Montana Legislative Fiscal Division
Revenue Source Profile
Updated through June 2012

EXHIBIT 6
DATE 4/12/13
SB 401

Metalliferous Mines Tax Distribution						
Account Name	FY 1998-1999	FY 2000-2002	FY 2003	FY 2004-2005	FY 2006-2007	FY 2008 & Beyond
General Fund	58.0%	58.0%	58.0%	65.0%	58.0%	57.0%
Counties *	25.0%	25.0%	24.0%	24.0%	24.0%	25.0%
Hard Rock Reclamation Debt Service	0.0%	0.0%	0.0%	8.5%	8.5%	8.5%
Natural Resources Operations**	0.0%	4.8%	7.0%	0.0%	7.0%	7.0%
Hard Rock Mining	1.5%	1.5%	2.5%	2.5%	2.5%	2.5%
RIT Trust	15.5%	0.0%	0.0%	0.0%	0.0%	0.0%
Groundwater Assessment	0.0%	2.2%	0.0%	0.0%	0.0%	0.0%
Abandoned Mines	0.0%	8.5%	0.0%	0.0%	0.0%	0.0%
Orphan Share	0.0%	0.0%	8.5%	0.0%	0.0%	0.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

* Statutorily appropriated
**Name changed by HB 116 in the 2007 session

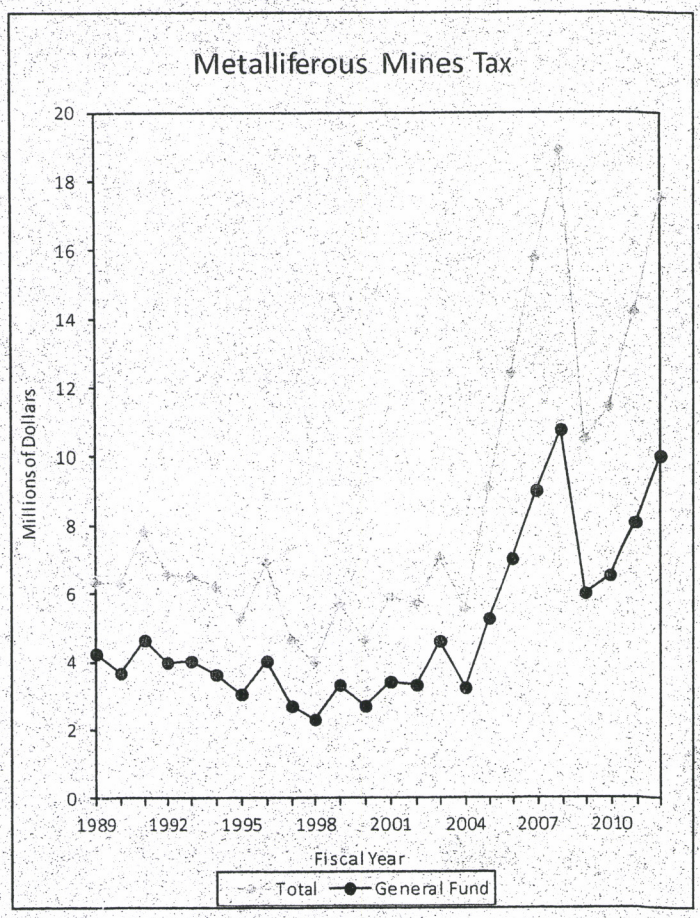
Collection Frequency: Biannually

% of Total General Fund Revenue:

FY 2004 – 0.23%	FY 2007 – 0.49%	FY 2010 – 0.40%
FY 2005 – 0.34%	FY 2008 – 0.55%	FY 2011 – 0.45%
FY 2006 – 0.41%	FY 2009 – 0.33%	FY 2012 – 0.54%

Revenue History:

	Fiscal Year	Total Collections Millions	General Fund Collections Millions	GF Percent Change
A	1989	6.355	4.258	Not App.
A	1990	6.306	3.665	-13.9%
A	1991	7.855	4.639	26.6%
A	1992	6.595	3.966	-14.5%
A	1993	6.521	4.031	1.7%
A	1994	6.230	3.613	-10.4%
A	1995	5.259	3.050	-15.6%
A	1996	6.941	4.026	32.0%
A	1997	4.649	2.696	-33.0%
A	1998	3.978	2.307	-14.4%
A	1999	5.700	3.306	43.3%
A	2000	4.661	2.703	-18.2%
A	2001	5.924	3.417	26.4%
A	2002	5.740	3.329	-2.6%
A	2003	7.056	4.586	37.8%
A	2004	5.572	3.232	-29.5%
A	2005	9.076	5.264	62.9%
A	2006	12.435	7.028	33.5%
A	2007	15.774	8.991	27.9%
A	2008	18.902	10.774	19.8%
A	2009	10.514	5.993	-44.4%
A	2010	11.476	6.541	9.2%
A	2011	14.204	8.097	23.8%
A	2012	17.562	10.010	23.6%



24 yr avg 8.54
10 yr avg 12.22

LFD
MONTANA LEGISLATIVE FISCAL DIVISION

Contact: Revenue Staff at 444-2986
Room 110 State Capitol
www.leg.mt.gov/fiscal

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Metalliferous Mines Tax

Revenue Description: The metalliferous mines license tax is imposed on the production of metals, gems or stones in the state. The tax rate is applied to the gross value of the product, which is defined as the market value of the commodity multiplied by the quantity produced. Senate Bill 30, enacted in the August 2002 special legislative session, revised the payment of taxes from once to twice a year. The first $250,000 of value is exempt from taxation. A company taxed at both rates can claim both exemptions.

Statutory Reference:

Tax Rate (MCA) – 15-37-103
Tax Distribution (MCA) –15-37-117, 17-2-124(2)
Date Due – August 15th for period January through June, March 31st for period July through December (15-37-105)

Applicable Tax Rate(s): The tax rate for a 6-month period is as follows:

Gross value is defined as monetary amounts or refined metal received for the products less:

1. Basic treatment and refinery charges
2. Transportation costs from the mine to a mill or other processor
3. Quantity and price deductions
4. Interest
5. Penalty metal, impurity and moisture deductions

Metalliferous Mines Tax Rates	Gross Value	Tax Rate
For concentrates shipped to a smelter, mill or reduction work:	$0-$250,000	Exempt
	$250,000+	1.81%
For gold, silver, or any platinum group metal that is dore*, bullion, or matte* and that is shipped to a refinery:	$0-$250,000	Exempt
	$250,000+	1.6%

Distribution: The distribution of the metal mines tax has been altered several times since the 1990s. Prior to the 2005 Legislature, the most recent change had been enacted by the 2001 Legislature in Senate Bill 484 (effective July 1, 2002) that created a hard-rock mining reclamation debt service fund to pay debt service on the $8.0 million of bonds authorized for state costs related to hard-rock mining reclamation, operation, and maintenance. The 8.5% allocation of metalliferous mines tax revenue previously allocated to the orphan share account was allocated to the hard-rock mining reclamation debt service fund. The 2005 Legislature increased the allocation to counties from 24% to 25% and decreased the general fund allocation from 58% to 57%. The table below shows recent historical distributions of the tax revenue.

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