



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: March 19, 2015

TO: Members of the Joint Subcommittees of House & Senate Tax

FROM: LFD Revenue Team

RE: March Revenue Estimate Update

This memo provides a summary of the March general fund revenue estimate update, as well as a list of potential alternatives the subcommittee may wish to consider. Please submit a request for calculation of an alternative or combination of alternatives by 5pm today in order to have the results available for subcommittee action tomorrow.

General Fund Revenue Estimate Summary
(\$ Millions)

Source of Revenue	Actual	HJ 2			LFD March Update			3-Year	3-Year
	FY 2014	FY 2015	FY 2016	FY 2017	FY 2015	FY 2016	FY 2017	\$ Diff.	% Diff.
Largest Seven Sources									
Individual Income Tax	\$1,063.3	\$1,108.3	\$1,212.5	\$1,295.8	\$1,109.7	\$1,152.1	\$1,213.8	(\$141.2)	-3.9%
Property Tax	250.3	249.8	245.4	255.3	250.2	242.9	252.5	(4.9)	-0.7%
Corporation Income Tax	147.5	157.7	148.6	152.5	179.3	140.6	157.1	18.2	4.0%
Vehicle Taxes & Fees	101.1	102.3	103.6	104.8	102.1	103.7	105.1	0.2	0.1%
Oil & Natural Gas Production Tax	109.6	95.2	90.6	92.7	78.8	59.3	68.6	(71.9)	-25.8%
Insurance Tax & License Fees	60.9	63.9	65.4	66.1	67.8	72.3	74.9	19.6	10.0%
Video Gambling Tax	57.1	60.4	62.7	66.0	60.0	62.0	65.0	(2.2)	-1.2%
Other Business Taxes									
Driver's License Fee	4.1	4.4	4.1	4.5	4.4	4.1	4.5	(0.0)	0.0%
Investment License Fee	7.1	7.3	7.4	7.6	7.3	7.4	7.6	-	0.0%
Lodging Taxes	17.7	19.2	20.1	21.3	19.7	21.0	21.8	1.9	3.1%
Public Contractors Tax	0.9	2.8	3.6	3.5	2.8	3.6	3.5	-	0.0%
Railroad Car Tax	2.4	3.6	3.7	3.8	3.6	3.7	3.9	0.1	0.7%
Rental Car Sales Tax	3.5	3.7	3.9	4.1	3.7	3.8	4.0	(0.2)	-1.5%
Telecommunications Excise Tax	19.7	20.2	19.9	19.8	19.2	19.0	18.8	(2.8)	-4.7%
Other Natural Resource Taxes									
Coal Severance Tax	14.7	15.4	16.1	16.6	15.6	16.2	16.6	0.3	0.6%
Electrical Energy Tax	4.3	4.7	4.7	4.7	4.7	4.6	4.6	(0.3)	-1.8%
Metalliferous Mines Tax	7.9	8.0	8.0	7.5	8.2	8.3	7.9	1.0	4.1%
US Mineral Royalty	27.7	26.9	24.7	24.6	26.1	24.1	24.7	(1.3)	-1.7%
Wholesale Energy Tax	3.1	3.7	3.6	3.6	3.6	3.6	3.6	(0.1)	-1.0%
Other Interest Earnings									
Coal Trust Interest	22.0	20.5	19.8	22.5	20.5	19.8	22.5	(0.0)	0.0%
Treasury Cash Account Interest	1.8	1.6	9.2	21.4	1.6	8.5	20.8	(1.3)	-3.9%
Other Consumption Taxes									
Beer Tax	3.0	3.1	3.2	3.2	3.1	3.1	3.2	(0.1)	-1.0%
Cigarette Tax	30.6	30.4	30.9	30.2	30.7	31.0	30.5	0.7	0.8%
Liquor Excise & License Tax	18.4	19.1	19.7	20.4	19.0	19.5	20.3	(0.5)	-0.9%
Liquor Profits	10.5	10.7	11.2	11.6	10.7	11.0	11.5	(0.3)	-0.9%
Lottery Profits	12.1	12.6	13.4	14.4	12.2	11.6	13.4	(3.2)	-7.9%
Tobacco Tax	5.9	6.2	6.4	6.6	6.2	6.4	6.6	(0.0)	-0.2%
Wine Tax	2.3	2.3	2.4	2.4	2.3	2.4	2.4	(0.0)	-0.1%
Other Sources									
All Other Revenue	37.3	39.5	36.4	36.7	40.1	37.1	37.1	1.8	1.6%
Highway Patrol Fines	4.1	4.2	4.3	4.3	4.2	4.3	4.3	-	0.0%
Nursing Facilities Fee	5.0	4.9	4.8	4.7	4.9	4.8	4.7	-	0.0%
Public Institution Reimbursement:	17.3	17.1	17.2	17.3	16.6	16.6	16.6	(1.8)	-3.6%
Tobacco Settlement	3.6	3.2	3.1	3.1	3.2	3.1	3.1	-	0.0%
Total General Fund	\$2,077.0	\$2,133.0	\$2,230.7	\$2,353.5	\$2,142.2	\$2,131.5	\$2,255.2	(\$188.4)	-2.8%
Annual/Biennial Growth		2.7%	4.6%	5.5%	3.1%	-0.5%	5.8%		