

## 1 HOUSE JOINT RESOLUTION NO. 2

2 INTRODUCED BY B. BEARD

3 BY REQUEST OF THE REVENUE INTERIM COMMITTEE

4

5 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF MONTANA ESTABLISHING AN  
6 OFFICIAL ESTIMATE OF THE STATE'S GENERAL FUND REVENUE FOR FISCAL YEAR 2021 AND EACH FISCAL YEAR OF THE 2022-2023  
7 BIENNIUM FOR THE PURPOSE OF ACHIEVING A BALANCED BUDGET AS REQUIRED BY ARTICLE VIII, SECTION 9, OF THE MONTANA  
8 CONSTITUTION; ACCEPTING A PRELIMINARY UNASSIGNED GENERAL FUND BALANCE; ESTABLISHING OFFICIAL ESTIMATES OF  
9 CERTAIN NONGENERAL FUND REVENUE; AND REQUESTING THAT THE GOVERNOR'S OFFICE OF BUDGET AND PROGRAM  
10 PLANNING USE THE REVENUE ESTIMATES CONTAINED IN THIS RESOLUTION AS OFFICIAL ESTIMATES FOR FISCAL YEARS 2021,  
11 2022, AND 2023.

12

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

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

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

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

21 WHEREAS, the Revenue Interim Committee obtained the assistance of the Legislative Fiscal Analyst in the development of the revenue

1 estimates; and

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

4 WHEREAS, the Revenue Interim Committee has adopted revenue estimates and the underlying assumptions used to derive those  
5 estimates for the general fund and for specific nongeneral fund sources that are significant in the development of the state budget for fiscal year  
6 2021 and the 2022-2023 biennium; and

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

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

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

13

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

15 That the state general fund revenue for fiscal years 2021, 2022, and 2023 be estimated to be ~~\$2,469,233,000, \$2,537,695,000,~~  
16 ~~and \$2,647,666,000~~ \$2,567,639,173, \$2,644,010,520, AND \$2,748,873,668, respectively.

17 BE IT FURTHER RESOLVED, that the Legislature accept for budget purposes the preliminary unassigned fiscal year 2020 fund balance  
18 of \$452,411,472 for the general fund, prepared according to generally accepted accounting principles.

19 BE IT FURTHER RESOLVED, that the Governor's Office of Budget and Program Planning use the revenue estimates and the underlying  
20 assumptions contained in this resolution as the official revenue estimates for fiscal years 2021, 2022, and 2023.

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GENERAL FUND REVENUE

1 The projections for general fund revenue for fiscal years 2021, 2022, and 2023 are based on the assumptions of the continuation of  
 2 Montana and federal law as it existed on January 1, 2021. The revenue estimates contained in the following tables are based on the assumptions  
 3 listed in the tables that follow the general fund estimates and the assumptions for each general fund revenue source (as adopted by the Revenue  
 4 Interim Committee) contained in the "Legislative Budget Analysis, 2023 Biennium, Volume 2 -- Revenue Estimates" prepared by the Legislative  
 5 Fiscal Division.

6 Current Law  
 7 General Fund Revenue Estimates  
 8 (In Millions of Dollars)

Source of Revenue	Actual FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
<b>Largest Seven Sources</b>				
Individual Income Tax	\$1,435.240	\$1,404.584	\$1,443.769	\$1,523.161
	<u>\$1,435.240</u>	<u>\$1,505.449</u>	<u>\$1,549.250</u>	<u>\$1,623.128</u>
Property Tax	<del>308.610</del>	<del>313.021</del>	<del>333.017</del>	<del>339.825</del>
	<u>308.610</u>	<u>313.430</u>	<u>332.412</u>	<u>338.781</u>
Corporation Income Tax	<del>487.358</del>	<del>456.256</del>	<del>463.528</del>	<del>468.808</del>
	<u>187.358</u>	<u>149.420</u>	<u>159.088</u>	<u>170.783</u>
Vehicle Taxes & Fees	<del>408.482</del>	<del>409.273</del>	<del>410.402</del>	<del>411.384</del>
	<u>108.482</u>	<u>109.320</u>	<u>110.949</u>	<u>112.228</u>
Oil & Natural Gas Production Tax	<del>38.380</del>	<del>36.488</del>	<del>40.402</del>	<del>41.002</del>

	<u>38.380</u>	<u>40.367</u>	<u>44.353</u>	<u>40.826</u>
Insurance Tax & License Fees	82.489	86.072	84.780	87.767
	<u>82.489</u>	<u>88.450</u>	<u>92.000</u>	<u>95.723</u>
Video Gambling Tax	57.447	60.320	63.336	66.503
<b>Largest Seven Sources Subtotal</b>	<u>2,218.007</u>	<u>2,166.012</u>	<u>2,239.233</u>	<u>2,338.449</u>
	<u>2,218.007</u>	<u>2,266.756</u>	<u>2,351.388</u>	<u>2,447.971</u>
 <b>Other Business Taxes</b>				
Driver's License Fee	4.410	4.029	4.053	4.071
	<u>4.410</u>	<u>4.041</u>	<u>4.073</u>	<u>4.097</u>
Investment License Fee	45.711	46.385	46.524	46.866
	<u>15.711</u>	<u>16.385</u>	<u>16.580</u>	<u>17.014</u>
Lodging Taxes	25.058	20.878	30.589	36.378
	<u>25.058</u>	<u>21.494</u>	<u>28.337</u>	<u>32.941</u>
Public Contractors Tax	6.729	4.987	5.103	5.206
	<u>6.729</u>	<u>4.985</u>	<u>5.083</u>	<u>5.181</u>
Railroad Car Tax	4.294	4.305	4.393	5.140
	<u>4.294</u>	<u>4.305</u>	<u>4.391</u>	<u>5.509</u>
Rental Car Sales Tax	4.224	3.823	4.727	5.219

	<u>4.224</u>	<u>3.571</u>	<u>4.681</u>	<u>5.212</u>
Telecommunications Excise Tax	41.788	40.954	40.085	9.190
	<u>11.788</u>	<u>11.004</u>	<u>10.168</u>	<u>9.287</u>
<b>Other Business Taxes Subtotal</b>	<b>72.213</b>	<b>65.364</b>	<b>75.473</b>	<b>82.070</b>
	<u>72.213</u>	<u>65.786</u>	<u>73.313</u>	<u>79.240</u>
<b>Other Natural Resource Taxes</b>				
Coal Severance Tax	40.920	40.966	40.812	40.648
	<u>10.920</u>	<u>9.553</u>	<u>8.697</u>	<u>7.689</u>
Electrical Energy Tax	3.910	4.480	4.223	4.203
	<u>3.910</u>	<u>3.987</u>	<u>3.759</u>	<u>3.741</u>
Metalliferous Mines Tax	8.724	9.922	8.038	8.222
US Mineral Royalty	48.527	48.729	47.909	47.221
	<u>18.527</u>	<u>17.619</u>	<u>16.196</u>	<u>14.526</u>
Wholesale Energy Tax	3.351	3.467	3.460	3.466
<b>Other Natural Resource Taxes Subtotal</b>	<b>45.432</b>	<b>47.563</b>	<b>44.442</b>	<b>43.760</b>
	<u>45.432</u>	<u>44.548</u>	<u>40.150</u>	<u>37.644</u>
<b>Other Interest Earnings</b>				
Coal Trust Interest	21.600	17.904	16.828	15.700

	<u>21.600</u>	<u>17.896</u>	<u>16.813</u>	<u>15.693</u>
Treasury Cash Account Interest	48.597	2.740	4.582	4.724
	<u>18.597</u>	<u>2.392</u>	<u>1.002</u>	<u>1.440</u>
<b>Other Interest Earnings Subtotal</b>	40.197	20.645	48.409	47.424
	<u>40.197</u>	<u>20.288</u>	<u>17.816</u>	<u>17.133</u>
<b>Other Consumption Taxes</b>				
Beer Tax	3.167	3.102	3.111	3.117
	<u>3.167</u>	<u>3.119</u>	<u>3.133</u>	<u>3.142</u>
Cigarette Tax	26.983	27.045	26.558	26.113
	<u>26.983</u>	<u>27.080</u>	<u>26.542</u>	<u>25.908</u>
Liquor Excise & License Tax	23.786	24.930	26.426	28.014
	<u>23.786</u>	<u>24.960</u>	<u>26.436</u>	<u>27.901</u>
Liquor Profits	48.080	45.800	45.800	46.900
	<u>18.080</u>	<u>15.800</u>	<u>15.800</u>	<u>16.800</u>
Lottery Profits	8.073	13.144	13.021	13.145
	<u>8.073</u>	<u>13.224</u>	<u>13.122</u>	<u>13.259</u>
Tobacco Tax	5.754	5.724	5.627	5.565
	<u>5.754</u>	<u>5.646</u>	<u>5.534</u>	<u>5.472</u>
Wine Tax	2.522	2.579	2.637	2.697

	<u>2.522</u>	<u>2.577</u>	<u>2.634</u>	<u>2.693</u>
<b>Other Consumption Taxes Subtotal</b>	88.364	92.323	93.179	95.550
	<u>88.364</u>	<u>92.407</u>	<u>93.201</u>	<u>95.175</u>
<b>Other Sources</b>				
All Other Revenue	46.062	44.685	44.075	46.685
	<u>46.062</u>	<u>45.100</u>	<u>45.168</u>	<u>47.889</u>
Highway Patrol Fines	3.458	3.691	3.670	3.607
Nursing Facilities Fee	4.188	3.992	3.896	3.799
Public Institution Reimbursements	12.745	12.555	12.382	13.410
Tobacco Settlement	<u>2.654</u>	<u>42.406</u>	<u>2.936</u>	<u>2.912</u>
	<u>2.654</u>	<u>12.517</u>	<u>3.028</u>	<u>3.007</u>
<b>Other Sources Subtotal</b>	69.107	77.329	66.958	70.413
	<u>69.107</u>	<u>77.855</u>	<u>68.143</u>	<u>71.711</u>
<b>Total General Fund</b>	<del>\$2,533.321</del>	<del>\$2,469.233</del>	<del>\$2,537.695</del>	<del>\$2,647.666</del>
	<u>\$2,533.321</u>	<u>\$2,567.639</u>	<u>\$2,644.011</u>	<u>\$2,748.874</u>
<u>GUARANTEE FUND</u>	<u>42.452</u>	<u>42.928</u>	<u>42.374</u>	<u>42.646</u>

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SIGNIFICANT ASSUMPTIONS FOR GENERAL FUND REVENUE ESTIMATES



1	Year	Assumption	2020	2021	2022	2023
		<b>Largest Seven Sources</b>				
		Individual Income Tax				
CY		Wage & salary income growth	<del>-0.6%</del>	4.2%	3.6%	3.8%
			<u>3.6%</u>	<u>6.9%</u>	<u>3.4%</u>	<u>4.1%</u>
CY		Interest income growth	<del>-2.8%</del>	-1.2%	-0.1%	0.7%
			<u>-4.5%</u>	<u>-4.2%</u>	<u>-3.2%</u>	<u>0.2%</u>
CY		Dividend income growth	<del>0.6%</del>	-5.6%	1.4%	5.5%
			<u>-29.4%</u>	<u>-5.4%</u>	<u>12.9%</u>	<u>2.6%</u>
CY		Taxable refunds growth	0.0%	0.0%	0.0%	0.0%
CY		Alimony received growth	<del>-7.1%</del>	-7.1%	-7.1%	-7.1%
			<u>-6.4%</u>	<u>-6.4%</u>	<u>-6.4%</u>	<u>-6.4%</u>
CY		Net business growth	<del>0.5%</del>	2.1%	-0.1%	2.3%
			<u>0.8%</u>	<u>3.0%</u>	<u>1.6%</u>	<u>2.0%</u>
CY		Capital gains income growth	<del>-2.1%</del>	-1.6%	-1.1%	1.8%
			<u>0.8%</u>	<u>18.9%</u>	<u>6.7%</u>	<u>3.7%</u>
CY		Supplemental gains income growth	0.0%	0.0%	0.0%	0.0%
CY		Rents, royalties & partnership income growth	<del>-1.2%</del>	3.1%	5.2%	6.7%
			<u>0.0%</u>	<u>7.0%</u>	<u>4.0%</u>	<u>5.9%</u>
CY		IRA income growth	<del>-13.2%</del>	29.5%	5.1%	4.9%



		<u>-15.2%</u>	<u>9.5%</u>	<u>6.3%</u>	<u>5.2%</u>
CY	Taxable pension income growth	5.5%	5.0%	4.9%	4.5%
		<u>-0.1%</u>	<u>5.5%</u>	<u>6.0%</u>	<u>4.4%</u>
CY	Taxable social security income growth	7.1%	6.1%	4.4%	4.3%
		<u>5.2%</u>	<u>5.7%</u>	<u>6.8%</u>	<u>3.6%</u>
CY	Farm income growth	0.0%	0.0%	0.0%	0.0%
CY	Unemployment compensation growth	1076.4%	-91.5%	0.0%	0.0%
CY	Other income growth	0.0%	0.0%	0.0%	0.0%
CY	Total additions (Millions)	<del>\$838.414</del>	<del>\$837.533</del>	<del>\$835.456</del>	<del>\$834.458</del>
		<u>\$928.287</u>	<u>\$931.997</u>	<u>\$927.334</u>	<u>\$924.924</u>
CY	Total adjustments (Millions)	<del>\$518.665</del>	<del>\$533.578</del>	<del>\$548.492</del>	<del>\$563.406</del>
		<u>\$518.691</u>	<u>\$533.618</u>	<u>\$548.545</u>	<u>\$563.471</u>
CY	Total reductions (Millions)	<del>\$1,903.006</del>	<del>\$1,996.333</del>	<del>\$2,094.979</del>	<del>\$2,199.011</del>
		<u>\$1,940.933</u>	<u>\$2,042.829</u>	<u>\$2,153.064</u>	<u>\$2,269.849</u>
CY	Federal inflation factor	4.6%	4.9%	2.0%	4.6%
		<u>1.6%</u>	<u>1.3%</u>	<u>1.9%</u>	<u>1.7%</u>
CY	State inflation factor	0.9%	3.0%	2.3%	4.8%
		<u>1.8%</u>	<u>0.9%</u>	<u>2.6%</u>	<u>1.5%</u>
CY	Full year resident adjustment	97.0%	402.3%	400.7%	400.7%
		<u>97.1%</u>	<u>99.4%</u>	<u>100.8%</u>	<u>101.6%</u>

CY	Non-resident adjustment	<del>105.1%</del>	<del>105.1%</del>	<del>105.1%</del>	<del>105.1%</del>
		<u>105.0%</u>	<u>105.0%</u>	<u>105.0%</u>	<u>105.0%</u>
FY	Earned income tax credit (Millions)	<del>\$5.034</del>	<del>\$5.210</del>	<del>\$5.290</del>	<del>\$5.314</del>
		<u>\$5.031</u>	<u>\$5.509</u>	<u>\$5.195</u>	<u>\$5.340</u>
CY	Elderly homeowner/renter credits (Millions)	<del>\$7.385</del>	<del>\$7.134</del>	<del>\$6.846</del>	<del>\$6.624</del>
		<u>\$7.395</u>	<u>\$7.141</u>	<u>\$6.887</u>	<u>\$6.633</u>
CY	All other credits (Millions)	<del>\$65.174</del>	<del>\$66.145</del>	<del>\$68.763</del>	<del>\$72.274</del>
		<u>\$69.359</u>	<u>\$73.088</u>	<u>\$75.511</u>	<u>\$79.014</u>
FY	Audit, penalty & interest collections (Millions)		<del>\$53.397</del>	<del>\$56.280</del>	<del>\$58.577</del>
			<u>\$55.543</u>	<u>\$60.789</u>	<u>\$63.688</u>
	Revenue Interim Committee Adjustment (Millions)		<del>-\$30.160</del>	<del>-\$30.160</del>	<del>-\$30.160</del>
	<u>IMPACTS OF FEDERAL CARES ACT AND CONSOLIDATED APPROPRIATIONS ACT (MILLIONS)</u>		<u>-\$10.68</u>	<u>-\$9.73</u>	<u>-\$20.45</u>
	Property Tax				
FY	Class 1 taxable value (Millions)		\$4.745	\$5.747	\$5.014
FY	Class 2 taxable value (Millions)		\$31.695	\$30.409	\$26.528
FY	Class 3 taxable value (Millions)		\$157.219	\$162.025	\$161.889
FY	Class 4 taxable value (Millions)		\$1,987.610	\$2,196.052	\$2,236.569
FY	Class 5 taxable value (Millions)		\$50.769	\$51.877	\$53.009
FY	Class 7 taxable value (Millions)		\$0.003	\$0.003	\$0.003

FY	Class 8 taxable value (Millions)		\$163.006	\$163.657	\$164.314
			<u>\$167.304</u>	<u>\$163.657</u>	<u>\$164.311</u>
FY	Class 9 taxable value (Millions)		\$535.254	\$567.495	\$601.677
FY	Class 10 taxable value (Millions)		\$4.870	\$4.858	\$4.846
FY	Class 12 taxable value (Millions)		\$101.163	\$106.077	\$110.907
FY	Class 13 taxable value (Millions)		\$162.733	\$158.349	\$154.082
FY	Class 14 taxable value (Millions)		\$17.567	\$17.693	\$17.819
FY	Class 15 taxable value (Millions)		\$1.830	\$1.751	\$1.675
FY	Abatement value (Millions)		<del>\$26.392</del>	\$28.422	\$29.015
			<u>\$26.428</u>		
FY	TIF Value (Millions)		\$49.924	\$52.985	\$53.311
	Corporation Income Tax				
CY	WTI price (\$/bbl)	<del>\$38.7</del>	\$46.0	\$54.4	\$56.1
		<u>\$39.2</u>	<u>\$59.3</u>	<u>\$56.9</u>	<u>\$58.1</u>
CY	Domestic crude price (\$/bbl)	<del>\$39.4</del>	\$45.7	\$54.3	\$54.9
		<u>\$40.4</u>	<u>\$57.7</u>	<u>\$57.0</u>	<u>\$57.8</u>
CY	Montana retail sales (Millions)	\$18,693	\$19,623	\$19,481	\$19,842
		<u>\$18,833</u>	<u>\$20,628</u>	<u>\$20,719</u>	<u>\$21,494</u>
CY	Montana median home price (\$)	\$270,945	\$278,815	\$288,384	\$298,767

		<u>\$281,753</u>	<u>\$310,054</u>	<u>\$322,893</u>	<u>\$334,929</u>
CY	Montana population (Thousands)	1,075.4	1,079.8	1,084.6	1,089.5
		<u>1,081.4</u>	<u>1,088.3</u>	<u>1,094.5</u>	<u>1,100.1</u>
CY	Wholesale employment (Thousands)	17.2	17.5	<del>18.3</del>	<del>18.8</del>
				<u>18.5</u>	<u>19.3</u>
CY	3-month commercial paper	<del>0.6%</del>	<del>0.2%</del>	<del>0.3%</del>	0.3%
		<u>0.56%</u>	<u>0.1%</u>	<u>0.2%</u>	
FY	Audit, penalty & interest collections (Millions)		<del>\$17.056</del>	<del>\$16.174</del>	<del>\$16.897</del>
			<u>\$17.034</u>	<u>\$16.488</u>	<u>\$18.469</u>
FY	Refunds (Millions)		<del>-\$27.290</del>	<del>-\$25.879</del>	<del>-\$27.035</del>
			<u>-\$27.254</u>	<u>-\$26.380</u>	<u>-\$29.551</u>
	Vehicles Vehicle Taxes & Fees				
FY	Montana new vehicle sales (Thousands)		<del>49.026</del>	<del>54.069</del>	<del>56.677</del>
			<u>50.130</u>	<u>56.978</u>	<u>58.936</u>
FY	US new vehicle sales (Millions)		<del>15.211</del>	<del>15.593</del>	<del>15.782</del>
			<u>15.911</u>	<u>16.432</u>	<u>16.411</u>
FY	US total vehicle stock (Millions)		<del>291.245</del>	<del>293.240</del>	<del>295.319</del>
			<u>291.646</u>	<u>294.611</u>	<u>297.442</u>

Oil & Natural Gas Production Tax					
CY	WTI price (\$/bbl)	<del>\$38.664</del>	<del>\$46.040</del>	<del>\$54.416</del>	<del>\$56.098</del>
		<u>\$38.661</u>	<u>\$59.300</u>	<u>\$56.883</u>	<u>\$58.141</u>
CY	Montana oil price ratio	0.880	0.880	0.880	0.880
CY	Total oil production (Million barrels)	<del>48.294</del>	<del>45.789</del>	<del>44.636</del>	<del>43.639</del>
		<u>18.122</u>	<u>15.098</u>	<u>14.014</u>	<u>13.061</u>
CY	Holiday oil production (Million barrels)	<del>2.472</del>	<del>0.408</del>	<del>0.098</del>	<del>0.087</del>
		<u>2.516</u>	<u>0.109</u>	<u>0.098</u>	<u>0.087</u>
CY	Henry Hub price (\$/MCF)	<del>\$1.963</del>	<del>\$3.207</del>	<del>\$2.824</del>	<del>\$3.163</del>
		<u>\$2.033</u>	<u>\$3.061</u>	<u>\$2.975</u>	<u>\$2.816</u>
CY	Montana natural gas price ratio	0.626	0.626	0.626	0.626
CY	Total natural gas production (Million MCFs)	<del>86.564</del>	<del>81.110</del>	<del>78.513</del>	<del>73.134</del>
		<u>35.614</u>	<u>34.473</u>	<u>32.112</u>	<u>31.113</u>
CY	Holiday natural gas production (Million MCFs)	<del>3.402</del>	<del>0.343</del>	<del>0.332</del>	<del>0.309</del>
		<u>3.726</u>	<u>0.341</u>	<u>0.330</u>	<u>0.307</u>
Insurance Tax & License Fees					
FY	Montana PCE Finance & Insurance (Millions)		<del>\$3,437</del>	<del>\$3,174</del>	<del>\$3,285</del>
			<u>\$3,601</u>	<u>\$3,603</u>	<u>\$3,761</u>

**Other Business Taxes**

	Driver's License Fee			
CY	Montana population age 16 and over (Millions)	0.877	0.882	0.887
		<u>0.885</u>	<u>0.892</u>	<u>0.899</u>
	Investment License Fee			
FY	Montana PCE Finance & Insurance (Millions)	<del>\$3,437</del>	<del>\$3,174</del>	<del>\$3,285</del>
		<u>\$3,601</u>	<u>\$3,603</u>	<u>\$3,761</u>
	Lodging Taxes			
FY	US consumer spending on accommodations (Billions)	\$101	\$149	\$178
	<u>ALTERNATIVE LODGING TAX ASSUMPTION (MILLIONS)</u>	<u>\$1.12</u>	<u>-\$1.85</u>	<u>-\$4.50</u>
	Public Contractors Tax			
FY	Highway payments (Millions)	\$366	\$373	\$381
FY	Other payments (Millions)	<del>\$258</del>	<del>\$264</del>	<del>\$270</del>
		<u>\$258</u>	<u>\$262</u>	<u>\$267</u>

		Railroad Car Tax			
FY	Montana retail sales (Millions)		\$18,076	\$18,237	\$19,606
			<u>\$18,076</u>	<u>\$18,233</u>	<u>\$20,281</u>
		Rental Car Sales Tax			
FY	Montana PCE Transportation (Millions)		\$914	\$1,067	\$1,150
			<u>\$872</u>	<u>\$1,059</u>	<u>\$1,149</u>
		Telecommunications Excise Tax			
FY	Montana population age 16 and over (Millions)		0.875	0.879	0.885
			<u>0.885</u>	<u>0.892</u>	<u>0.899</u>
CY	Landline %	36%	30%	24%	18%
CY	Cell Phone %	96%	96%	96%	96%
CY	Prepaid smartphone penetration	40%	40%	40%	40%
<b>Other Natural Resource Taxes</b>					
		Coal Severance Tax			
CY	Price (\$/Ton)		\$16.19	\$16.48	\$16.69
			<u>\$15.39</u>	<u>\$15.57</u>	<u>\$16.96</u>
CY	Production (Million Tons)	26.740	25.711	24.868	24.064

		<u>24.728</u>	<u>22.255</u>	<u>20.030</u>	<u>16.349</u>
	Electrical Energy Tax				
FY	Taxable Production (KWH)		<u>22,398</u>	<u>21,115</u>	<u>21,015</u>
			<u>19,935</u>	<u>18,793</u>	<u>18,704</u>
	Metalliferous Mines Tax				
CY	Price: Copper (\$/lb)	\$2.65	\$3.04	\$3.06	\$3.07
CY	Price: Silver (\$/oz)	\$20	\$17	\$17	\$17
CY	Price: Gold (\$/oz)	\$1,750	\$1,590	\$1,568	\$1,546
CY	Price: Moly (\$/lb)	\$10	\$10	\$9	\$9
CY	Price: Palladium (\$/oz)	\$2,160	\$1,241	\$1,367	\$1,467
CY	Price: Platinum (\$/oz)	\$867	\$1,000	\$1,025	\$1,051
	US Mineral Royalty				
FFY	Oil price (\$/bbl)	\$45.04	\$40.44	\$36.30	\$32.59
FFY	Oil production (Million barrels)	2.558	2.441	2.324	2.207
FFY	Coal price (\$/Ton)	<del>\$22.99</del>	<del>\$23.10</del>	<del>\$23.32</del>	<del>\$23.43</del>
		<u>\$21.99</u>	<u>\$21.73</u>	<u>\$21.89</u>	<u>\$23.08</u>
FFY	Coal production (Million Tons)	44.010	<del>3.038</del>	<del>42.578</del>	<del>42.158</del>



		<u>13.277</u>	<u>11.535</u>	<u>10.381</u>	<u>8.647</u>
FFY	Natural gas price (\$/MCF)	\$2.40	\$2.37	\$2.34	\$2.32
FFY	Natural gas production (Million MCFs)	9.573	8.695	7.817	6.940
FFY	Rent and bonus payments (Millions)	\$2.598	\$2.598	\$2.598	\$2.598
	Wholesale Energy Tax				
FY	Production (KWH)		23,771	23,726	23,761
	<b>Other Interest Earnings</b>				
	Coal Trust Interest				
FY	Short term interest rates		0.30%	0.17%	0.18%
			<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>
FY	Long term interest rates		3.40%	3.10%	2.79%
	Treasury Cash Account Interest				
FY	Short term interest rates		0.30%	0.17%	0.18%
			<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>
FY	Average balance (Millions)		\$929	\$933	\$934

**Other Consumption Taxes**

Beer Tax

FY	Montana PCE food (Millions)	<del>\$5,456</del>	<del>\$5,784</del>	<del>\$6,127</del>
		<u>5,451</u>	<u>5,770</u>	<u>6,089</u>
FY	Montana population age 21 and above (Millions)	<del>0.844</del>	<del>0.846</del>	<del>0.824</del>
		<u>0.818</u>	<u>0.825</u>	<u>0.831</u>

Cigarette Tax

FY	Consumer spending on tobacco (Millions)	<del>\$105</del>	<del>\$103</del>	<del>\$105</del>
		<u>\$103</u>	<u>\$101</u>	<u>\$98</u>
FY	CPI for tobacco	<del>440</del>	<del>444</del>	<del>451</del>
		<u>141</u>	<u>147</u>	<u>154</u>
FY	Montana population age 18 and above (Millions)	<del>0.854</del>	<del>0.856</del>	<del>0.864</del>
		<u>0.859</u>	<u>0.866</u>	<u>0.872</u>

Liquor Excise & License Tax

FY	Montana PCE food (Millions)	<del>\$5,456</del>	<del>\$5,784</del>	<del>\$6,127</del>
		<u>5,451</u>	<u>5,770</u>	<u>6,089</u>

Liquor Profits

FY	Montana PCE food (Millions)	<del>\$5,456</del>	<del>\$5,784</del>	<del>\$6,127</del>
		<u>5,451</u>	<u>5,770</u>	<u>6,089</u>
	<del>Revenue Interim Committee Adjustments (Millions)</del>	<del>-\$1,961</del>	<del>-\$1,961</del>	<del>-\$1,961</del>
	Lottery Profits			
FY	Montana population age 18 and above (Millions)	0.854	0.856	0.864
		<u>0.859</u>	<u>0.866</u>	<u>0.872</u>
FY	Short term interest rates	0.30%	0.17%	0.18%
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>
	<del>Revenue Interim Committee Adjustments (Millions)</del>	<del>-\$1,961</del>	<del>-\$1,961</del>	<del>-\$1,961</del>
	Tobacco Tax			
FY	Montana population age 18 and above (Millions)	0.854	0.856	0.864
		<u>0.859</u>	<u>0.866</u>	<u>0.872</u>
FY	Montana PCE (Millions)	<del>\$65,173</del>	<del>\$68,287</del>	<del>\$71,623</del>
		<u>\$68,630</u>	<u>\$71,977</u>	<u>\$75,427</u>
	Wine Tax			
FY	Montana population age 21 and above (Millions)	0.844	0.846	0.824
		<u>0.818</u>	<u>0.825</u>	<u>0.831</u>

**Other Sources**

All Other Revenue

FY	Time series		2021	2022	2023
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Highway Patrol Fines

FY	Time series		2021	2022	2023
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Nursing Facilities Fee

FY	Time series		2021	2022	2023
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Public Institution Reimbursements

FY	Montana nursing facility residents		3,732	3,625	3,518
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Tobacco Settlement

FY	Volume (Millions)		<del>0.187</del>	<del>0.179</del>	<del>0.172</del>
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			<u>0.183</u>	<u>0.185</u>	<u>0.178</u>
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FY	Inflation		3.0%	3.0%	3.0%
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SELECTED NONGENERAL FUND REVENUE

3

The estimates for selected nongeneral fund revenue for fiscal year 2021 and the 2022-2023 biennium are based on the assumptions of a



1 continuation of Montana law as it existed on January 1, 2021. The revenue estimates contained in the following tables are based on the  
 2 assumptions listed in the tables that follow the nongeneral fund estimates and the assumptions for each nongeneral fund revenue source  
 3 contained in the "Legislative Budget Analysis, 2023 Biennium, Volume 2 -- Revenue Estimates" prepared by the Legislative Fiscal Division.

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 5  
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 7

Current Law  
 Selected Nongeneral Fund Revenue Estimates  
 (In Millions of Dollars)

Source of Revenue	Actual FY 2020	Estimated FY 2021	Estimated FY 2022	Estimated FY 2023
Property Tax: 6 Mill	<del>\$19.877</del>	<del>\$20.303</del>	<del>\$21.584</del>	<del>\$22.007</del>
	<u>\$19.877</u>	<u>\$20.329</u>	<u>\$21.503</u>	<u>\$21.868</u>
<b>Natural Resource Taxes</b>				
Federal Forest Receipts	13.801	13.111	3.760	3.917
Resource Indemnity Tax	<del>2.269</del>	<del>2.427</del>	<del>2.213</del>	<del>2.064</del>
	<u>2.269</u>	<u>2.317</u>	<u>1.933</u>	<u>1.662</u>
<b>Natural Resource Taxes Subtotal</b>	<del>46.070</del>	<del>45.538</del>	<del>5.974</del>	<del>5.978</del>
	<u>16.070</u>	<u>15.428</u>	<u>5.694</u>	<u>5.579</u>

**Interest Earnings**

Capital Land Grant Interest and Income	2.194	1.844	1.815	1.939
Common School Interest and Income	41.186	41.986	41.478	41.917
	<u>41.186</u>	<u>42.000</u>	<u>41.446</u>	<u>41.719</u>
Cultural Trust Interest	0.480	0.483	0.445	0.406
	<u>0.480</u>	<u>0.482</u>	<u>0.443</u>	<u>0.404</u>
Deaf & Blind Interest and Income	0.307	0.362	0.357	0.360
	<u>0.307</u>	<u>0.361</u>	<u>0.356</u>	<u>0.358</u>
Economic Development Trust	3.782	3.928	4.121	3.406
	<u>3.782</u>	<u>3.912</u>	<u>4.084</u>	<u>3.356</u>
Parks Trust Interest	0.888	0.874	0.804	0.735
	<u>0.888</u>	<u>0.872</u>	<u>0.800</u>	<u>0.730</u>
Pine Hills Interest and Income	0.379	0.390	0.403	0.423
	<u>0.379</u>	<u>0.390</u>	<u>0.402</u>	<u>0.422</u>
Regional Water Trust Interest	3.153	3.093	2.830	2.574
	<u>3.153</u>	<u>3.091</u>	<u>2.827</u>	<u>2.572</u>
Resource Indemnity Trust Interest	3.557	3.504	3.186	2.867
School Facilities Trust Interest	4.550	4.407	4.830	2.126
	<u>1.550</u>	<u>1.405</u>	<u>1.713</u>	<u>1.882</u>
Tobacco Trust Interest	9.253	8.939	8.166	7.417
	<u>7.725</u>	<u>7.887</u>	<u>8.249</u>	<u>7.844</u>

Treasure State Endowment Trust Interest	<del>7.725</del>	<del>7.884</del>	<del>8.250</del>	<del>7.845</del>
	<u>9.253</u>	<u>8.933</u>	<u>8.156</u>	<u>7.412</u>
<b>Interest Earnings Subtotal</b>	<del>74.456</del>	<del>74.694</del>	<del>73.685</del>	<del>72.015</del>
	<u>74.456</u>	<u>74.681</u>	<u>73.477</u>	<u>71.504</u>
 <b>Consumption Taxes</b>				
Diesel Tax	90.549	85.784	85.326	85.883
Gasoline Tax	171.584	172.672	176.112	179.586
GVW and Other Fees	35.555	35.807	36.000	36.193
Marijuana Tax	-	-	14.313	25.698
<b>Consumption Taxes Subtotal</b>	297.688	294.262	311.751	327.360
 <b>Total of Selected Nongeneral Fund Sources</b>				
	<del>\$408.091</del>	<del>\$404.798</del>	<del>\$412.994</del>	<del>\$427.360</del>
	<u>\$408.091</u>	<u>\$404.701</u>	<u>\$412.424</u>	<u>\$426.311</u>

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SELECTED ASSUMPTIONS FOR NONGENERAL FUND REVENUE ESTIMATES

3

Year	Assumption	2021	2022	2023
	Property Tax: 6 Mill			
FY	Taxable Value (Millions)	<del>\$3,218.465</del>	<del>\$3,465.993</del>	<del>\$3,538.329</del>
		<u>3,222.763</u>	<u>3,465.993</u>	<u>3,538.329</u>



FY	TIF Value (Millions)	<del>\$26.392</del>	<del>\$28.422</del>	<del>\$29.015</del>
		<u>49.924</u>	<u>52.985</u>	<u>53.311</u>
FY	Abatement value (Millions)	<del>\$49.924</del>	<del>\$52.985</del>	<del>\$53.311</del>
		<u>26.428</u>	<u>28.422</u>	<u>29.015</u>

### Natural Resource Taxes

#### Federal Forest Receipts

FY	Total Montana Receipts (Millions)	\$13.111	\$3.760	\$3.917
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#### Resource Indemnity Tax

FY	Coal Receipts (Millions)	<del>\$2.097</del>	<del>\$1.920</del>	<del>\$1.887</del>
		<u>\$1.987</u>	<u>\$1.640</u>	<u>\$1.488</u>
FY	Other Receipts (Millions)	\$0.330	\$0.293	\$0.174

### Interest Earnings

#### Capital Land Grant Interest and Income

FY	Lease Total (Millions)	\$0.648	\$0.674	\$0.674
FY	Permanent Fund Total (Millions)	\$2.224	\$2.198	\$2.323
FY	Administration Costs (Millions)	-\$1.028	-\$1.057	-\$1.057



Common School Interest and Income

FY	TFBP Long Term Interest Rate	3.41%	3.11%	3.11%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Cultural Trust Interest

FY	TFBP Long Term Interest Rate	3.37%	3.08%	2.79%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Deaf & Blind Interest and Income

FY	TFBP Long Term Interest Rate	3.41%	3.11%	3.11%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Economic Development Trust

FY	TFBP Long Term Interest Rate	3.33%	3.43%	2.77%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Parks Trust Interest

FY	TFBP Long Term Interest Rate	3.37%	3.08%	2.79%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Pine Hills Interest and Income

FY	TFBP Long Term Interest Rate	3.41%	3.11%	3.11%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Regional Water Trust Interest

FY	TFBP Long Term Interest Rate	3.29%	3.01%	2.74%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Resource Indemnity Trust Interest

FY	TFBP Long Term Interest Rate	3.50%	3.19%	2.87%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

School Facilities Trust Interest

FY	TFBP Long Term Interest Rate	3.81%	3.43%	3.05%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Tobacco Trust Interest

FY	TFBP Long Term Interest Rate	3.30%	3.02%	2.74%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

Treasure State Endowment Trust Interest

FY	TFBP Long Term Interest Rate	3.32%	3.04%	2.76%
FY	Short Term Interest Rate	<del>0.30%</del>	<del>0.17%</del>	<del>0.18%</del>
		<u>0.26%</u>	<u>0.11%</u>	<u>0.15%</u>

**Consumption Taxes**

Diesel Tax

FY	Time Series	<del>2019</del> 2021	2022	2023
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Gasoline Tax



FY	Time Series	2021	2022	2023
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GVW and Other Fees

FY	Time Series	2021	2022	2023
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