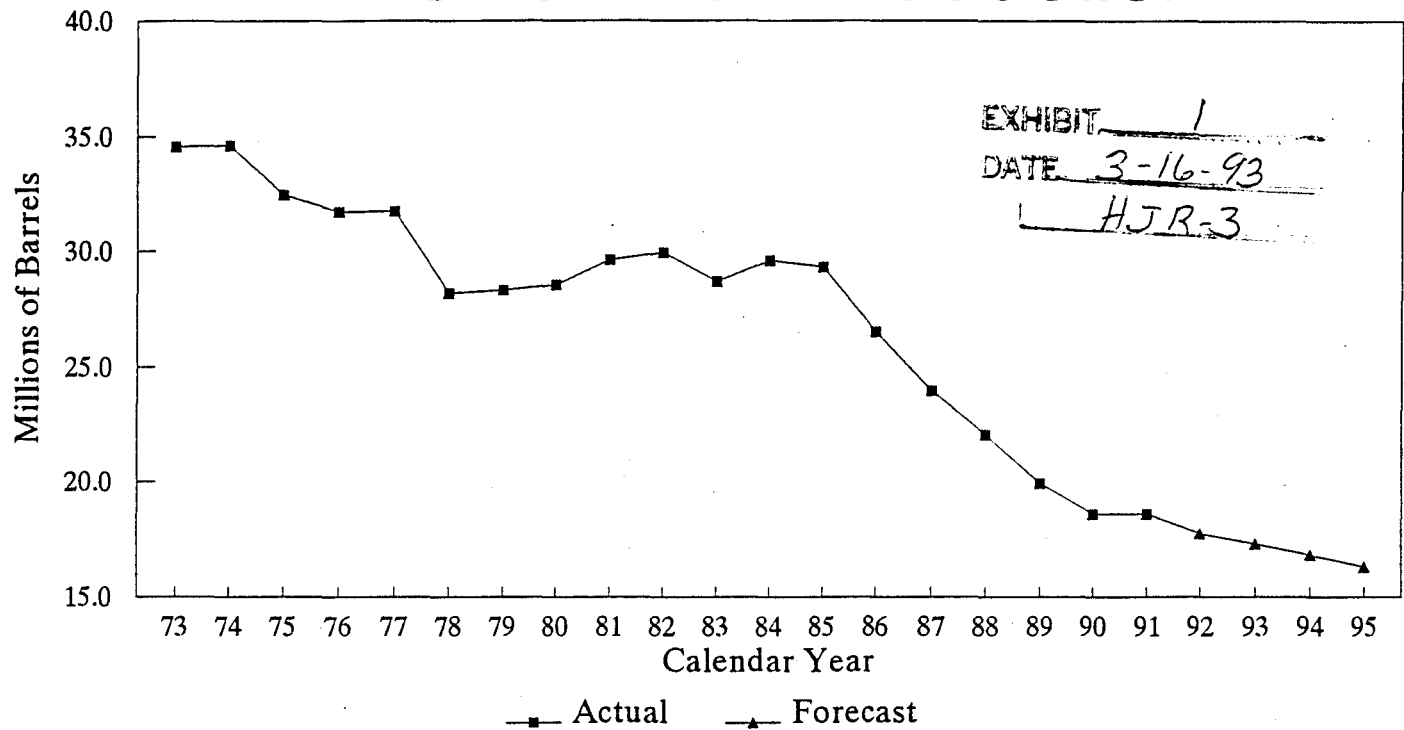
A 76	26.226	NA	4.415	NA
A 77	27.205	3.73%	4.344	-1.61%
A 78	26.418	-2.89%	5.154	18.65%
A 79	32.350	22.45%	6.951	34.87%
A 80	29.752	-8.03%	7.724	11.12%
A 81	33.188	11.55%	8.686	12.45%
A 82	26.815	-19.20%	9.758	12.34%
A 83	25.785	-3.84%	10.332	5.88%
A 84	30.359	17.74%	9.846	-4.70%
A 85	31.213	2.81%	9.592	-2.58%
A 86	32.416	3.85%	8.387	-12.56%
A 87	32.847	1.33%	8.240	-1.75%
A 88	36.879	12.28%	7.385	-10.38%
A 89	34.469	-6.53%	7.209	-2.38%
A 90	34.884	1.20%	7.486	3.84%
A 91	35.325	1.26%	7.913	5.70%
F 92	36.850	4.32%	7.641	-3.44%
F 93	34.993	-5.04%	7.829	2.46%
F 94	34.447	-1.56%	7.875	0.59%
F 95	34.347	-0.29%	8.070	2.48%

Montana Coal Contract Sales Price



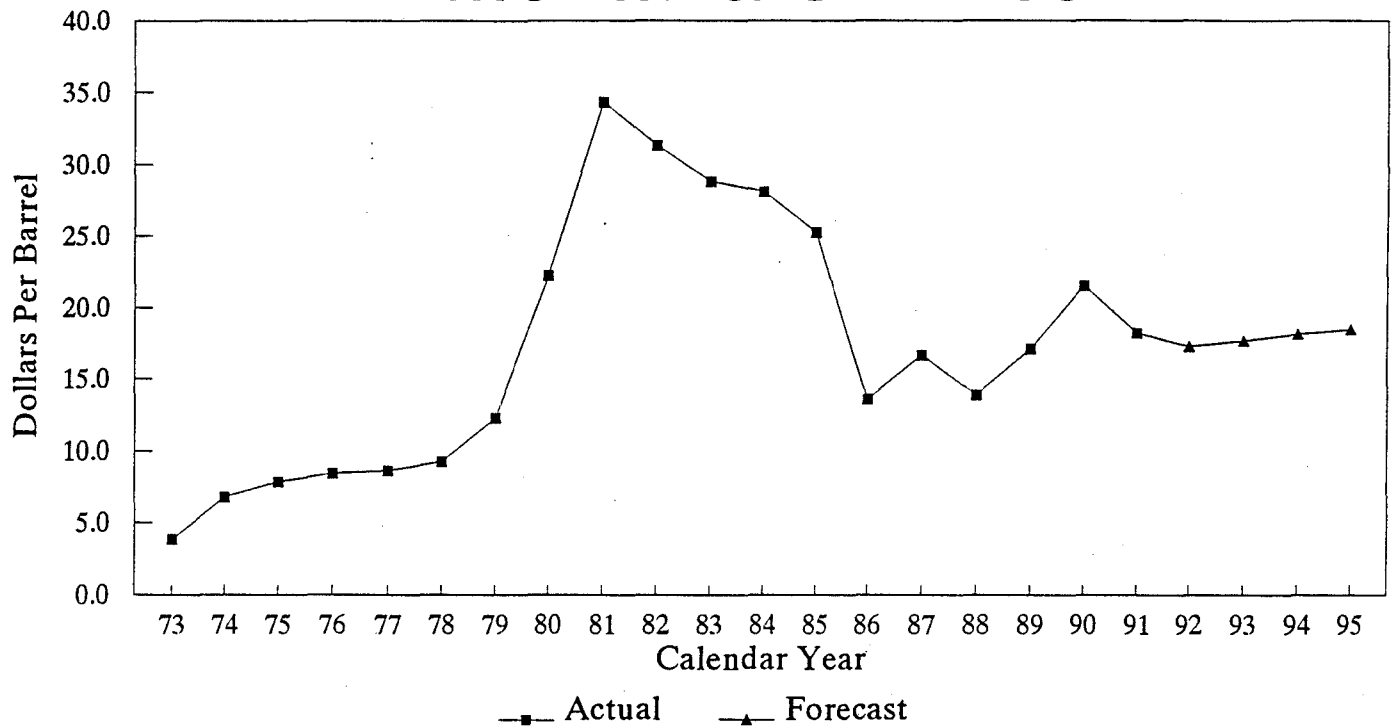
	CY	Severance Tax Tons	Percent Change Tons	Severance Tax CSP	Percent Change CSP
A	76	26.226	NA	4.415	NA
A	77	27.205	3.73%	4.344	-1.61%
A	78	26.418	-2.89%	5.154	18.65%
A	79	32.350	22.45%	6.951	34.87%
A	80	29.752	-8.03%	7.724	11.12%
A	81	33.188	11.55%	8.686	12.45%
A	82	26.815	-19.20%	9.758	12.34%
A	83	25.785	-3.84%	10.332	5.88%
A	84	30.359	17.74%	9.846	-4.70%
A	85	31.213	2.81%	9.592	-2.58%
A	86	32.416	3.85%	8.387	-12.56%
A	87	32.847	1.33%	8.240	-1.75%
A	88	36.879	12.28%	7.385	-10.38%
A	89	34.469	-6.53%	7.209	-2.38%
A	90	34.884	1.20%	7.486	3.84%
A	91	35.325	1.26%	7.913	5.70%
F	92	36.850	4.32%	7.641	-3.44%
F	93	34.993	0.31%	7.829	4.58%
F	94	34.447	-1.56%	7.875	0.59%
F	95	34.347	-0.29%	8.070	2.48%

Montana Oil Production



		Severance Tax Barrels	Percent Change Barrels	Severance Tax Price	Percent Change Price
CY					
A 73		34.558	NA	3.843	NA
A 74		34.629	0.21%	6.814	77.31%
A 75		32.460	-6.26%	7.845	15.13%
A 76		31.698	-2.35%	8.411	7.21%
A 77		31.725	0.09%	8.582	2.03%
A 78		28.164	-11.22%	9.253	7.82%
A 79		28.337	0.61%	12.279	32.70%
A 80		28.539	0.71%	22.250	81.20%
A 81		29.639	3.85%	34.317	54.23%
A 82		29.944	1.03%	31.311	-8.76%
A 83		28.695	-4.17%	28.804	-8.01%
A 84		29.602	3.16%	28.066	-2.56%
A 85		29.318	-0.96%	25.243	-10.06%
A 86		26.525	-9.53%	13.518	-46.45%
A 87		23.961	-9.67%	16.631	23.03%
A 88		22.064	-7.92%	13.843	-16.76%
A 89		19.957	-9.55%	17.098	23.51%
A 90		18.613	-6.73%	21.561	26.10%
A 91		18.619	0.03%	18.209	-15.55%
F 92		17.752	-4.66%	17.283	-5.09%
F 93		17.314	-2.47%	17.700	2.41%
F 94		16.822	-2.84%	18.199	2.82%
F 95		16.320	-2.98%	18.500	1.65%

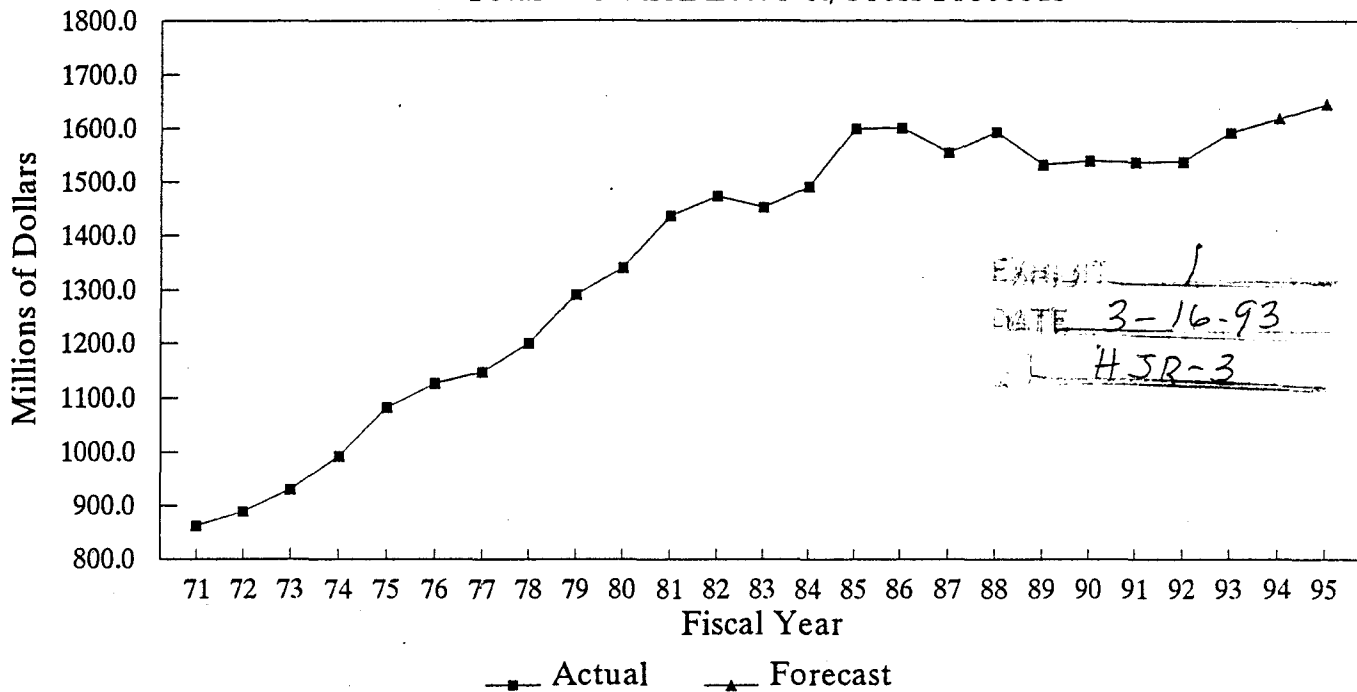
Montana Oil Price



	CY	Severance Tax Barrels	Percent Change Barrels	Severance Tax Price	Percent Change Price
A	73	34.558	NA	3.843	NA
A	74	34.629	0.21%	6.814	77.31%
A	75	32.460	-6.26%	7.845	15.13%
A	76	31.698	-2.35%	8.411	7.21%
A	77	31.725	0.09%	8.582	2.03%
A	78	28.164	-11.22%	9.253	7.82%
A	79	28.337	0.61%	12.279	32.70%
A	80	28.539	0.71%	22.250	81.20%
A	81	29.639	3.85%	34.317	54.23%
A	82	29.944	1.03%	31.311	-8.76%
A	83	28.695	-4.17%	28.804	-8.01%
A	84	29.602	3.16%	28.066	-2.56%
A	85	29.318	-0.96%	25.243	-10.06%
A	86	26.525	-9.53%	13.518	-46.45%
A	87	23.961	-9.67%	16.631	23.03%
A	88	22.064	-7.92%	13.843	-16.76%
A	89	19.957	-9.55%	17.098	23.51%
A	90	18.613	-6.73%	21.561	26.10%
A	91	18.619	0.03%	18.209	-15.55%
F	92	17.752	-4.66%	17.283	-5.09%
F	93	17.314	-2.47%	17.700	2.41%
F	94	16.822	-2.84%	18.199	2.82%
F	95	16.320	-2.98%	18.500	1.65%

Montana Statewide Valuation

Total Valuation Less Net/Gross Proceeds

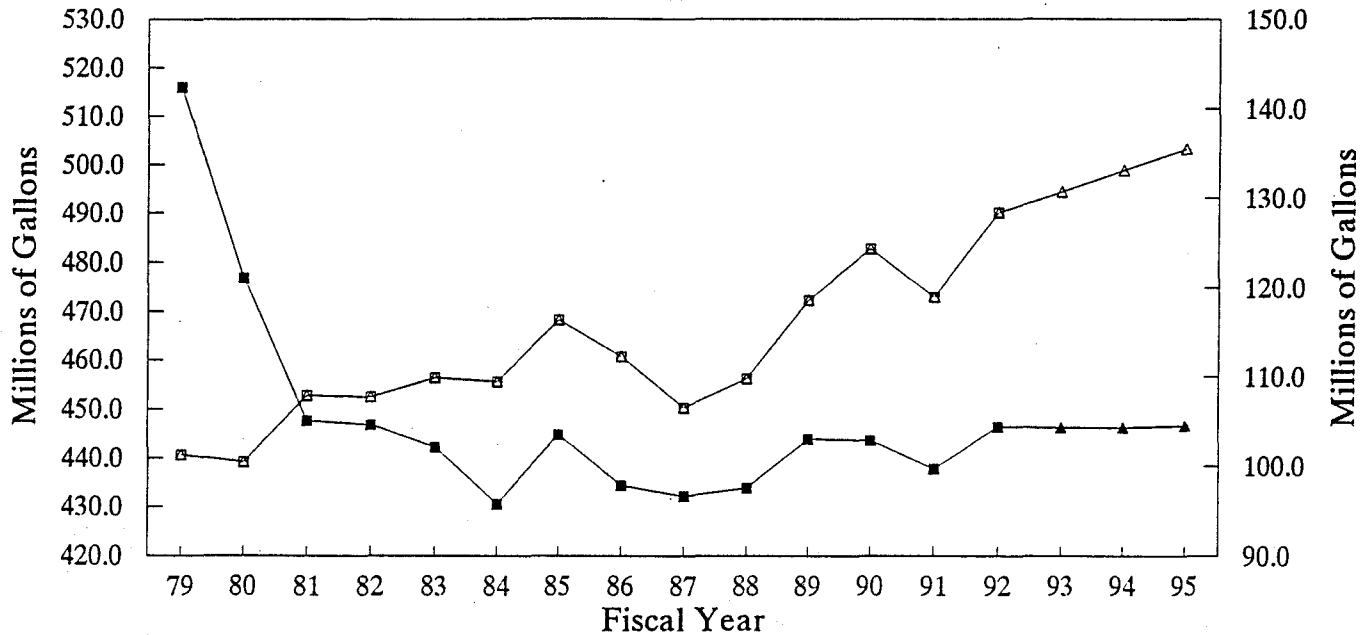


FY	Total Statewide Valuation	Net/Gross Proceeds Valuation	Total Less Net/Gross	Percent Change
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A	71	952.699	90.305	862.393	NA
A	72	965.708	76.866	888.842	3.07%
A	73	995.099	64.794	930.305	4.66%
A	74	1061.622	69.604	992.017	6.63%
A	75	1198.510	116.147	1082.364	9.11%
A	76	1350.774	223.975	1126.799	4.11%
A	77	1391.935	244.206	1147.730	1.86%
A	78	1466.744	266.182	1200.562	4.60%
A	79	1568.285	276.844	1291.441	7.57%
A	80	1621.952	281.406	1340.546	3.80%
A	81	1845.009	407.379	1437.630	7.24%
A	82	2020.631	547.411	1473.219	2.48%
A	83	2204.492	752.164	1452.328	-1.42%
A	84	2233.385	741.544	1491.841	2.72%
A	85	2330.883	730.330	1600.553	7.29%
A	86	2370.133	768.271	1601.862	0.08%
A	87	2260.762	705.064	1555.698	-2.88%
A	88	1977.891	383.272	1594.619	2.50%
A	89	1942.950	410.315	1532.635	-3.89%
A	90	1884.550	343.995	1540.555	0.52%
A	91	1564.317	26.245	1538.073	-0.16%
A	92	1559.407	20.549	1538.858	0.05%
A	93	1612.780	19.248	1593.532	3.55%
F	94	1640.208	19.492	1620.716	1.71%
F	95	1666.001	19.310	1646.692	1.60%

Montana Fuel Data

Gasoline & Diesel Gallons



■ Actual Gas ▲ Forecast Gas □ Actual Diesel ▲ Forecast Diesel

		Montana Gasoline Gallons	Percent Change Gasoline	Montana Diesel Gallons	Percent Change Diesel
	CY				

A	71	NA	NA	NA	NA
A	72	NA	NA	NA	NA
A	73	NA	NA	NA	NA
A	74	NA	NA	NA	NA
A	75	NA	NA	NA	NA
A	76	NA	NA	NA	NA
A	77	NA	NA	NA	NA
A	78	NA	NA	NA	NA
A	79	515.857	NA	101.222	NA
A	80	476.866	-7.56%	100.460	-0.75%
A	81	447.705	-6.12%	107.906	7.41%
A	82	446.921	-0.18%	107.773	-0.12%
A	83	442.299	-1.03%	109.849	1.93%
A	84	430.631	-2.64%	109.461	-0.35%
A	85	444.841	3.30%	116.286	6.23%
A	86	434.336	-2.36%	112.207	-3.51%
A	87	432.212	-0.49%	106.515	-5.07%
A	88	433.833	0.37%	109.723	3.01%
A	89	443.809	2.30%	118.512	8.01%
A	90	443.600	-0.05%	124.215	4.81%
A	91	437.746	-1.32%	118.875	-4.30%
A	92	446.404	1.98%	128.272	7.91%
F	93	446.286	-0.03%	130.631	1.84%
F	94	446.229	-0.01%	133.032	1.84%
F	95	446.588	0.08%	135.478	1.84%

SENATE TAXATION

EXHIBIT NO. 2

DATE 3-16-93

BILL NO. HB 490

Date: March 16, 1993

House Bill 490

Submitted By: William Salisbury, Administrator
Administration Division
Department of Transportation

"AN ACT PROVIDING THAT THE STATE GASOLINE TAX IS IMPOSED
UPON ALL GASOLINE IMPORTED INTO MONTANA."

The Montana Department of Transportation appears before this committee to offer it's support for House Bill 490.

Current statutory definition could be interpreted to mean that a license is not required from the department to import gasoline into Montana. With this interpretation it is possible to import gasoline into Montana without the state's knowledge. Without this information Montana can not collect the tax; license the importer; or track the gasoline through the state. Montana has no provisions to penalize the importer for not being licensed or paying the business license tax.

House Bill 490 defines the eligibility requirements of an importer and exporter of gasoline into or out of the State of Montana.

The Montana Department of Transportation urges this committee to give this proposal a do-pass recommendation.

DATE 3-16-93

SENATE COMMITTEE ON Taxation

BILLS BEING HEARD TODAY: HB 279, 402, 490 HJK3

Name	Representing	Bill No.	Check One	
			Support	Oppose
W. D. Hill	STOR 101	279	✓	
Bill Salisbury	NIDT	HB490	✓	
MIKE GRUNOW	MALSA	279	✓	
Tim DALIN	MALSA	279	✓	

VISITOR REGISTER

PLEASE LEAVE PREPARED STATEMENT WITH COMMITTEE SECRETARY