

## **REVENUE ESTIMATE: NEXT STEPS & POTENTIAL OPTIONS**

The LFD baseline March revenue estimate update will be presented on March 20<sup>th</sup>. The baseline revenue estimate will contain the modeling changes made throughout the subcommittee process and the most recent economic data from IHS. There will also be a number of alternative options for the committee to consider. The options proposed by the LFD are concentrated in the three areas shown below, but other suggestions from the Joint Subcommittee will be included.

### Individual Income Tax

1. Alternative wage growth options
2. Alternative conversion options
3. Incorporate current year-to-date growth in FY 2015, then grow off that base

### Oil & Natural Gas Tax

1. Oil price: the IHS CY 2015 Q2 is quite low; one option is to set Q2 at the average of Q1 & Q3
2. "Haircut": use a \$10 discount for Montana oil price instead of current 10%

### Treasury Cash Account Interest Earnings

1. Unbias the IHS forecast of short-term interest rates