Budget Presentation Handouts

EXHIBIT 1
DATE 2/12/09
HB 2

Mission Statement

The Department of Revenue implements Montana's tax laws to achieve equity and integrity, while protecting taxpayer rights and information; values all property as accurately as possible and supervises Montana's property tax system; administers liquor laws to protect public health and safety; informs and advises the Governor, Legislature and the public on tax trends and issues; and cooperates with local, state, tribal and federal governments to advance the public interest under the law.

A Comparison of Taxes and Functions Administered by The Montana Department of Revenue and the Idaho Department of Revenue

TAXES/FUNCTIONS THAT IDAHO AND MONTANA BOTH ADMINISTER (16)

Individual Income Tax
Wage Withholding
Corporation License Tax
Lodging Facility Use Tax (Boise Auditorium District Tax)
Accommodations Sales Tax (Idaho Travel and Convention Tax)
Cigarette Tax
Tobacco Products Tax
Beer Tax
Wine Tax
Electrical Energy Producer's License Tax (EEPLT)
Metal Mines License Tax
Oil and Natural Gas Production Tax
Estate Tax
Abandoned Property
Rail Car Tax
Centrally-Assessed Property Tax (Appraisal)

TAXES/FUNCTIONS THAT MONTANA ADMINISTERS THAT IDAHO DOES NOT (24)

Rental Vehicle Tax

Liquor Profits
Liquor Excise Tax
Liquor License Tax

Retail Telecom Excise Tax
911 System Fee
TDD Service Fee
Wholesale Energy Transaction Tax (WET)
Consumer Council Tax
Public Service Commission Tax

Coal Severance Tax
Coal Gross Proceeds Tax
Metal Mines Gross Proceeds Tax
Micaceous Mines License Tax
Miscellaneous Mines Net Proceeds Tax
RIGWAT
Cement and Gypsum Taxes
Bentonite Production Tax
Mineral Withholding

Public Contractor's Gross Receipts Tax

Nursing Facility Bed Tax
Intermediate Care Facility Utilization Fee
Hospital Facility Utilization Fee

Personal Property Tax (Appraisal)
All Other Property Tax (Appraisal)

TAXES/FUNCTIONS IDAHO ADMINISTERS THAT MONTANA DOES NOT (6)

General Retail Sales Tax
Local Option Sales Tax

Gasoline Tax (Gasoline, Aviation and Jet Fuel)
Special Fuels Tax (Diesel, Propane and Natural Gas)

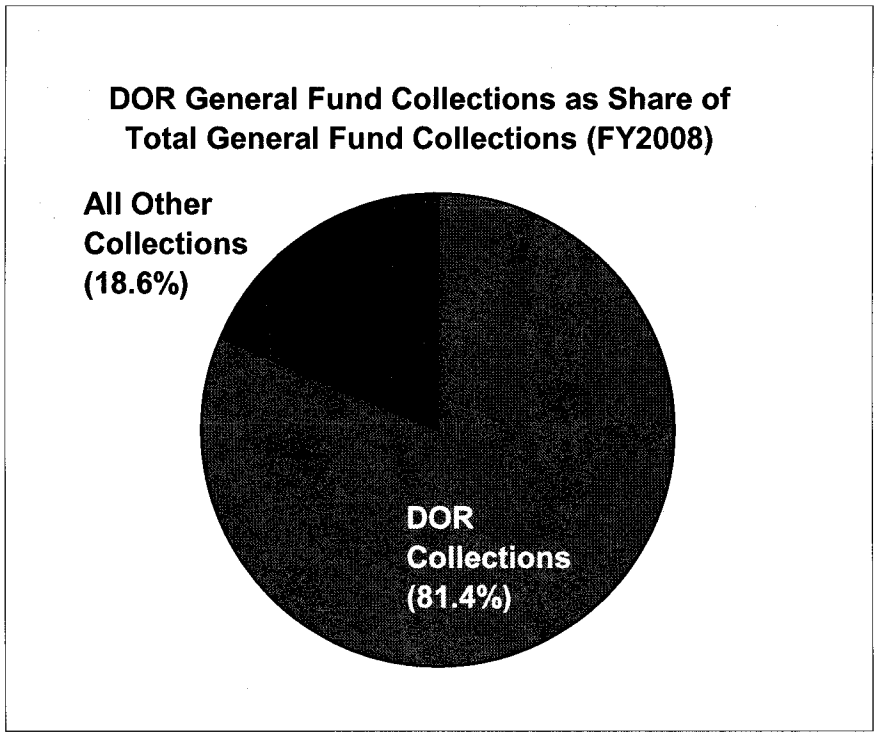
Escheat Trust
Illegal Drug Tax

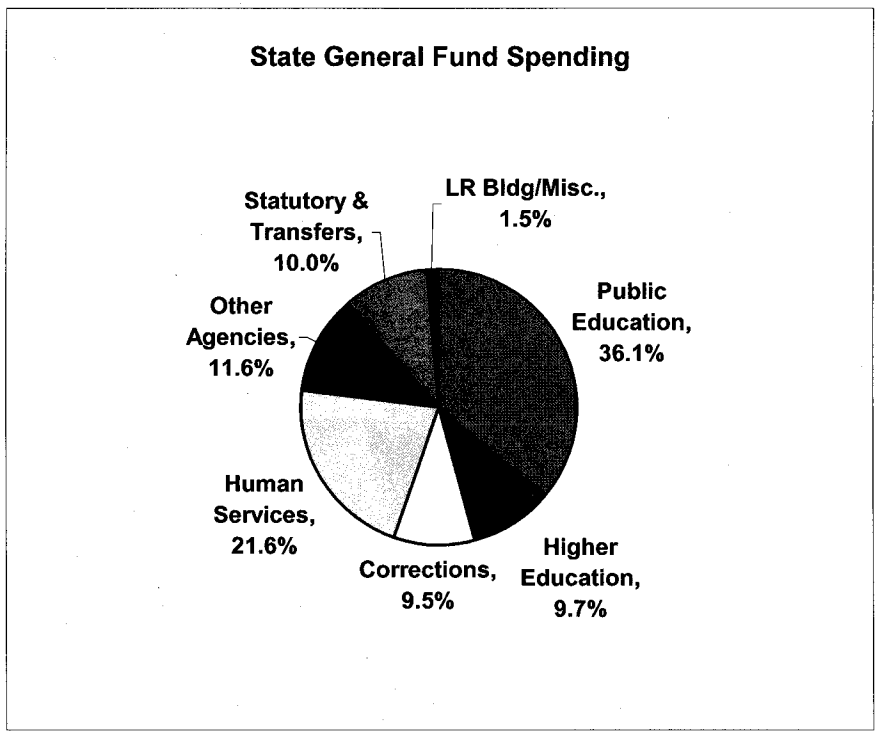
Total Taxes/Functions Administered by Montana:	**40**
Total Taxes/Functions Administered by Idaho:	**22**

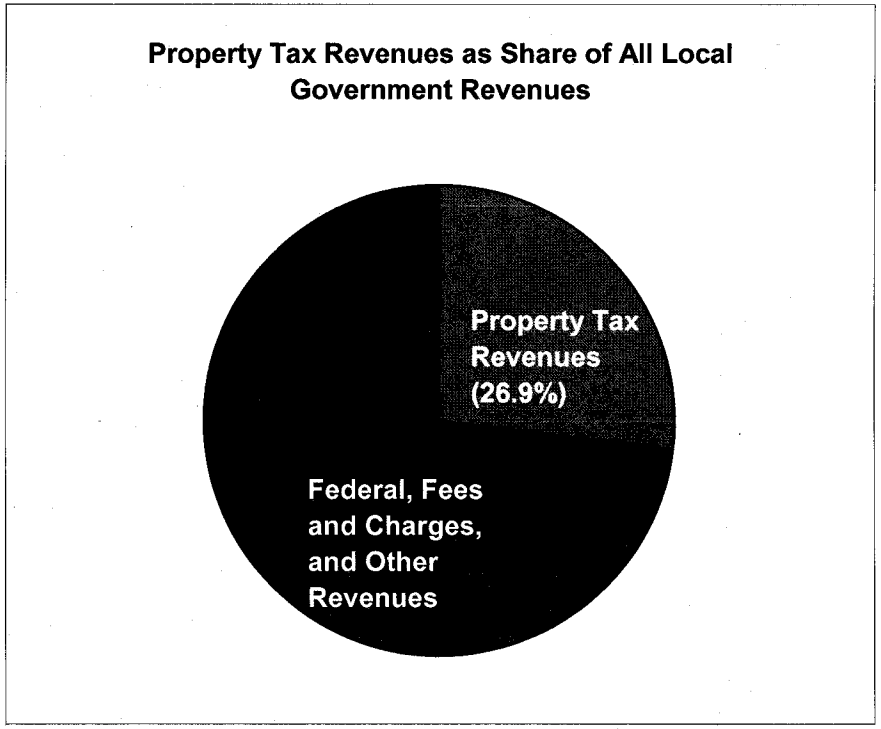
DEPARTMENT OF REVENUE STATE LEVEL FUNCTIONS
(Excludes Locally Assessed Property and Liquor Functions)
IDAHO v. MONTANA

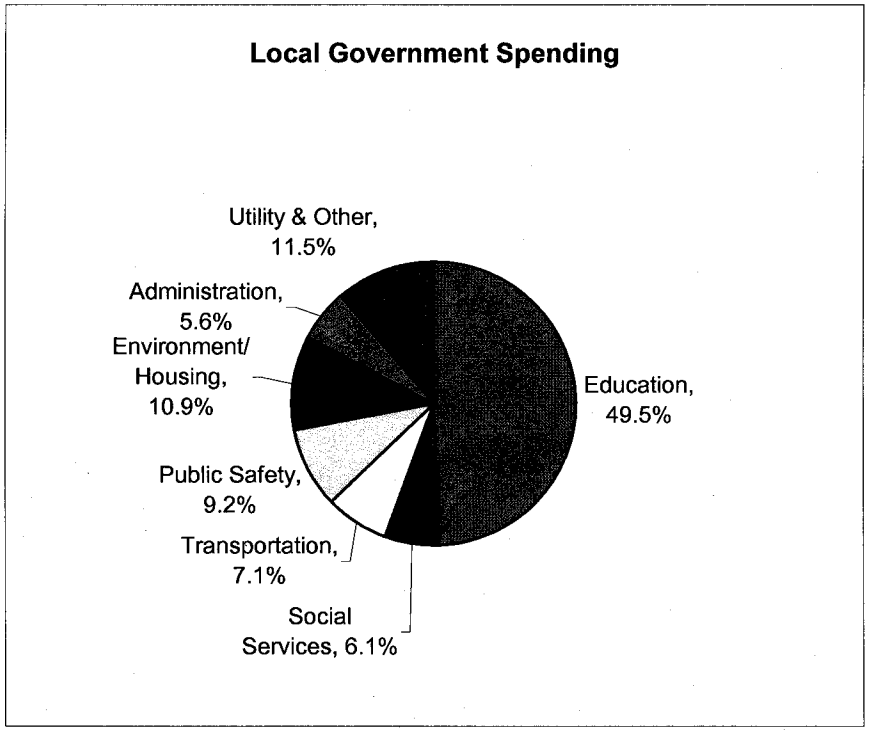
	Idaho	Montana
# of employees[1]	526.50	313.18
# of taxes/functions administered	22	39
Employees per tax/function administered	24	8
Population	1,499,402	957,861
Population per employee	2,848	3,058

[1] *Includes full-time, part-time year-round, full-time seasonal, temporary FTE and attorneys; does not include residential, commercial, and agricultural property appraisal and assessment, or liquor control functions.*


DOR General Fund Collections as Share of Total General Fund Collections (FY2008)
All Other Collections (18.6%)
DOR Collections (81.4%)


State General Fund Spending
Statutory & Transfers, 10.0%
LR Bldg/Misc., 1.5%
Public Education, 36.1%
Other Agencies, 11.6%
Human Services, 21.6%
Corrections, 9.5%
Higher Education, 9.7%



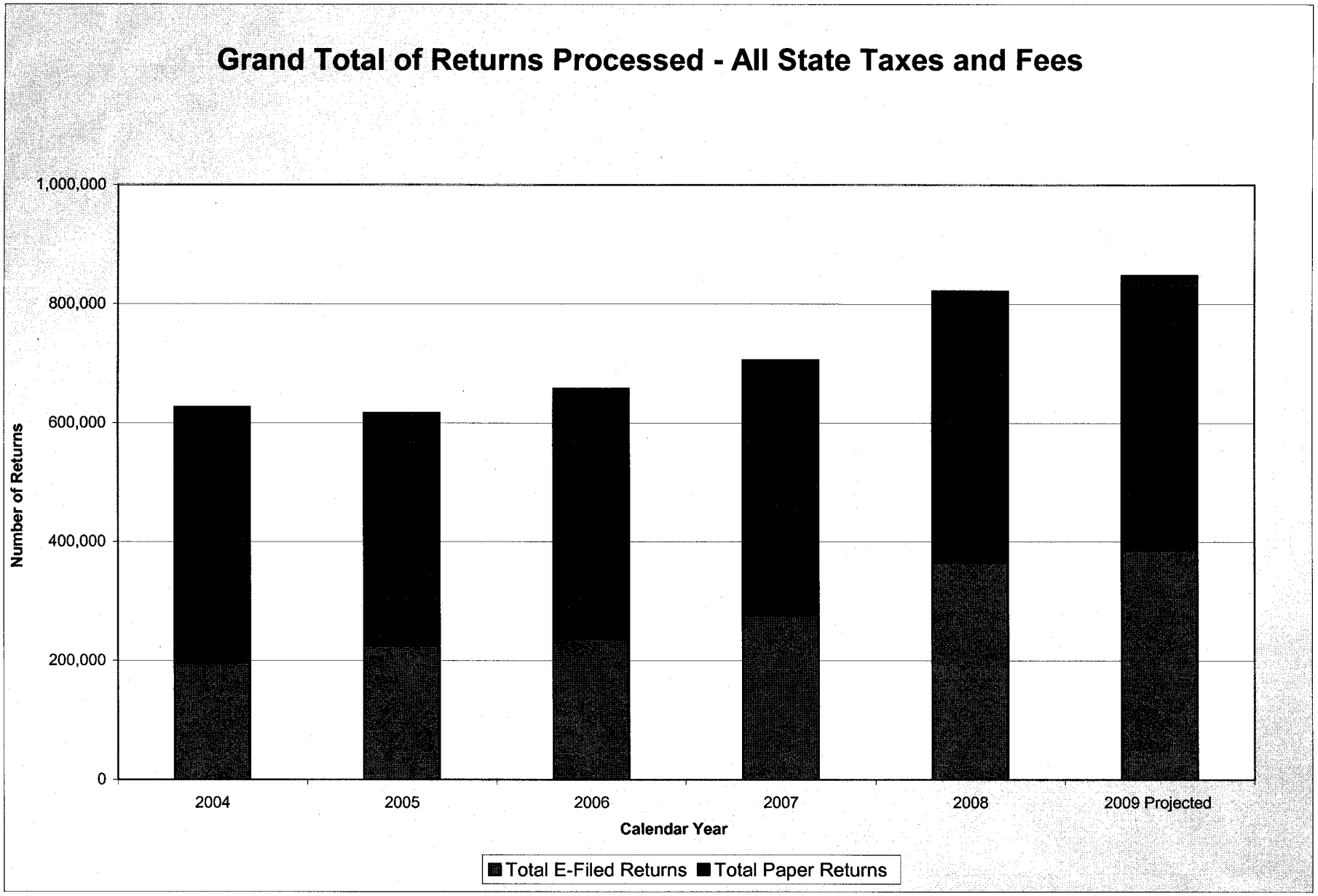


Prepared by the Department of Revenue

Department of Revenue State Collections - Fiscal Years 2002 - 2008

	2002	2003	2004	2005	2006	2007	2008
Individual Income Tax							
Income Tax Withheld	$ 403,857,414	$ 428,364,605	$ 457,863,199	$ 484,094,505	$ 542,603,278	$ 596,403,244	$ 657,958,558
Income Tax All Other	113,710,277	107,466,059	147,485,222	228,186,110	226,308,655	230,692,059	208,679,564
Subtotal	517,567,691	535,830,664	605,348,421	712,280,615	768,911,933	827,095,302	866,638,122
Corporation License Tax	68,173,254	44,137,518	67,722,940	98,213,717	153,675,069	177,503,707	160,341,787
Natural Resources Taxes (State Portion)							
Bentonite Tax	-	-	-	-	567,604	466,602	626,262
Coal Severance Tax	31,614,049	29,423,546	31,544,681	37,634,510	35,821,524	40,758,738	45,331,870
Oil and Gas Production Tax	15,837,967	30,894,533	47,712,085	73,748,303	107,271,911	109,507,727	169,447,392
Resource Indemnity Trust Tax	1,224,307	1,225,611	1,250,528	1,436,378	1,456,411	1,646,917	1,925,990
Metalliferous Mines License Tax	5,740,242	7,055,900	5,572,192	9,076,338	9,266,468	11,830,809	14,176,634
Subtotal	54,416,565	68,599,590	86,079,486	121,895,529	154,383,918	164,210,793	230,881,886
Other Taxes, Licenses and Services							
Cigarette Tax	11,052,174	16,093,023	41,582,823	54,765,356	80,180,236	83,380,418	83,882,748
Telecommunications Excise Tax	19,593,501	20,804,524	20,890,336	21,144,420	21,208,947	21,065,843	22,350,323
Telephone Company License Tax	212,301	33,498	28,634	31,657	16,594	-	-
Lodging Facility Use Tax	12,015,697	12,045,407	13,573,172	14,441,179	15,018,113	17,906,542	18,562,141
Inheritance/Estate Tax (Net)	13,816,144	13,305,983	11,431,103	4,190,613	1,773,169	838,865	122,148
Sales Tax - Accommodations	-	571,237	9,278,658	10,200,914	10,679,216	12,916,075	13,389,534
Nursing Facility Bed Tax	5,918,173	5,723,472	9,158,829	10,780,189	13,752,750	16,196,108	15,868,028
Hospital Utilization Fee	-	-	7,427,903	8,757,918	11,179,325	12,559,877	16,671,570
Emergency Telephone 911 System	4,968,579	5,383,414	5,388,386	5,733,140	6,427,739	5,960,166	12,986,143
Electrical Energy Production Tax	4,197,477	4,130,019	4,660,529	4,074,409	4,644,508	4,564,404	5,179,013
Abandoned Property	1,507,590	1,954,733	3,858,292	4,610,094	4,464,456	4,474,991	5,858,281
Tobacco Products Tax	2,228,524	2,360,471	3,625,893	6,452,429	9,118,757	9,810,138	9,872,434
Wholesale Energy Transaction Tax	2,906,263	3,532,056	3,292,659	3,370,263	3,813,495	3,651,024	3,856,112
Public Service Commission Tax	2,296,111	2,041,709	2,875,741	3,050,213	3,005,151	2,619,321	3,520,803
Sales Tax - Rental Vehicles Tax	-	-	2,485,989	2,565,554	2,755,072	2,976,235	3,157,239
Contractor's Gross Receipts Tax	3,267,321	3,081,553	2,120,485	1,410,831	4,274,649	5,566,958	5,062,659
Rail Car Tax	1,489,813	1,484,264	1,567,868	1,604,005	1,667,441	1,614,509	2,063,981
Consumer Counsel Tax	855,308	858,819	1,303,597	1,860,324	1,070,664	806,829	1,696,840
TDD Telecommunications Service Fee	1,080,299	1,038,093	1,086,929	1,147,153	1,185,297	1,259,944	1,320,796
Intermediate Care Utilization Fee	-	454,664	863,036	821,923	897,227	877,482	890,691
Other Taxes, Licenses and Services	179,096	159,964	145,992	172,971	177,879	159,418	173,384
Subtotal	87,584,372	95,056,903	146,646,855	161,185,556	197,310,684	209,205,146	226,484,868
Liquor Taxes, Profits, and Licenses							
Liquor Profits and License Fees (to GF)	6,636,184	6,558,198	7,234,101	7,081,146	7,755,976	8,636,316	10,182,218
Liquor, Beer, and Wine Taxes	18,387,963	19,300,291	20,570,293	21,737,695	23,575,420	25,692,343	27,187,202
Subtotal	25,024,147	25,858,489	27,804,395	28,818,841	31,331,396	34,328,659	37,369,419
TOTAL COLLECTIONS	**$ 752,766,029**	**$ 769,483,165**	**$ 933,602,096**	**$ 1,122,394,258**	**$ 1,305,613,000**	**$ 1,412,343,608**	**$ 1,521,716,082**

Prepared by the Department of Revenue



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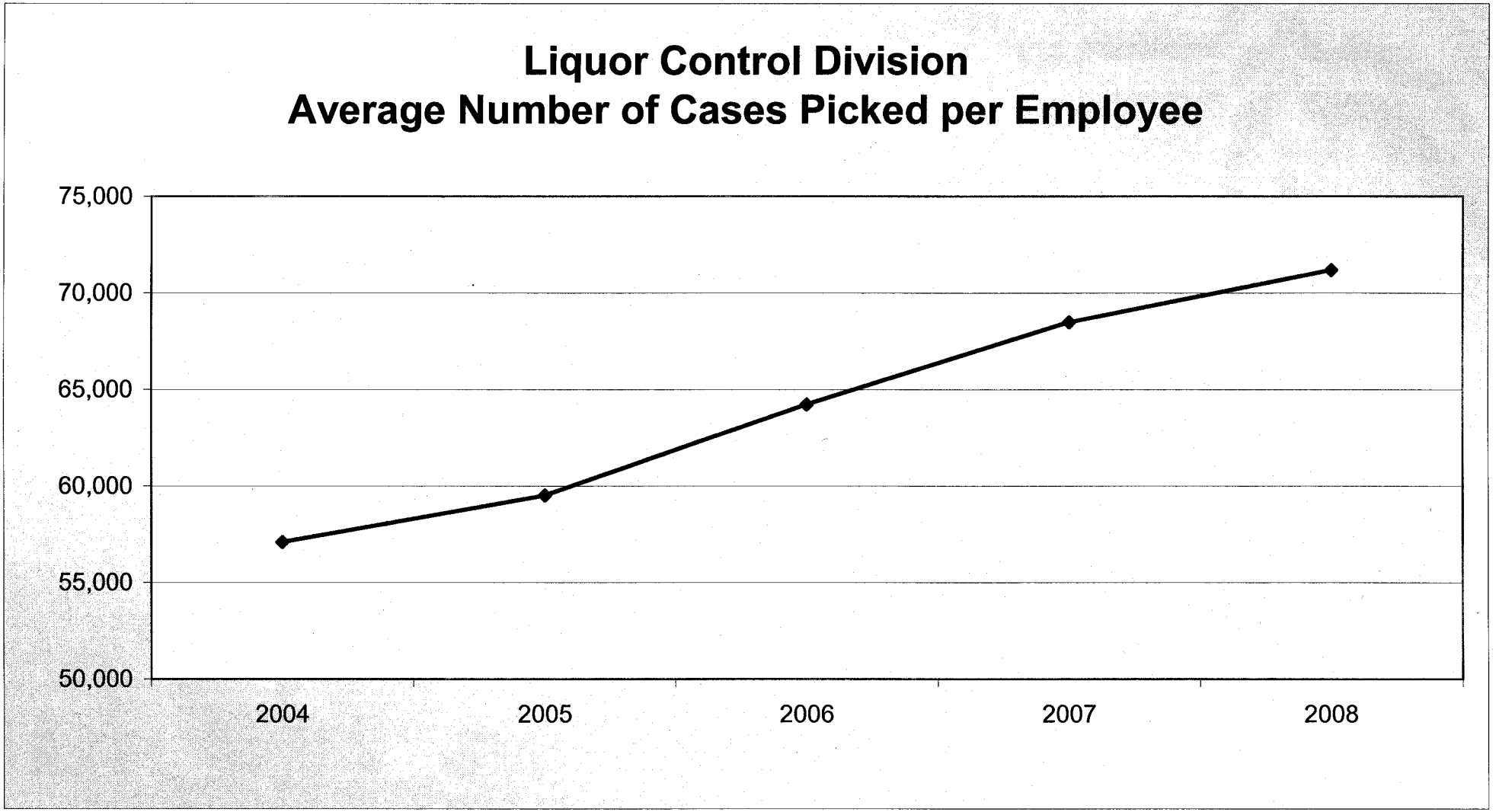
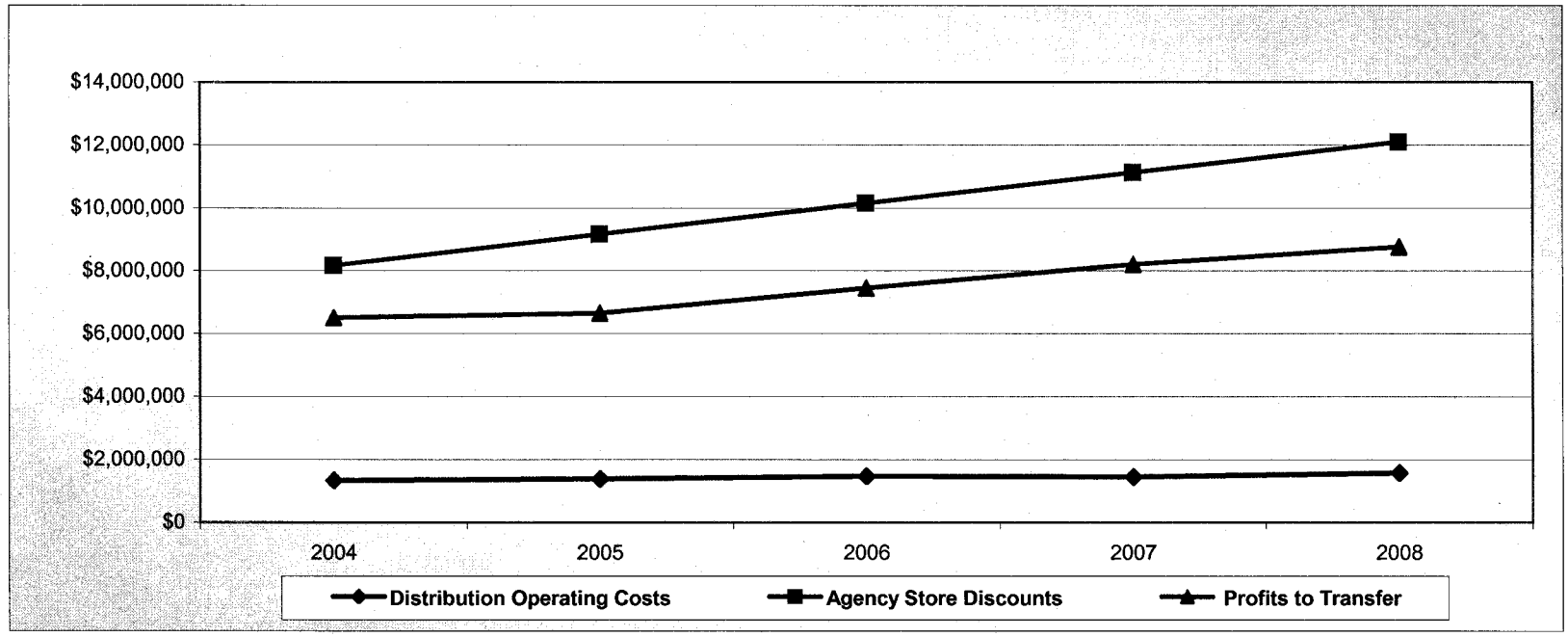


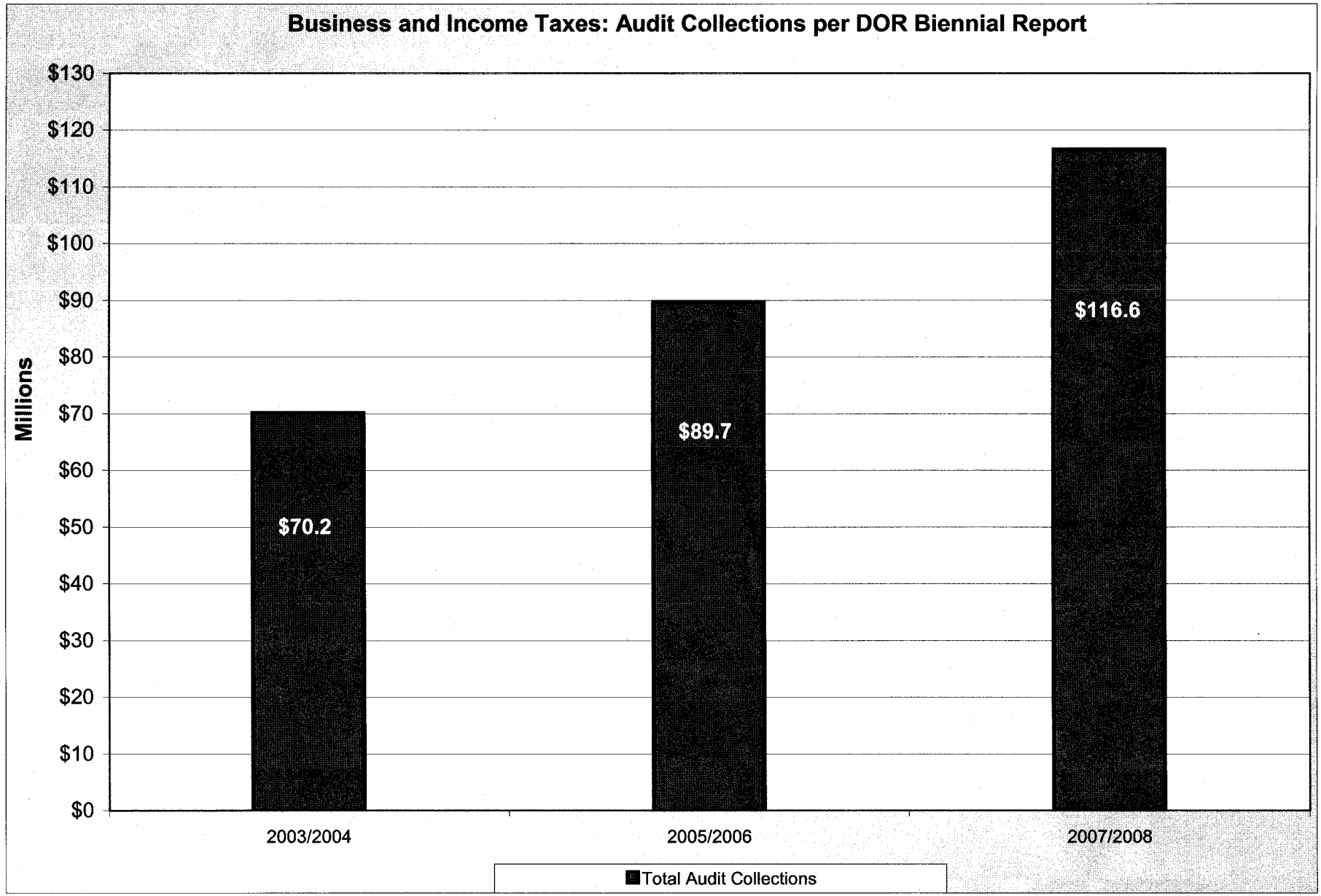
In the past five fiscal years, the average cases picked per warehouse employee increased 25%, from 57,000 cases to 71,000 cases. The Liquor Distribution warehouse operations has maintained 9 full time employees for the past five fiscal years.

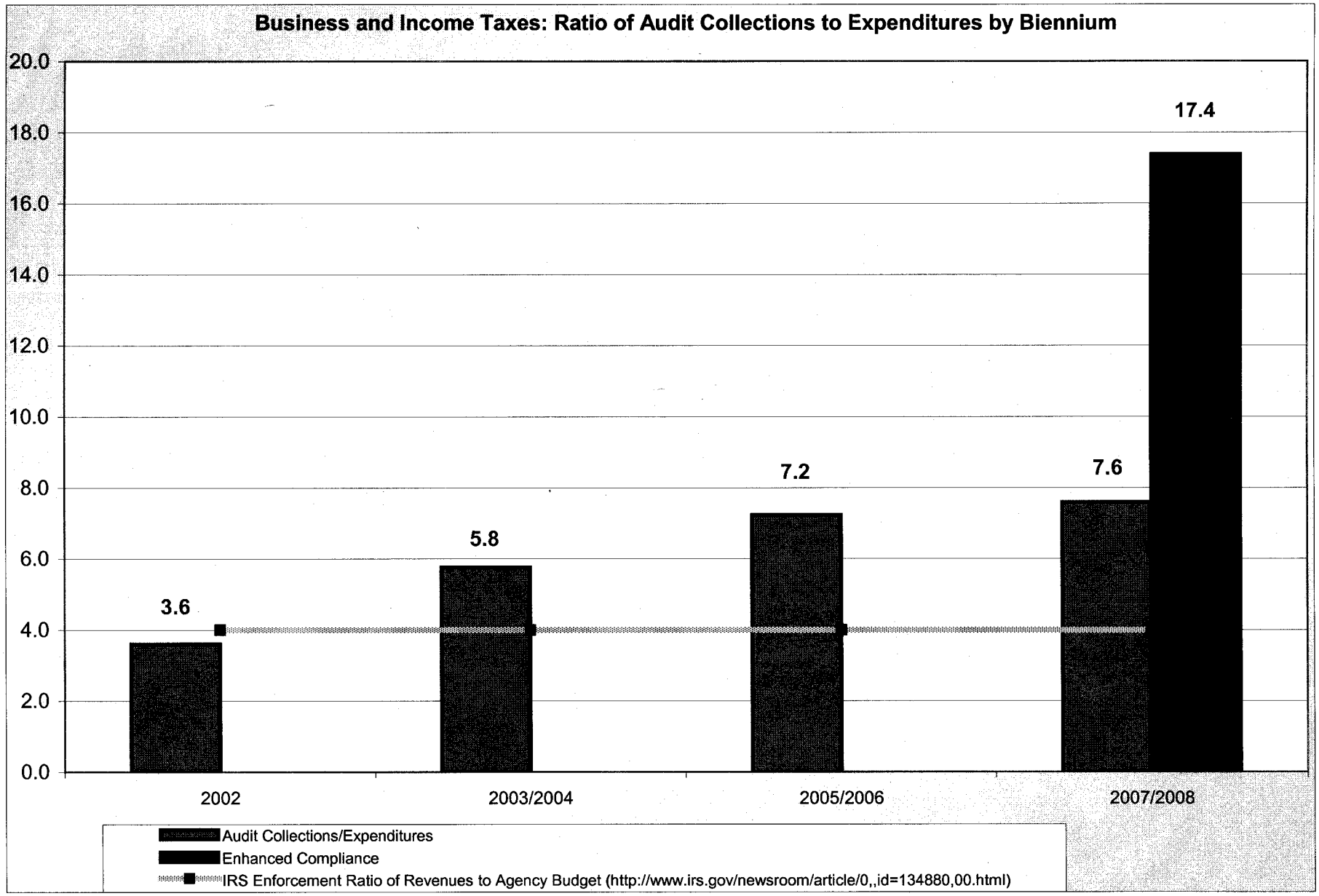
Liquor Control Division

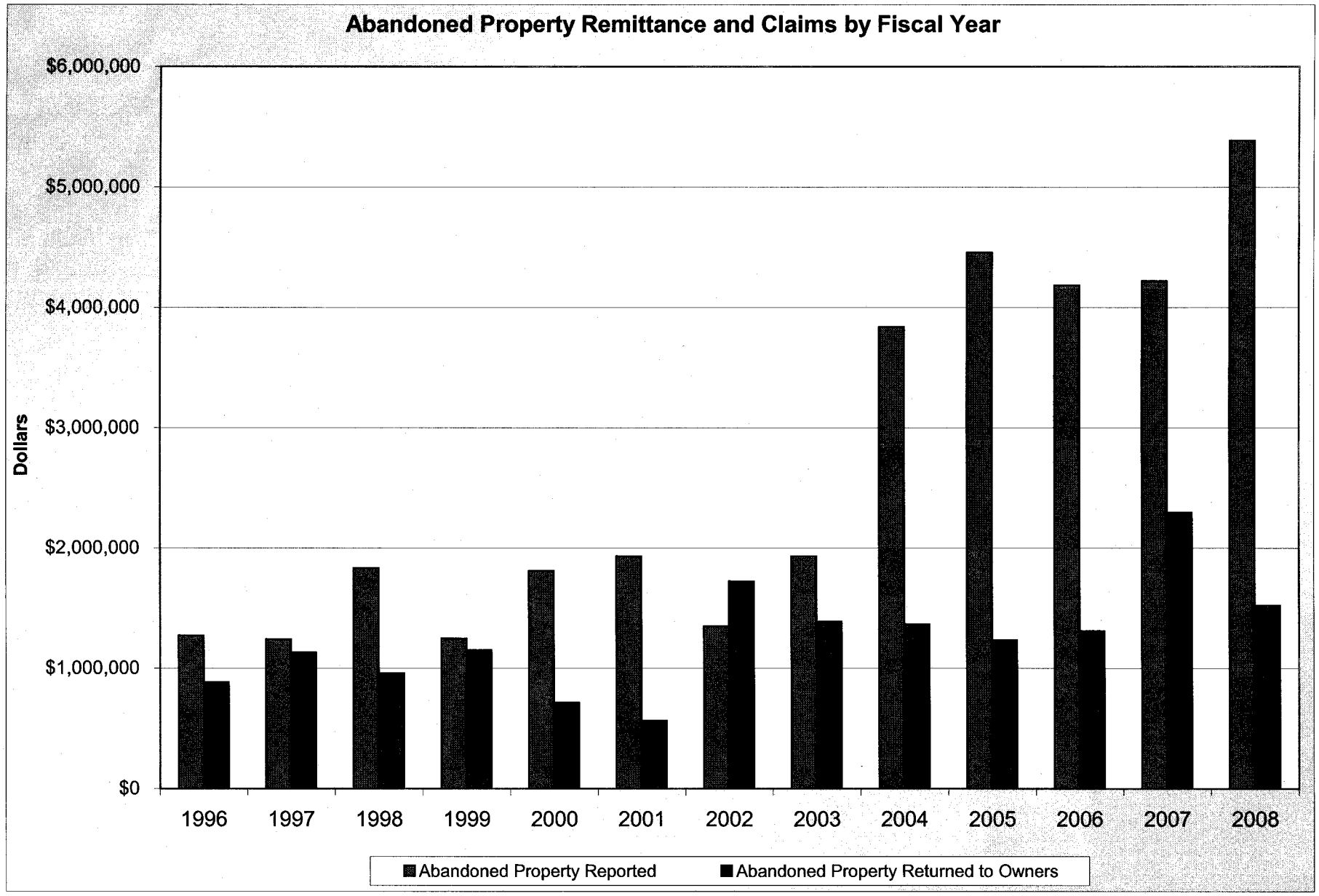
Distribution Operations

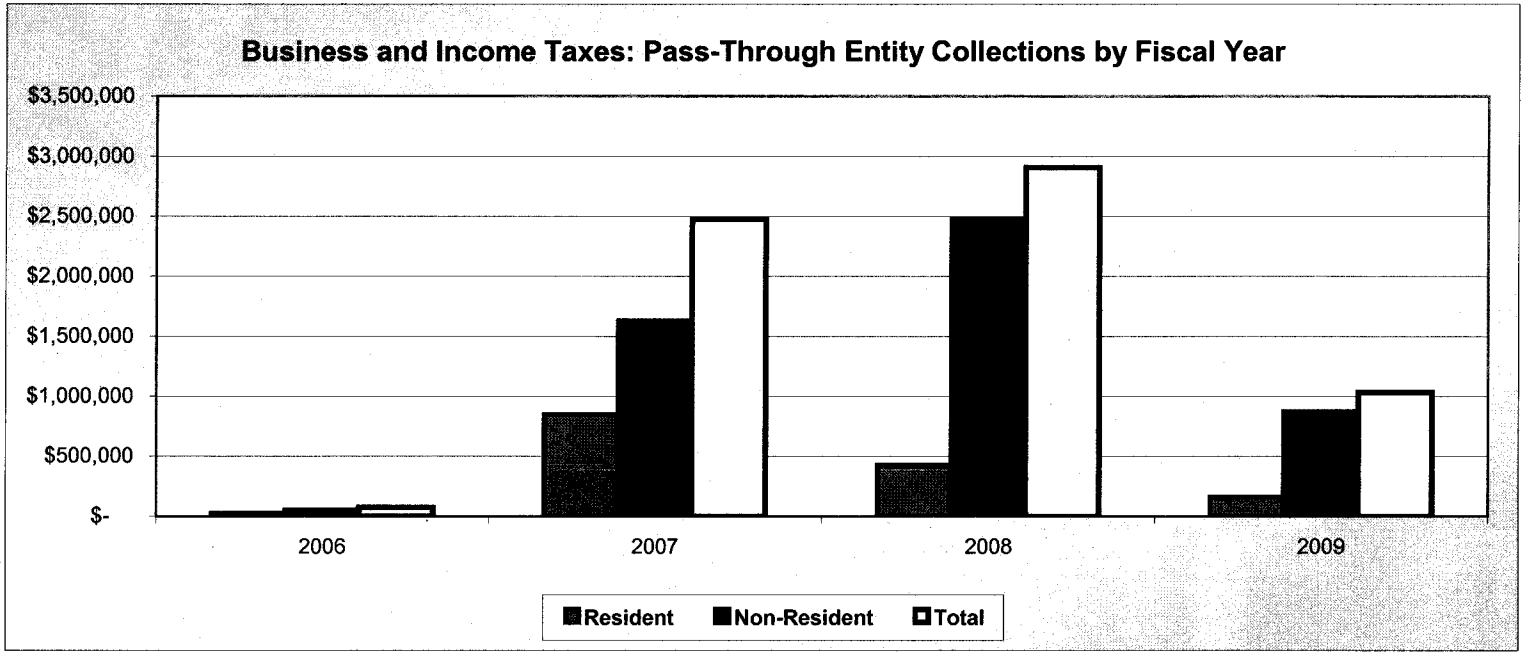
Fiscal Year	Liquor Sales	Distribution Operating Costs	Percent of Sales	Agency Store Discounts	Percent of Sales	Profits to Transfer
2004	$70,827,539	$1,331,391	1.88%	$8,165,280	11.53%	$6,500,000
2005	$75,686,673	$1,376,294	1.82%	$9,161,860	12.10%	$6,650,000
2006	$83,916,488	$1,464,299	1.74%	$10,147,568	12.09%	$7,450,000
2007	$92,301,388	$1,445,840	1.57%	$11,130,789	12.06%	$8,200,000
2008	$98,594,652	$1,578,194	1.60%	$12,114,487	12.29%	$8,775,000

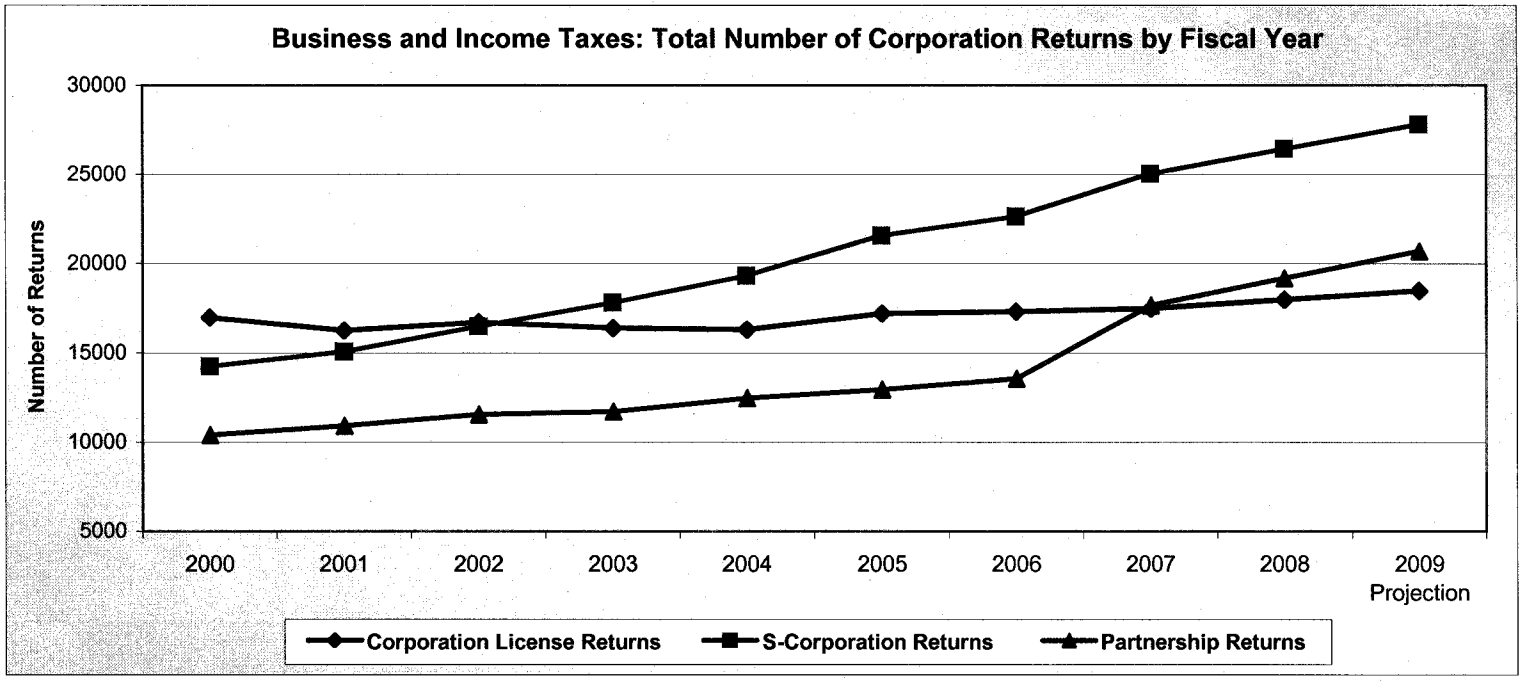



Business and Income Taxes: Audit Collections per DOR Biennial Report
Millions
$130
$120
$110
$100
$90
$80
$70
$60
$50
$40
$30
$20
$10
$0
$70.2
$89.7
$116.6
2003/2004
2005/2006
2007/2008
Total Audit Collections


Business and Income Taxes: Ratio of Audit Collections to Expenditures by Biennium
20.0
18.0
16.0
14.0
12.0
10.0
8.0
6.0
4.0
2.0
0.0
3.6
5.8
7.2
7.6
17.4
2002
2003/2004
2005/2006
2007/2008
Audit Collections/Expenditures
Enhanced Compliance
IRS Enforcement Ratio of Revenues to Agency Budget (http://www.irs.gov/newsroom/article/0,,id=134880,00.html)

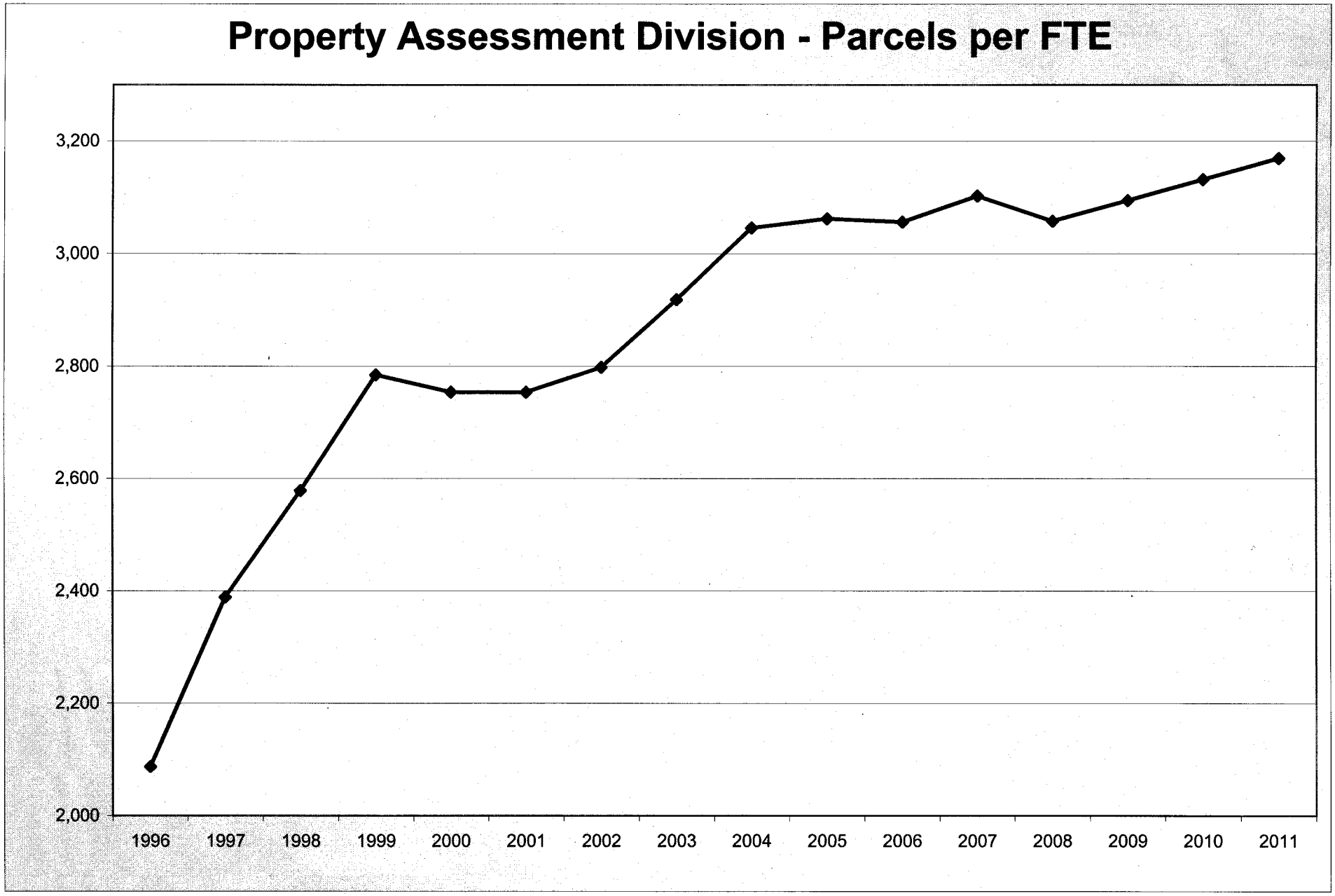

Abandoned Property Remittance and Claims by Fiscal Year
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
Dollars
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
Abandoned Property Reported
Abandoned Property Returned to Owners


Business and Income Taxes: Pass-Through Entity Collections by Fiscal Year
$3,500,000
$3,000,000
$2,500,000
$2,000,000
$1,500,000
$1,000,000
$500,000
$-
2006
2007
2008
2009
Resident
Non-Resident
Total


Business and Income Taxes: Total Number of Corporation Returns by Fiscal Year
Number of Returns
30000
25000
20000
15000
10000
5000
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009 Projection
Corporation License Returns
S-Corporation Returns
Partnership Returns

Department of Revenue
Property Assessment Division Regions

Prepared by the Department of Revenue


Property Assessment Division - Parcels per FTE
3,200
3,000
2,800
2,600
2,400
2,200
2,000
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011

Montana State Legislature

2009 Session

Exhibit 1

This exhibit is a booklet entitled:
Department Directory

This exhibit cannot be scanned therefore only the cover and table of content has been scanned to aid you in your research.
The original exhibit is on file at the Montana Historical Society and may be viewed there.

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Department Directory

January 2009

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HB 2

Table of Contents

About the Department	1
Organizational Chart	2
Director's Office	5
Business and Income Taxes Division	10
Citizen Services and Resource Management Division	12
Information Technology and Processing Division	14
Liquor Control Division	16
Property Assessment Division	18
Assistance for Citizens and Businesses	20