

## Federal Forest Receipts

### Revenue Description

Federal forest receipts are payments from the federal government in lieu of revenues from the sale of forest products of federal land. The federal government authorizes logging operations on forest lands located within the borders of Montana. The sale of timber generates revenue that the federal government shares with the state in the following year. FY 2015 has a significant drop in revenue as [Secure Rural Schools](#) was not extended at the federal level and payments reverted to the formula described below.

### Statutory Reference

Tax Distribution – [17-3-211, MCA](#); [17-3-212, MCA](#)

Date Due – The state treasurer distributes the funds within thirty days of receiving full payment.

**Applicable Tax Rates:** N/A

**Collection Frequency:** Twice annually (usually October and December)

### Distribution

The county treasurer apportions federal forest receipts as follows:

- 66 2/3% to the road fund of the county
- 33 1/3% to the following county wide accounts, based on the mill ratios of each to total mills in the current year:
  - The county equalization accounts (55 mills)
  - The county transportation account
  - The county retirement accounts

This revenue source represents one component used to calculate total non-levy property tax revenue, this is the 55 mills portion.

### Forecast Risks

- Timber harvests
- Federal policy on reauthorizing [Secure Rural Schools](#)

### Revenue Estimate Methodology

Counties receives 25% of the 7 year rolling average value of timber sold, lagged due to timing of production and payments. The last known year of receipts is pulled forward for forecasted years, then the 7-year average of known and forecasted data is taken. The average state 55 mill share is applied to this and added to non-levy property revenue.

**Natural Resource Taxes**  
**Revenue Estimate Assumptions**

**Federal Forest Receipts**

FY	Total Tax \$ Millions	GF Tax \$ Millions	MT Forest Receipts \$ Millions
A 2002	\$13.475	\$0.000	
A 2003	12.479	-	17.652
A 2004	12.491	-	20.322
A 2005	12.431	-	18.250
A 2006	12.800	-	11.840
A 2007	12.935	-	10.390
A 2008	13.028	-	9.081
A 2009	28.175	-	9.410
A 2010	24.619	-	7.743
A 2011	23.345	-	7.082
A 2012	20.487	-	8.060
A 2013	19.747	-	8.060
A 2014	18.675	-	8.060
F 2015	2.137	-	8.060
F 2016	2.053	-	8.060
F 2017	2.017	-	8.060

**Revenue Projection**

