

HOUSE JOINT RESOLUTION NO. 2

INTRODUCED BY M. MILLER

BY REQUEST OF THE REVENUE AND TRANSPORTATION INTERIM COMMITTEE

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A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING AN OFFICIAL ESTIMATE OF THE STATE'S GENERAL FUND REVENUE FOR FISCAL YEAR 2015 AND EACH FISCAL YEAR OF THE 2016-2017 BIENNIUM FOR THE PURPOSE OF ACHIEVING A BALANCED BUDGET AS REQUIRED BY ARTICLE VIII, SECTION 9, OF THE MONTANA CONSTITUTION; ACCEPTING A PRELIMINARY UNASSIGNED GENERAL FUND BALANCE; ESTABLISHING OFFICIAL ESTIMATES OF CERTAIN NONGENERAL FUND REVENUE; AND REQUESTING THAT THE GOVERNOR'S OFFICE OF BUDGET AND PROGRAM PLANNING USE THE REVENUE ESTIMATES CONTAINED IN THIS RESOLUTION AS OFFICIAL REVENUE ESTIMATES FOR FISCAL YEARS 2015, 2016, AND 2017.

WHEREAS, Article VI, section 9, of the Montana Constitution requires the Governor to submit to the Legislature a budget for the ensuing fiscal period, containing in detail for all operating funds the proposed expenditures and estimated revenue of the state; and

WHEREAS, Article VIII, section 9, of the Montana Constitution prohibits the Legislature from appropriating funds in excess of the anticipated revenue of the state; and

WHEREAS, section 5-5-227(2), MCA, requires the Revenue and Transportation Interim Committee to estimate the amount of revenue projected to be available for legislative appropriation and to introduce a resolution setting forth the Committee's current revenue estimate; and

WHEREAS, section 5-5-227(3), MCA, expresses the Legislature's intent that its revenue estimates and the underlying assumptions used to derive those estimates be used by all agencies in the development of fiscal notes; and

WHEREAS, the Revenue and Transportation Interim Committee obtained the assistance of the Legislative Fiscal Analyst in the development of the revenue estimates; and



1 WHEREAS, the Revenue and Transportation Interim Committee also obtained the assistance of Executive Branch agencies in the development
2 of the revenue estimates; and

3 WHEREAS, the Revenue and Transportation Interim Committee has adopted revenue estimates and the underlying assumptions used to derive
4 those estimates for the general fund and for specific nongeneral fund sources that are significant in the development of the state budget for fiscal year 2015
5 and the 2016-2017 biennium; and

6 WHEREAS, section 5-5-227(3), MCA, provides that the Revenue and Transportation Interim Committee's estimate, as introduced in the Legislature,
7 constitutes the Legislature's current revenue estimate until amended or until final adoption of the estimate by both houses; and

8 WHEREAS, the amount of estimated revenue and the general fund balance affects policy decisions of the Executive Branch and the Legislative
9 Branch; and

10 WHEREAS, the revenue estimates and the underlying assumptions contained in this resolution provide the basis for a comprehensive analysis
11 of the state's revenue condition.

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13 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA:

14 That the state general fund revenue for fiscal years 2015, 2016, and 2017 be estimated to be ~~\$2,133,018,000, \$2,230,731,000, and \$2,353,508,000~~
15 \$2,151,786,000, \$2,251,181,000, AND \$2,357,877,000 respectively.

16 BE IT FURTHER RESOLVED, that the Legislature accept for budget purposes the preliminary unassigned fiscal year 2014 fund balance of
17 \$427,900,000 for the general fund, prepared according to generally accepted accounting principles.

18 BE IT FURTHER RESOLVED, that the Governor's Office of Budget and Program Planning use the revenue estimates and the underlying
19 assumptions contained in this resolution as the official revenue estimates for fiscal years 2015, 2016, 2017.

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GENERAL FUND REVENUE

21 The projections for total general fund revenue for fiscal years 2015, 2016, and 2017 are based on the assumption of the continuation of Montana and

1 federal law as it existed on January 1, 2015. The revenue estimates contained in the following tables are based on the assumptions listed in the tables
 2 that follow the general fund estimates and the assumptions for each general fund revenue source (as adopted by the Revenue and Transportation Interim
 3 Committee) contained in the "Legislative Budget Analysis, 2017 Biennium, Volume 2 -- Revenue Estimates" prepared by the Legislative Fiscal Division.

4 Current Law

5 General Fund Revenue Estimates

6 (In Millions of Dollars)

7	Actual	Estimated	Estimated	Estimated
8 Source of Revenue	FY 2014	FY 2015	FY 2016	FY 2017
9 Largest Seven Sources				
10 Individual Income Tax	1,063.284	1,108.333	1,212.526	1,295.799
11	<u>1,063.284</u>	<u>1,142.481</u>	<u>1,229.127</u>	<u>1,311.185</u>
12 Property Tax	250.344	249.834	245.351	255.344
13	<u>250.344</u>	<u>250.239</u>	<u>242.930</u>	<u>252.480</u>
14 Corporate Income Tax	147.548	157.683	148.626	152.522
15	<u>147.548</u>	<u>154.272</u>	<u>179.829</u>	<u>156.851</u>
16 Vehicle Taxes & Fees	101.088	102.290	103.566	104.769
17	<u>101.088</u>	<u>103.500</u>	<u>106.200</u>	<u>108.600</u>
18 Oil & Natural Gas Production Tax	109.606	95.233	90.628	92.682
19	<u>109.606</u>	<u>78.811</u>	<u>59.250</u>	<u>68.589</u>
20 Insurance Tax & License Fees	60.873	63.928	65.357	66.102
21	<u>60.873</u>	<u>67.787</u>	<u>72.325</u>	<u>74.877</u>

1	Video Gambling Tax	57.147	60.423	62.744	66.041
2		<u>57.147</u>	<u>60.029</u>	<u>62.007</u>	<u>64.966</u>
3	Largest Seven Sources Subtotal	1,789.890	1,837.724	1,928.797	2,033.260
4		<u>1,789.890</u>	<u>1,857.118</u>	<u>1,951.668</u>	<u>2,037.548</u>
5	Other Business Taxes				
6	Driver's License Fee	4.051	4.397	4.082	4.468
7		<u>4.051</u>	<u>4.395</u>	<u>4.081</u>	<u>4.465</u>
8	Investment License Fee	7.115	7.257	7.412	7.567
9	Lodging Taxes	17.725	19.169	20.114	21.316
10		<u>17.725</u>	<u>20.079</u>	<u>21.872</u>	<u>23.835</u>
11	Public Contractors Tax	0.887	2.817	3.560	3.476
12	Railroad Car Tax	2.418	3.641	3.698	3.849
13		<u>2.418</u>	<u>3.641</u>	<u>3.741</u>	<u>3.883</u>
14	Rental Car Sales Tax	3.521	3.749	3.896	4.071
15		<u>3.521</u>	<u>3.714</u>	<u>3.818</u>	<u>4.012</u>
16	Telecommunications Excise Tax	19.657	20.186	19.934	19.771
17		<u>19.657</u>	<u>19.239</u>	<u>18.999</u>	<u>18.842</u>
18	Other Business Taxes Subtotal	55.374	61.216	62.696	64.518
19		<u>55.374</u>	<u>61.141</u>	<u>63.483</u>	<u>66.081</u>
20	Other Natural Resource Taxes				
21	Coal Severance Tax	14.745	15.427	16.118	16.612

1		<u>14.745</u>	<u>15.629</u>	<u>16.164</u>	<u>16.642</u>
2	Electrical Energy Tax	4.280	4.721	4.708	4.696
3		<u>4.280</u>	<u>4.738</u>	<u>4.580</u>	<u>4.553</u>
4	Metalliferous Mines Tax	7.948	8.004	8.015	7.491
5		<u>7.948</u>	<u>8.238</u>	<u>8.311</u>	<u>7.918</u>
6	US Mineral Royalty	27.744	26.888	24.726	24.557
7		<u>27.744</u>	<u>26.109</u>	<u>24.069</u>	<u>24.675</u>
8	Wholesale Energy Tax	3.112	3.652	3.629	3.608
9		<u>3.112</u>	<u>3.623</u>	<u>3.595</u>	<u>3.565</u>
10	Other Natural Resource Taxes Subtotal	57.828	58.692	57.197	56.963
11		<u>57.828</u>	<u>58.337</u>	<u>56.719</u>	<u>57.352</u>
12	Other Interest Earnings				
13	Coal Trust Interest	21.996	20.473	19.849	22.491
14		<u>21.996</u>	<u>20.470</u>	<u>19.842</u>	<u>22.485</u>
15	Treasury Cash Account Interest	1.756	1.605	9.196	21.378
16		<u>1.756</u>	<u>1.605</u>	<u>8.527</u>	<u>20.786</u>
17	Other Interest Earnings Subtotal	23.752	22.078	29.045	43.869
18		<u>23.752</u>	<u>22.075</u>	<u>28.368</u>	<u>43.271</u>
19	Other Consumption Taxes				
20	Beer Tax	3.023	3.110	3.169	3.229
21		<u>3.023</u>	<u>3.095</u>	<u>3.129</u>	<u>3.189</u>

1	Cigarette Tax	30.623	30.363	30.914	30.191
2		<u>30.623</u>	<u>30.713</u>	<u>31.036</u>	<u>30.453</u>
3	Liquor Excise & License Tax	18.418	19.086	19.720	20.446
4		<u>18.418</u>	<u>18.950</u>	<u>19.472</u>	<u>20.300</u>
5	Liquor Profits	10.500	10.744	11.184	11.618
6		<u>10.500</u>	<u>10.663</u>	<u>11.035</u>	<u>11.530</u>
7	Lottery Profits	12.091	12.596	13.409	14.440
8		<u>12.091</u>	<u>12.177</u>	<u>11.631</u>	<u>13.439</u>
9	Tobacco Tax	5.929	6.235	6.413	6.579
10		<u>5.929</u>	<u>6.233</u>	<u>6.396</u>	<u>6.559</u>
11	Wine Tax	2.250	2.299	2.366	2.438
12		<u>2.250</u>	<u>2.298</u>	<u>2.363</u>	<u>2.434</u>
13	Other Consumption Taxes Subtotal	82.834	84.434	87.175	88.941
14		<u>82.834</u>	<u>84.130</u>	<u>85.062</u>	<u>87.904</u>
15	Other Sources				
16	All Other Revenue	37.320	39.492	36.426	36.656
17		<u>37.320</u>	<u>40.096</u>	<u>37.119</u>	<u>37.133</u>
18	Highway Patrol Fines	4.142	4.224	4.255	4.251
19	Nursing Facilities Fee	4.961	4.859	4.756	4.654
20	Public Institution Reimbursements	17.298	17.123	17.239	17.280
21		<u>17.298</u>	<u>16.630</u>	<u>16.606</u>	<u>16.570</u>

1	Tobacco Settlement	3.646	3.176	3.145	3.115
2	Other Sources Subtotal	67.367	68.875	65.821	65.956
3		<u>67.367</u>	<u>68.986</u>	<u>65.881</u>	<u>65.723</u>
4	Total General Fund	\$2,077.044	\$2,133.018	\$2,230.731	\$2,353.508
5		<u>\$2,077.044</u>	<u>\$2,151.786</u>	<u>\$2,251.181</u>	<u>\$2,357.877</u>

SIGNIFICANT ASSUMPTIONS FOR GENERAL FUND REVENUE ESTIMATES

7	Year	Assumption	2014	2015	2016	2017
8	Largest Seven Sources					
9	Individual Income Tax					
10	CY	Wage & salary income growth	4.5%	4.9%	4.9%	5.2%
11			<u>6.2%</u>	<u>5.2%</u>	<u>6.2%</u>	<u>6.7%</u>
12	CY	Interest income growth	-0.1%	1.4%	12.0%	26.8%
13			<u>-0.3%</u>	<u>-0.7%</u>	<u>8.8%</u>	<u>25.2%</u>
14	CY	Dividend income growth	3.7%	6.6%	3.7%	0.3%
15			<u>3.7%</u>	<u>6.4%</u>	<u>3.4%</u>	<u>1.1%</u>
16	CY	Taxable refunds growth	0.0%	0.0%	0.0%	0.0%
17	CY	Alimony received growth	4.0%	4.0%	4.0%	4.0%
18	CY	Net business growth	-0.3%	1.9%	0.7%	2.0%
19			<u>-0.4%</u>	<u>2.2%</u>	<u>-0.2%</u>	<u>2.3%</u>
20	CY	Capital gains income growth	22.2%	-6.4%	5.0%	-2.5%
21			<u>19.1%</u>	<u>1.1%</u>	<u>7.4%</u>	<u>4.2%</u>



1	CY	Supplemental gains income growth	-40.0%	2.0%	2.0%	2.0%
2	CY	Rents, royalties, and partnership				
3		income growth	12.7%	10.5%	8.8%	7.6%
4			<u>2.9%</u>	<u>5.0%</u>	<u>2.2%</u>	<u>-2.5%</u>
5	CY	IRA income growth	6.2%	7.0%	6.9%	6.6%
6			<u>12.7%</u>	<u>10.8%</u>	<u>8.8%</u>	<u>7.5%</u>
7	CY	Taxable pension income growth	5.4%	4.3%	1.5%	-1.4%
8			<u>6.2%</u>	<u>6.7%</u>	<u>6.8%</u>	<u>6.2%</u>
9	CY	Taxable social security				
10		income growth	5.0%	0.0%	0.0%	0.0%
11			<u>8.6%</u>	<u>7.8%</u>	<u>7.5%</u>	<u>6.9%</u>
12	CY	Farm income growth	0.0%	0.0%	0.0%	0.0%
13			<u>5.0%</u>			
14	CY	Unemployment compensation growth	8.8%	8.5%	7.6%	6.9%
15			<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>	<u>0.0%</u>
16	CY	Other income growth	0.0%	0.0%	0.0%	0.0%
17			<u>-20.0%</u>			
18	CY	Total additions growth	4.1%	0.0%	0.5%	0.4%
19			<u>1.2%</u>	<u>1.7%</u>	<u>-0.5%</u>	<u>0.2%</u>
20	CY	Total adjustments growth	4.0%	4.1%	4.1%	4.2%
21	CY	Federal inflation factor	1.7%	1.6%	1.0%	1.4%

1	FY	Class 4 taxable value (Millions)	\$1,521.371	\$1,478.052	\$1,534.847
2			<u>\$1,521.371</u>	<u>\$1,446.232</u>	<u>\$1,500.814</u>
3	FY	Class 5 taxable value (Millions)	\$44.566	\$46.430	\$48.371
4	FY	Class 7 taxable value (Millions)	\$1.182	\$1.167	\$1.152
5	FY	Class 8 taxable value (Millions)	\$146.332	\$153.795	\$161.639
6	FY	Class 9 taxable value (Millions)	\$374.692	\$396.631	\$419.854
7	FY	Class 10 taxable value (Millions)	\$6.215	\$3.128	\$3.097
8	FY	Class 12 taxable value (Millions)	\$72.873	\$76.460	\$81.767
9					<u>\$83.369</u>
10	FY	Class 13 taxable value (Millions)	\$170.052	\$173.103	\$176.209
11	FY	Class 14 taxable value (Millions)	\$31.347	\$31.347	\$31.347
12	FY	Class 15 taxable value (Millions)	\$1.757	\$1.757	\$1.757
13	FY	Abatement value (Millions)	\$20.855	\$20.723	\$21.581
14			<u>\$20.855</u>	<u>\$20.463</u>	<u>\$21.315</u>
15	FY	TIF Value (Millions)	\$49.385	\$49.821	\$51.069
16			<u>\$45.187</u>	<u>\$44.216</u>	<u>\$47.541</u>
17		Corporate Income Tax			
18	CY	WTI price (\$/barrel)	\$94.65	\$77.96	\$78.45
19			<u>\$92.97</u>	<u>\$45.03</u>	<u>\$58.92</u>
20	CY	Domestic crude price (\$/barrel)	\$95.44	\$79.84	\$80.94
21			<u>\$94.46</u>	<u>\$43.83</u>	<u>\$58.50</u>

1	CY	Montana retail sales (Millions)	\$18,266	\$18,985	\$19,842	\$20,846
2			<u>\$18,317</u>	<u>\$18,569</u>	<u>\$19,517</u>	<u>\$20,538</u>
3	CY	Montana median home price (\$)	\$199,290	\$204,564	\$213,387	\$223,145
4			<u>\$201,603</u>	<u>\$211,331</u>	<u>\$219,090</u>	<u>\$231,610</u>
5	CY	Montana population (Millions)	1.026	1.035	1.044	1.053
6			<u>1.025</u>	<u>1.034</u>	<u>1.043</u>	<u>1.051</u>
7	CY	Wholesale employment (Thousands)	17.112	17.281	17.499	17.684
8			<u>17.142</u>	<u>17.465</u>	<u>17.702</u>	<u>17.856</u>
9	CY	3-month commercial paper	0.10%	0.52%	1.71%	3.44%
10			<u>0.10%</u>	<u>0.49%</u>	<u>1.71%</u>	<u>3.46%</u>
11	CY	Audit, penalty, and interest				
12		collections (Millions)		\$20.604	\$20.965	\$19.525
13				<u>\$35.604</u>	<u>\$21.767</u>	<u>\$19.037</u>
14	CY	Refunds (Millions)		-\$24.191	-\$22.528	-\$23.470
15				<u>-\$23.773</u>	<u>-\$25.116</u>	<u>-\$21.966</u>
16	FY	<u>BIAS ADJUSTMENT (MILLIONS)</u>	<u>==</u>	<u>==</u>	<u>\$11.739</u>	<u>\$11.848</u>
17	FY	<u>JOINT SUBCOMMITTEE ADJUSTMENT FOR</u>				
18		<u>TAXPAYER BEHAVIOR (MILLIONS)</u>	<u>==</u>	<u>-\$25.00</u>	<u>\$25.00</u>	<u>==</u>
19		Vehicle Taxes & Fees				
20	FY	Montana new vehicle registrations				
21		(Thousands)		64.927	64.438	64.095

1				<u>63.433</u>	<u>65.815</u>	<u>66.516</u>
2	FY	US new vehicle sales (Millions)		16.638	16.871	17.173
3				<u>16.735</u>	<u>17.098</u>	<u>17.476</u>
4	FY	US total vehicle stock (Millions)		264.851	268.533	272.058
5				<u>264.935</u>	<u>268.821</u>	<u>272.653</u>
6	FY	<u>JOINT SUBCOMMITTEE ADJUSTMENT (MILLIONS)</u>	--	<u>\$1.417</u>	<u>\$2.512</u>	<u>\$3.511</u>
7		Oil & Natural Gas Production Tax				
8	CY	WTI price (\$/barrel)	\$94.65	\$77.96	\$78.45	\$86.81
9			<u>\$92.97</u>	<u>\$45.03</u>	<u>\$58.92</u>	<u>\$68.83</u>
10	CY	Montana oil price ratio	0.90	0.90	0.90	0.90
11	CY	Total oil production				
12		(Million barrels)	28.243	27.825	27.066	26.466
13			<u>29.168</u>	<u>27.993</u>	<u>26.732</u>	<u>25.768</u>
14	CY	Holiday oil production				
15		(Million barrels)	7.679	5.759	4.262	4.251
16			<u>7.895</u>	<u>6.071</u>	<u>3.695</u>	<u>3.596</u>
17	CY	Henry Hub price (\$/MCF)	\$4.41	\$3.73	\$3.86	\$4.25
18			<u>\$4.37</u>	<u>\$2.89</u>	<u>\$3.20</u>	<u>\$3.64</u>
19	CY	Montana natural gas price ratio	0.76	0.76	0.76	0.76
20			<u>0.77</u>	<u>0.77</u>	<u>0.77</u>	<u>0.77</u>
21	CY	Total natural gas production				

1	(Million MCFs)	52.671	43.989	35.184	28.778
2		<u>64.601</u>	<u>56.692</u>	<u>48.711</u>	<u>41.015</u>
3	CY Holiday natural gas production				
4	(Million MCFs)	6.156	4.360	2.450	2.417
5		<u>6.107</u>	<u>4.580</u>	<u>2.546</u>	<u>2.439</u>
6	CY Number of oil rigs	10	10	10	10
7		<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
8	FY RTIC Adjustment (Millions)		\$1.076	\$4.400	\$5.756
9	Insurance Tax & License Fees				
10	FY Long-term interest rates		4.02%	4.55%	5.07%
11			<u>3.61%</u>	<u>3.94%</u>	<u>4.70%</u>
12	FY Montana housing sales (Thousands)		21.459	22.839	22.937
13			<u>21.309</u>	<u>22.182</u>	<u>22.495</u>
14	FY S&P 500 index		2,028	2,131	2,208
15			<u>2,045</u>	<u>2,170</u>	<u>2,248</u>
16	Video Gambling Tax				
17	FY Montana personal income (Millions)		\$42,366	\$44,082	\$46,518
18			<u>\$42,075</u>	<u>\$43,537</u>	<u>\$45,723</u>
19	FY Montana population (Millions)		1.030	1.039	1.048
20	Other Business Taxes				
21	Driver's License Fee				

1	CY	Montana population			
2		age 16 and over (Millions)		0.833	0.841
3				<u>0.832</u>	<u>0.840</u>
4		Investment License Fee			
5	FY	CPI index		2.379	2.409
6				<u>2.358</u>	<u>2.372</u>
7	FY	S&P 500 index		2,028	2,131
8				<u>2,045</u>	<u>2,170</u>
9		Lodging Taxes			
10	FY	US personal income (Millions)		\$15,091	\$15,763
11	FY	CONSUMER SPENDING ON ACCOMMODATIONS (BILLIONS)	--	<u>\$116</u>	<u>\$123</u>
12	FY	JOINT SUBCOMMITTEE ADJUSTMENT (MILLIONS)	--	<u>\$0.339</u>	<u>\$0.904</u>
13		Public Contractors Tax			
14	FY	Highway payments (Millions)		\$350	\$359
15	FY	Other payments (Millions)		\$250	\$250
16		Railroad Car Tax			
17	FY	Montana retail sales,			
18		lagged 2 years (Millions)		\$17,303	\$17,857
19				<u>\$17,303</u>	<u>\$17,890</u>
20		Rental Car Sales Tax			
21	FY	Montana retail sales (Millions)		\$18,615	\$19,403

1				<u>\$18,437</u>	<u>\$19,000</u>	<u>\$20,046</u>
2	Telecommunications Excise Tax					
3	FY	Montana population				
4		age 16 and over (Millions)		0.829	0.837	0.844
5				<u>0.828</u>	<u>0.836</u>	<u>0.843</u>
6	CY	Landline %	73%	71%	70%	69%
7	CY	Cell Phone %	93%	94%	95%	95%
8	CY	Prepaid smartphone penetration	32%	35%	40%	40%
9	Other Natural Resource Taxes					
10	Coal Severance Tax					
11	CY	Price (\$/ton)		\$12.46	\$12.80	\$13.04
12				<u>\$12.37</u>	<u>\$12.61</u>	<u>\$12.90</u>
13	CY	Production (Million tons)		36.313	37.810	38.465
14				<u>37.313</u>	<u>38.410</u>	<u>38.865</u>
15	Electrical Energy Tax					
16	FY	Taxable Production (kwh)		23,606	23,541	23,480
17				<u>23,691</u>	<u>22,900</u>	<u>22,763</u>
18	Metalliferous Mines Tax					
19	CY	Price: Copper (\$/lb)		\$3.30	\$3.30	\$3.30
20				<u>--</u>	<u>\$3.10</u>	<u>\$3.18</u>
21	CY	Price: Silver (\$/oz)		\$19	\$19	\$19

1			--	<u>\$19</u>	<u>\$19.63</u>	<u>\$19.81</u>
2	CY	Price: Gold (\$/oz)	\$1,100	\$1,100	\$1,100	\$1,100
3			--	<u>\$1,264</u>	<u>\$1,283</u>	<u>\$1,270</u>
4	CY	Price: Moly (\$/lb)	\$10	\$10	\$10	\$10
5	CY	Price: Palladium (\$/oz)	\$650	\$650	\$650	\$650
6			--	<u>\$859</u>	<u>\$883</u>	<u>\$898</u>
7	CY	Price: Platinum (\$/oz)	\$1,400	\$1,400	\$1,350	\$1,300
8			--	<u>\$1,409</u>	<u>\$1,469</u>	<u>\$1,481</u>
9		Production	Production of various metals is obtained by surveys & kept confidential			
10		U.S. Mineral Royalty				
11	FFY	Oil price (\$/barrel)	\$93.38	\$74.07	\$73.11	\$79.62
12			--	<u>\$45.16</u>	<u>\$47.92</u>	<u>\$59.73</u>
13	FFY	Oil production (Million barrels)	2.212	1.973	1.734	1.495
14			--	<u>2.170</u>	<u>1.961</u>	<u>1.751</u>
15	FFY	Coal price (\$/ton)	\$16.38	\$16.48	\$16.71	\$17.39
16			--	<u>\$17.03</u>	<u>\$17.28</u>	<u>\$18.04</u>
17	FFY	Coal production (Million tons)	20.090	20.350	18.895	19.097
18			--	<u>21.003</u>	<u>19.335</u>	<u>19.380</u>
19	FFY	Natural gas price (\$/MCF)	\$3.50	\$2.99	\$3.04	\$3.30
20			--	<u>\$2.96</u>	<u>\$2.97</u>	<u>\$3.40</u>
21	FFY	Natural gas production				

1	(Million MCFs)	9.793	7.508	5.223	5.223
2		--	9.609	7.849	7.849
3	FY Rent and bonus payments (Millions)		\$5.571	\$5.571	\$5.571
4			\$10.374	\$10.374	\$10.374
5	Wholesale Energy Tax				
6	FY Production (kwh)		25,102	24,938	24,790
7			24,897	24,701	24,491
8	Other Interest Earnings				
9	Coal Trust Fund				
10	FY Short-term interest rates		0.28%	1.10%	2.52%
11			0.25%	1.02%	2.45%
12	FY Long-term interest rates		4.02%	4.55%	5.07%
13			3.61%	3.94%	4.70%
14	Treasury Cash Account Interest				
15	FY Short-term interest rates		0.28%	1.10%	2.52%
16			0.25%	1.02%	2.45%
17	FY Average balance (Millions)		\$860.561	\$870.862	\$881.643
18			\$823.043	\$837.161	\$847.952
19	Other Consumption Taxes				
20	Beer Tax				
21	FY Montana per capita income (Thousands)		\$56.651	\$58.925	\$61.200

1			<u>\$55.648</u>	<u>\$57.859</u>	<u>\$60.046</u>
2	CY	Montana population			
3		age 21 and above (Millions)	0.768	0.776	0.783
4			<u>0.767</u>	<u>0.775</u>	<u>0.782</u>
5	FY	Montana retail sales (Millions)	\$18,615	\$19,403	\$20,340
6			<u>\$18,437</u>	<u>\$19,000</u>	<u>\$20,046</u>
7		Cigarette Tax			
8	FY	Consumer spending on tobacco (Millions)	\$105.242	\$106.805	\$108.512
9			<u>\$108.053</u>	<u>\$108.972</u>	<u>\$111.247</u>
10	FY	CPI for tobacco	125	130	137
11			<u>126</u>	<u>130</u>	<u>137</u>
12		Liquor Excise & License Tax			
13	FY	Liquor sales (Millions)	8.724	8.979	9.234
14			<u>8.468</u>	<u>8.724</u>	<u>8.979</u>
15	FY	CPI index growth	1.23%	1.29%	1.83%
16			<u>0.36%</u>	<u>0.60%</u>	<u>2.47%</u>
17		Liquor Profits			
18	FY	Liquor sales (Millions)	8.724	8.979	9.234
19			<u>8.468</u>	<u>8.724</u>	<u>8.979</u>
20	FY	CPI index growth	1.23%	1.29%	1.83%
21			<u>0.36%</u>	<u>0.60%</u>	<u>2.47%</u>

1	Lottery Profits				
2	FY	Montana retail sales (Millions)	\$18,615	\$19,403	\$20,340
3			<u>\$18,437</u>	<u>\$19,000</u>	<u>\$20,046</u>
4	FY	Short-term interest rates	0.28%	1.10%	2.52%
5			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
6	Tobacco Tax				
7	CY	Montana population			
8		age 18 and above (Millions)	0.808	0.815	0.822
9			<u>0.807</u>	<u>0.814</u>	<u>0.822</u>
10	FY	Montana retail sales (Millions)	\$18,615	\$19,403	\$20,340
11			<u>\$18,437</u>	<u>\$19,000</u>	<u>\$20,046</u>
12	Wine Tax				
13	CY	Montana population			
14		age 21 and above (Millions)	0.768	0.776	0.783
15			<u>0.767</u>	<u>0.775</u>	<u>0.782</u>
16	Other Sources				
17	All Other Revenue				
18	FY	Time series	2015	2016	2017
19	Highway Patrol Fines				
20	CY	Montana population age 16 and over (Millions)	0.833	0.841	0.848
21			<u>0.832</u>	<u>0.840</u>	<u>0.847</u>

1	Nursing Facilities Fee					
2	FY	Time series		2015	2016	2017
3	Public Institution Reimbursements					
4	FY	Total average daily population		<u>452</u>	<u>450</u>	<u>447</u>
5				<u>452</u>	<u>451</u>	<u>448</u>
6	CY	Federal Medicare payments				
7		(Billions)	<u>\$589</u>	<u>\$614</u>	<u>\$646</u>	<u>\$682</u>
8			<u>\$588</u>	<u>\$603</u>	<u>\$630</u>	<u>\$664</u>
9	CY	Montana per capita				
10		personal income (\$)	<u>\$40,545</u>	<u>\$41,680</u>	<u>\$43,322</u>	<u>\$45,502</u>
11			<u>\$40,539</u>	<u>\$41,287</u>	<u>\$42,718</u>	<u>\$44,712</u>
12	CY	State & local medical				
13		spending (Billions)	<u>\$513</u>	<u>\$563</u>	<u>\$588</u>	<u>\$619</u>
14			<u>\$503</u>	<u>\$536</u>	<u>\$565</u>	<u>\$592</u>
15	CY	US per capita personal				
16		income (\$)	<u>\$46,285</u>	<u>\$47,916</u>	<u>\$49,912</u>	<u>\$52,313</u>
17			<u>\$46,166</u>	<u>\$47,559</u>	<u>\$49,361</u>	<u>\$51,538</u>
18	Tobacco Settlement					
19	FY	Volume (Millions)		0.235	0.225	0.216
20	FY	Inflation Adjustment		3.0%	3.0%	3.0%
21	SELECTED NONGENERAL FUND REVENUE					

1 The estimates for selected nongeneral fund revenue for fiscal year 2015 and the 2016-2017 biennium are based on the assumption of a continuation of
 2 Montana law as it existed on January 1, 2015. The revenue estimates contained in the following table are based on the assumptions listed in the tables
 3 that follow the nongeneral fund estimates and the assumptions for each nongeneral fund revenue source contained in the "Legislative Budget Analysis,
 4 2017 Biennium, Volume 2 -- Revenue Estimates" prepared by the Legislative Fiscal Division.

5 Current Law				
6 Selected Nongeneral Fund Revenue Estimates				
7 (In Millions of Dollars)				
8	Actual	Estimated	Estimated	Estimated
9 Source of Revenue	FY 2014	FY 2015	FY 2016	FY 2017
10 Property Tax: 6 Mill	46.156	16.006	15.914	16.613
11	<u>16.156</u>	<u>16.031</u>	<u>15.775</u>	<u>16.432</u>
12 Natural Resource Taxes				
13 Federal Forest Receipts	18.675	2.137	2.053	2.017
14 Resource Indemnity Tax	2.279	2.402	2.492	2.565
15	<u>2.279</u>	<u>2.419</u>	<u>2.505</u>	<u>2.559</u>
16 Natural Resource Taxes Subtotal	20.954	4.539	4.546	4.582
17	<u>20.954</u>	<u>4.556</u>	<u>4.559</u>	<u>4.576</u>
18 Interest Earnings				
19 Capital Land Grant Interest and Income	0.666	0.892	1.044	0.880
20 Common School Interest and Income	49.676	50.688	49.673	48.952
21	<u>49.676</u>	<u>50.182</u>	<u>48.825</u>	<u>48.362</u>

1	Cultural Trust Interest	0.504	0.501	0.485	0.472
2					<u>0.471</u>
3	Deaf & Blind Interest and Income	0.275	0.287	0.290	0.285
4		<u>0.275</u>	<u>0.286</u>	<u>0.288</u>	<u>0.284</u>
5	Economic Development Trust	2.822	3.090	3.265	3.478
6		<u>2.822</u>	<u>3.090</u>	<u>3.256</u>	<u>3.471</u>
7	Parks Trust Interest	0.906	0.911	0.892	0.876
8		<u>0.906</u>	<u>0.911</u>	<u>0.891</u>	<u>0.875</u>
9	Pine Hills Interest and Income	0.345	0.388	0.396	0.401
10		<u>0.345</u>	<u>0.387</u>	<u>0.394</u>	<u>0.400</u>
11	Regional Water Trust Interest	2.993	3.207	3.269	---
12		<u>2.993</u>	<u>3.210</u>	<u>3.267</u>	<u>---</u>
13	Resource Indemnity Trust Interest	4.296	4.044	3.787	3.530
14	Tobacco Trust Interest	6.592	7.041	7.175	7.278
15		<u>6.592</u>	<u>7.040</u>	<u>7.174</u>	<u>7.277</u>
16	Treasure State Endowment Trust				
17	Interest	9.356	9.708	9.852	10.088
18		<u>9.356</u>	<u>9.708</u>	<u>9.836</u>	<u>10.074</u>
19	Interest Earnings Subtotal	78.432	80.755	80.128	76.238
20		<u>78.432</u>	<u>80.250</u>	<u>79.247</u>	<u>75.623</u>
21	Consumption Taxes				

1	Diesel Tax	72.609	73.471	73.818	75.043
2	Diesel Storage Tank Tax	2.951	2.941	2.933	2.931
3	Gasoline Tax	135.817	133.539	132.515	132.135
4		<u>135.817</u>	<u>138.917</u>	<u>137.455</u>	<u>139.183</u>
5	Gasoline Storage Tank Tax	3.836	3.771	3.742	3.732
6	GVW and Other Fees	35.923	36.467	37.031	37.595
7	Consumption Taxes Subtotal	251.136	250.188	250.040	251.436
8		<u>251.136</u>	<u>255.567</u>	<u>254.980</u>	<u>258.484</u>
9	Total of Selected Nongeneral				
10	Fund Sources	\$366.678	\$351.488	\$350.628	\$348.869
11		<u>\$366.678</u>	<u>\$356.403</u>	<u>\$354.560</u>	<u>\$355.115</u>

SELECTED ASSUMPTIONS FOR NONGENERAL FUND REVENUE ESTIMATES

13	Year	Assumption	2015	2016	2017
14	Property Tax: 6 Mill				
15	FY	Taxable Value (Millions)	\$2,543.202	\$2,528.206	\$2,632.994
16			<u>\$2,588.389</u>	<u>\$2,539.556</u>	<u>\$2,646.896</u>
17	FY	Abatement value (Millions)	\$20.855	\$20.723	\$21.581
18			<u>\$20.855</u>	<u>\$20.463</u>	<u>\$21.315</u>
19	FY	TIF Value (Millions)	\$49.385	\$49.821	\$51.069
20			<u>\$45.187</u>	<u>\$44.216</u>	<u>\$47.541</u>
21	Natural Resource Taxes				



1	Federal Forest Receipts			
2	FY Total Montana Receipts (Millions)	\$8.060	\$8.060	\$8.060
3	Resource Indemnity Tax			
4	FY Coal Receipts (Millions)	\$2.085	\$2.175	\$2.247
5		<u>\$2.104</u>	<u>\$2.188</u>	<u>\$2.241</u>
6	FY Other Receipts (Millions)	\$0.317	\$0.317	\$0.317
7	Interest Earnings			
8	Capital Land Grant Interest and Income			
9	FY Lease Total (Millions)	\$0.698	\$0.742	\$0.754
10	FY Permanent Fund Total (Millions)	\$1.063	\$1.159	\$0.998
11	FY Administration Costs (Millions)	-\$0.869	-\$0.857	-\$0.871
12	Common School Interest and Income			
13	FY TFBP Long-Term Interest Rate	3.80%	3.60%	3.40%
14	FY Short-Term Interest Rate	0.28%	1.10%	2.52%
15		<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
16	Cultural Trust Interest			
17	FY TFBP Long-Term Interest Rate	3.65%	3.43%	3.61%
18		<u>3.87%</u>	<u>3.65%</u>	<u>3.43%</u>
19	FY Short-Term Interest Rate	0.28%	1.10%	2.52%
20		<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
21	Deaf & Blind Interest and Income			

1	FY	TFBP Long-Term Interest Rate	3.80%	3.60%	3.40%
2	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
3			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
4		Economic Development Trust			
5	FY	TFBP Long-Term Interest Rate	3.63%	3.47%	3.30%
6	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
7			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
8		Parks Trust Interest			
9	FY	TFBP Long-Term Interest Rate	4.10%	3.87%	3.65%
10			<u>3.87%</u>	<u>3.65%</u>	<u>3.43%</u>
11	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
12			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
13		Pine Hills Interest and Income			
14	FY	TFBP Long-Term Interest Rate	3.80%	3.60%	3.40%
15	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
16			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
17		Regional Water Trust Interest			
18	FY	TFBP Long-Term Interest Rate	3.74%	3.54%	3.36%
19	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
20			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
21		Resource Indemnity Trust Interest			

1	FY	TFBP Long-Term Interest Rate	4.04%	3.79%	3.53%
2	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
3			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
4		Tobacco Trust Interest			
5	FY	TFBP Long-Term Interest Rate	3.60%	3.45%	3.29%
6	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
7			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
8		Treasure State Endowment Trust Interest			
9	FY	TFBP Long-Term Interest Rate	3.74%	3.54%	3.36%
10	FY	Short-Term Interest Rate	0.28%	1.10%	2.52%
11			<u>0.25%</u>	<u>1.02%</u>	<u>2.45%</u>
12		Consumption Taxes			
13		Diesel Tax			
14	FY	Time Series	2015	2016	2017
15		Diesel Storage Tank Tax			
16	FY	Time Series	2015	2016	2017
17		Gasoline Tax			
18	FY	Time Series	2015	2016	2017
19		Gasoline Storage Tank Tax			
20	FY	Time Series	2015	2016	2017
21		GVW and Other Fees			

1 FY Time Series
2

2015

2016

2017

- END -