

# State of Montana General Fund Finances 2011 Biennium & Beyond

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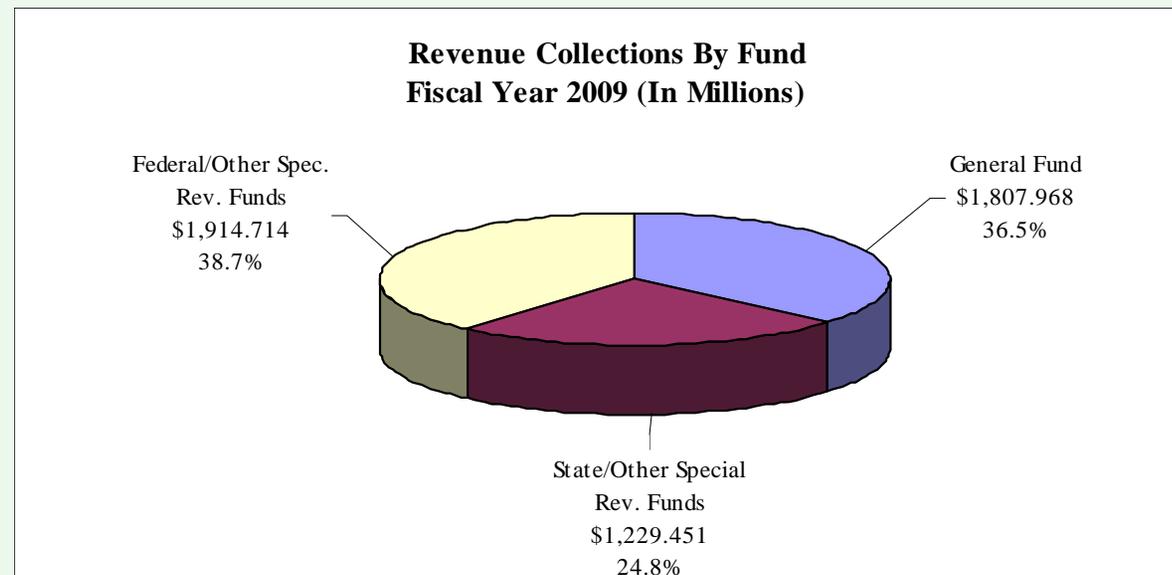
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**Principal Fiscal Analyst**  
**Legislative Fiscal Division (LFD)**

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**March 25, 2010**



# Fiscal 2009 State Revenue Collections

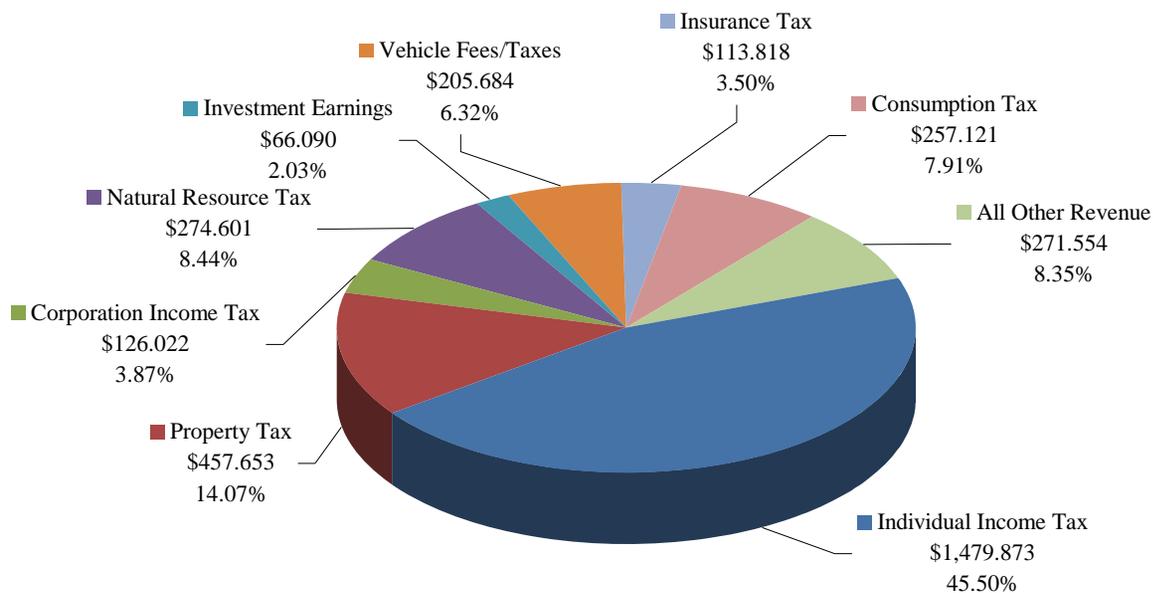




# Where Does General Fund Revenue Come From



**2011 Biennium General Fund Revenue By Major Category**  
**\$3,252.416 Million**



## Change From FY 2009 General Fund Revenue



General Fund Revenue Collections Eight Month Comparison - FY 2009 to FY 2010		
Category	Change In Millions	Percent Change
Individual Income Tax	(\$118.8)	-21.98%
Corporation Income Tax	(67.5)	-69.81%
Oil & Gas Production Tax	(23.2)	-52.14%
Vehicle Fees/Taxes	(9.9)	-15.55%
TCA Interest	(9.9)	-85.24%
Video Gaming Tax	(4.0)	-12.64%
Remaining Sources	<u>1.5</u>	0.01%
<b>Total</b>	<b>(\$231.8)</b>	<b>-21.54%</b>



Individual Income Tax Comparison (Millions)

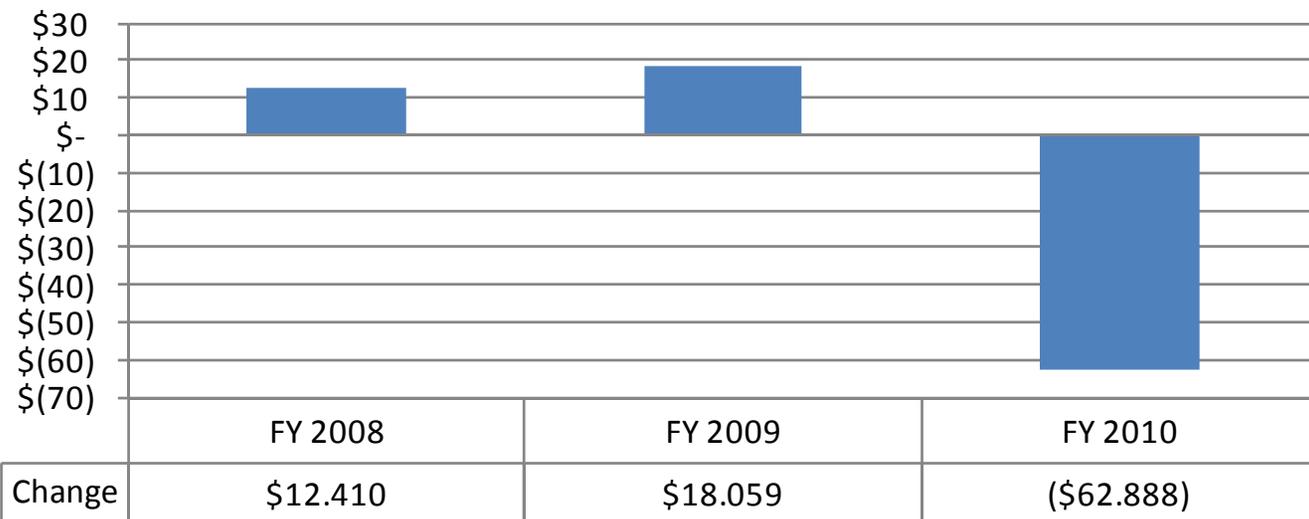
Individual Income Tax Comparison - FY 2009 to FY 2010				
Revenue Description	Through 2/28/2009 FY 2009	Through 2/28/2010 FY 2010	Dollar Change	Percent Change
Withholding	415,640,530	406,015,513	(9,625,017)	-2.32%
Mineral Withholding	13,130,603	7,101,915	(6,028,688)	-45.91%
Estimated Payments	178,761,375	115,873,322	(62,888,053)	-35.18%
Current Year Payments	15,252,638	6,714,773	(8,537,865)	-55.98%
Audit Revenue	17,129,824	20,799,687	3,669,863	21.42%
Refunds	<u>(99,230,431)</u>	<u>(134,657,189)</u>	<u>(35,426,758)</u>	<u>35.70%</u>
<b>Total</b>	<b>\$540,684,539</b>	<b>\$421,848,021</b>	<b>(\$118,836,518)</b>	<b>-21.98%</b>



# Fiscal 2010 Summary Individual Income Tax Estimated Payments



**Year over Year Change in Estimated Payments \***  
**Individual Income Tax Collections**  
**Based on Data Through February (Millions)**



\* FY 2009 Includes a large estimated payment received in January

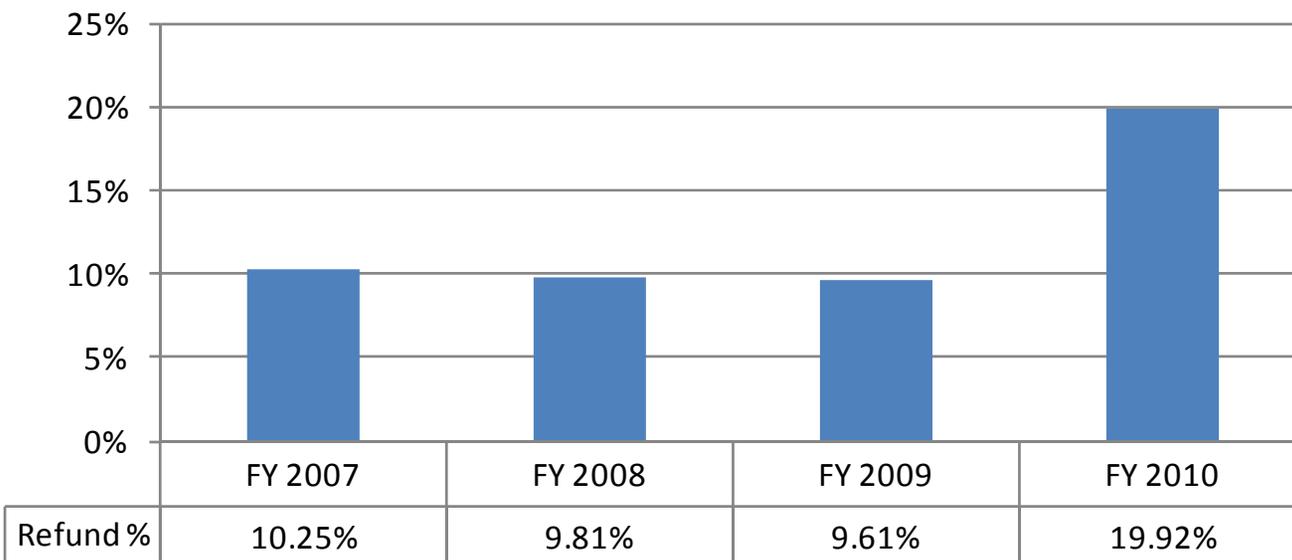




## Fiscal 2010 Summary Individual Income Tax Refund %



**Refund % of Total Individual Income Tax Collections Based  
on Data Through February**



Corporation Income Tax Comparison (Millions)

Corporation Income Tax Comparison - FY 2009 to FY 2010				
Revenue Description	Through 2/28/2009 FY 2009	Through 2/28/2010 FY 2010	Dollar Change	Percent Change
Current Year Payments	21,203,067	7,495,589	(13,707,478)	-64.65%
Estimated Payments	72,061,520	38,078,999	(33,982,521)	-47.16%
Audit Revenue	16,752,950	7,894,460	(8,858,490)	-52.88%
Refunds	<u>(13,383,169)</u>	<u>(24,292,547)</u>	<u>(10,909,378)</u>	<u>81.52%</u>
Total	\$96,634,368	\$29,176,501	(\$67,457,867)	-69.81%

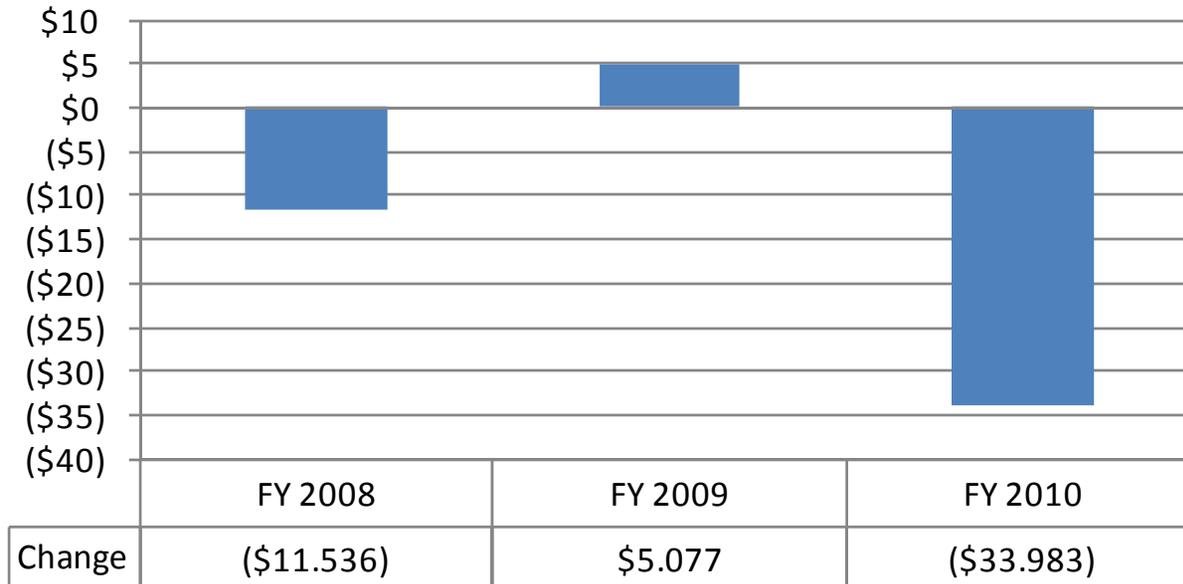




# Fiscal 2010 Summary Corporation Income Tax Estimated Payments



**Year over Year Change in Estimated Payments  
Corporation Income Tax Collections  
Based on Data Through February (Millions)**

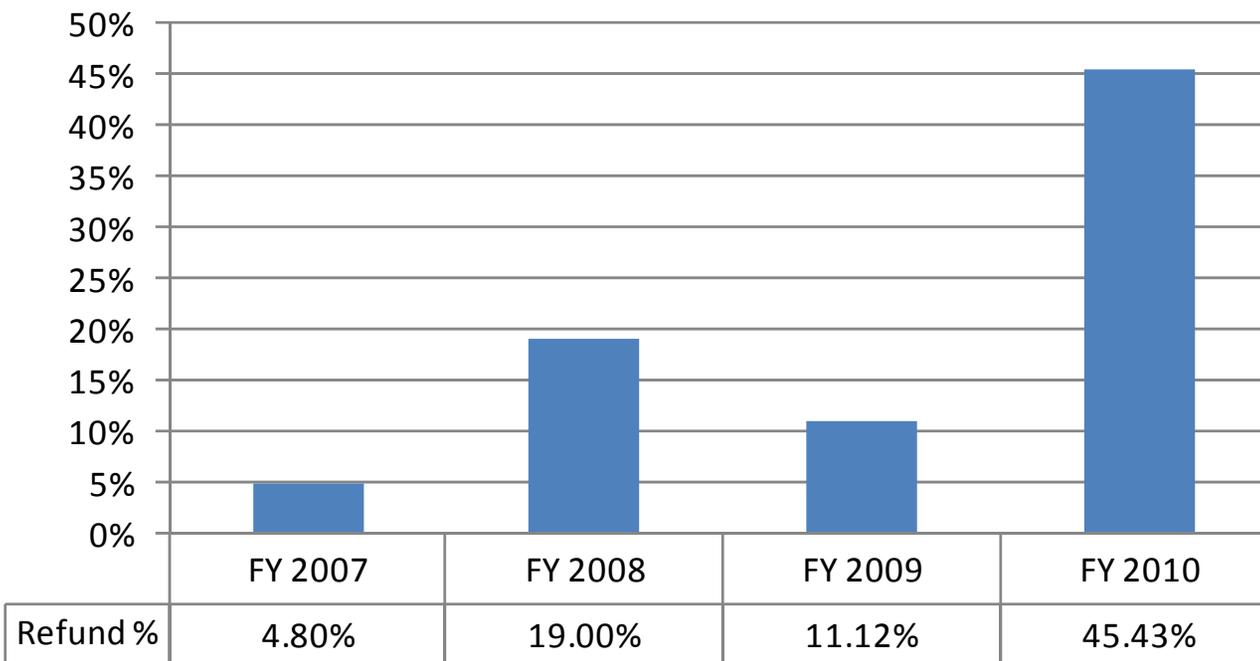


# Fiscal 2010 Summary

## Corporation Income Tax Refund %

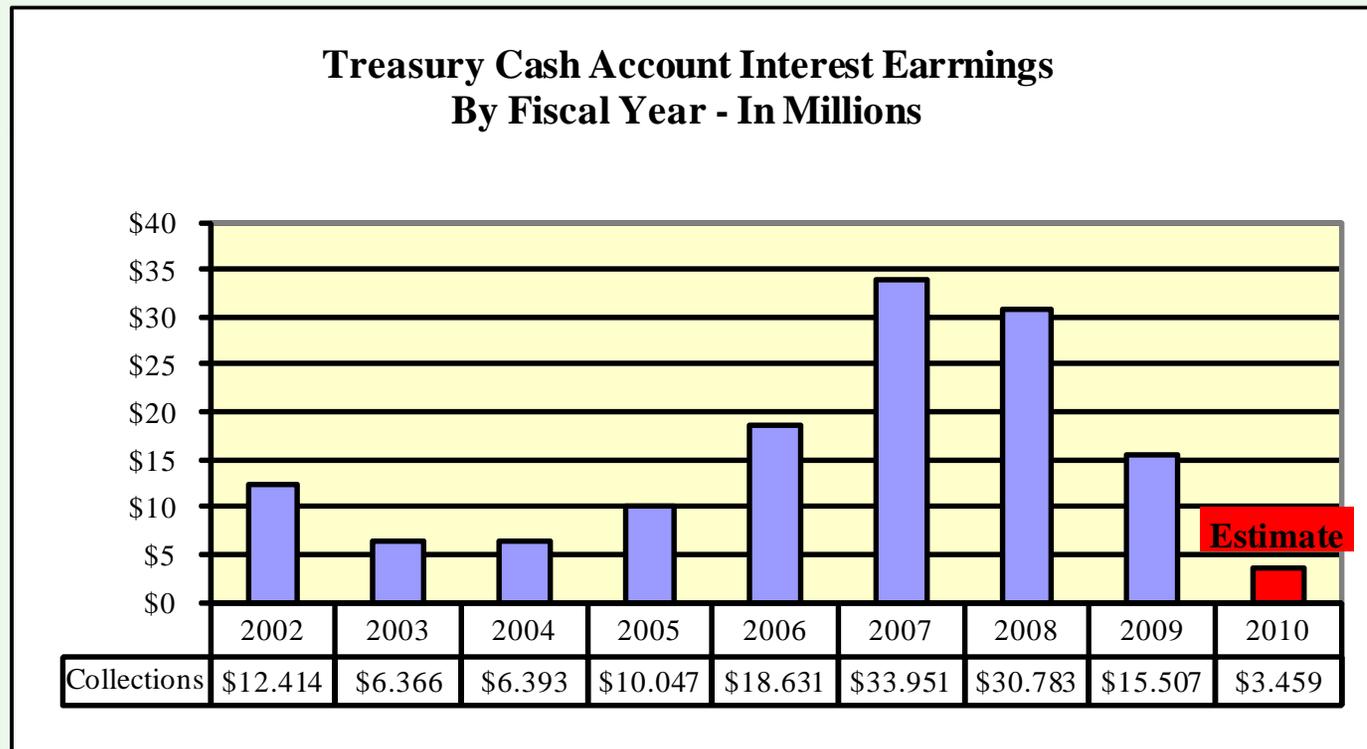


**Refund % of Total Corporation Income Tax Based on Data Through February**



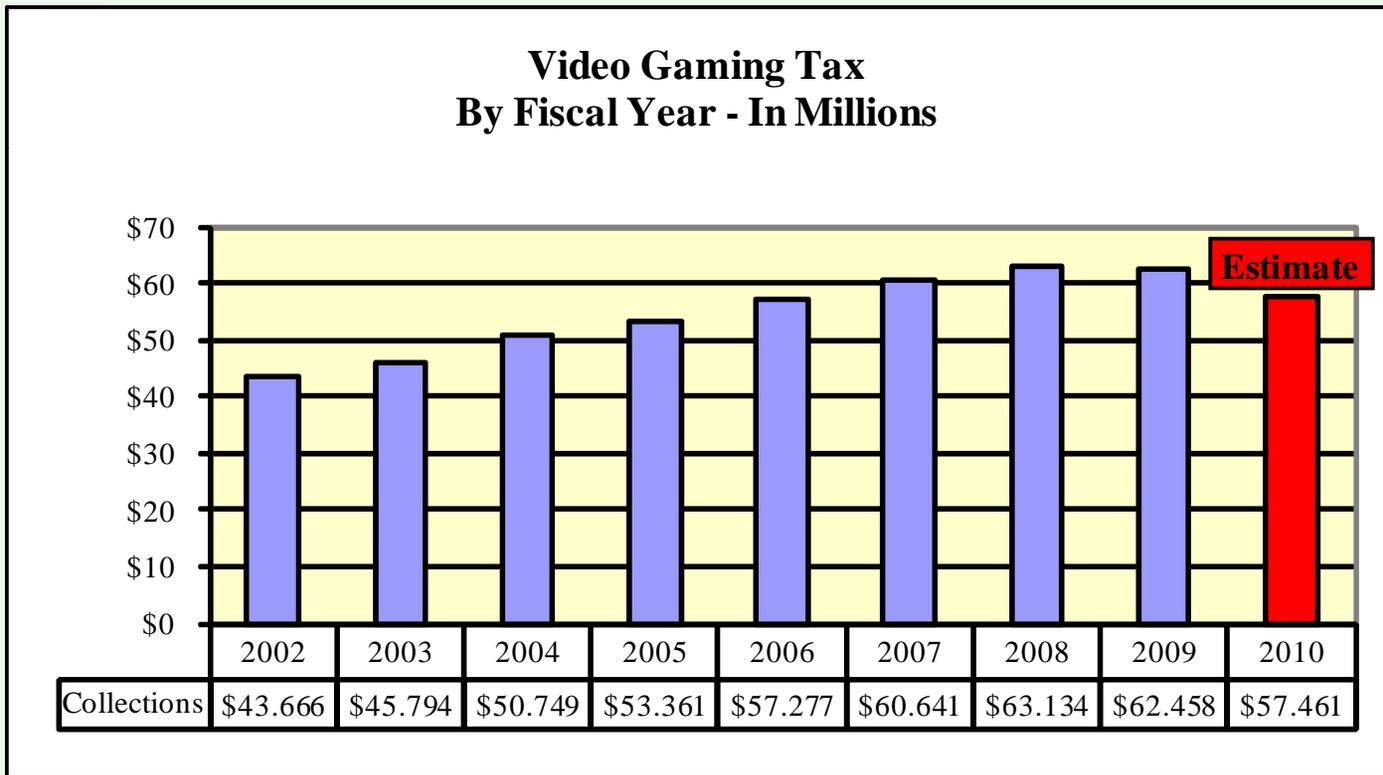


# Treasury Cash Account Interest Earnings



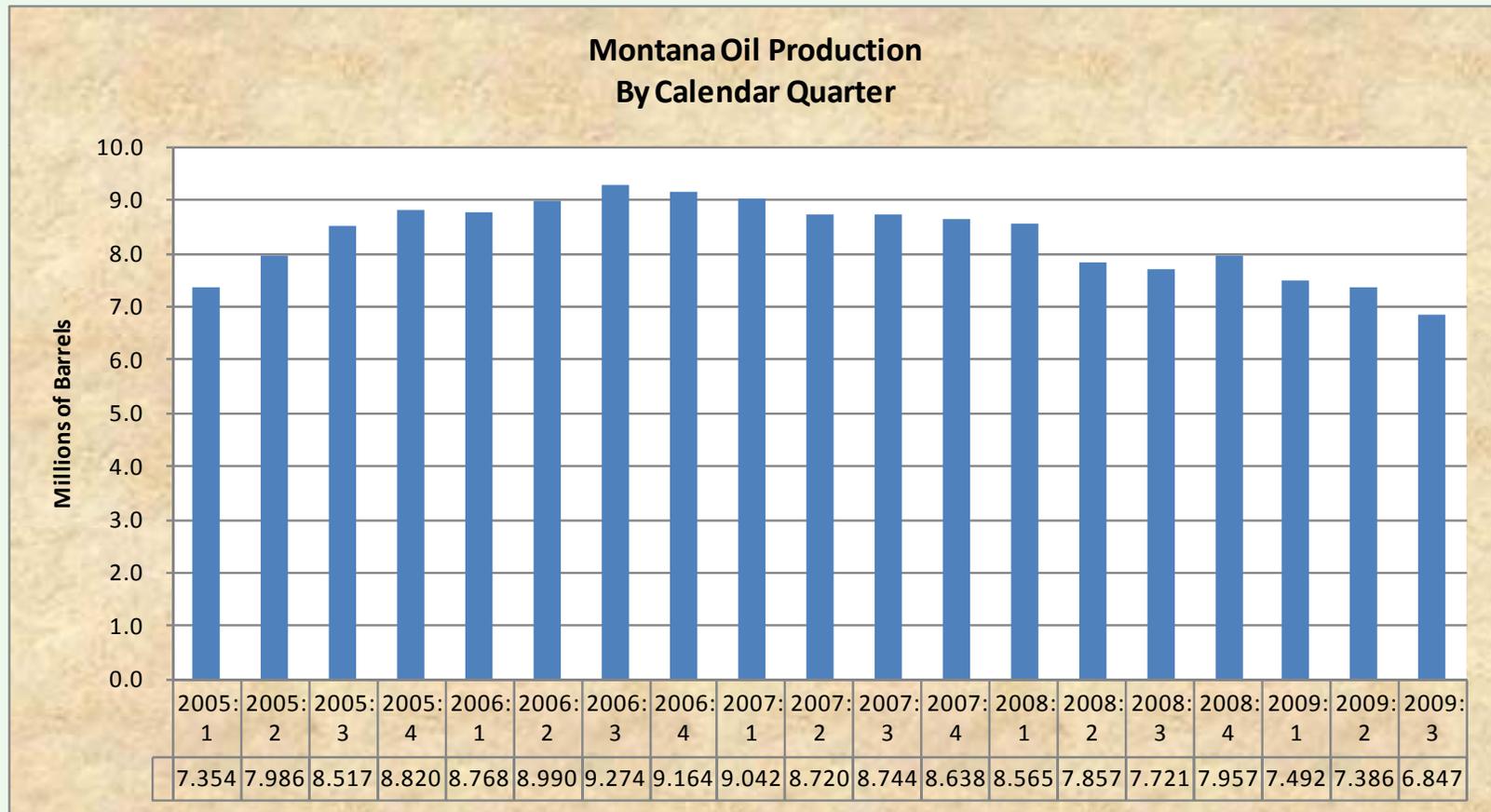


# Video Gaming Tax Trends



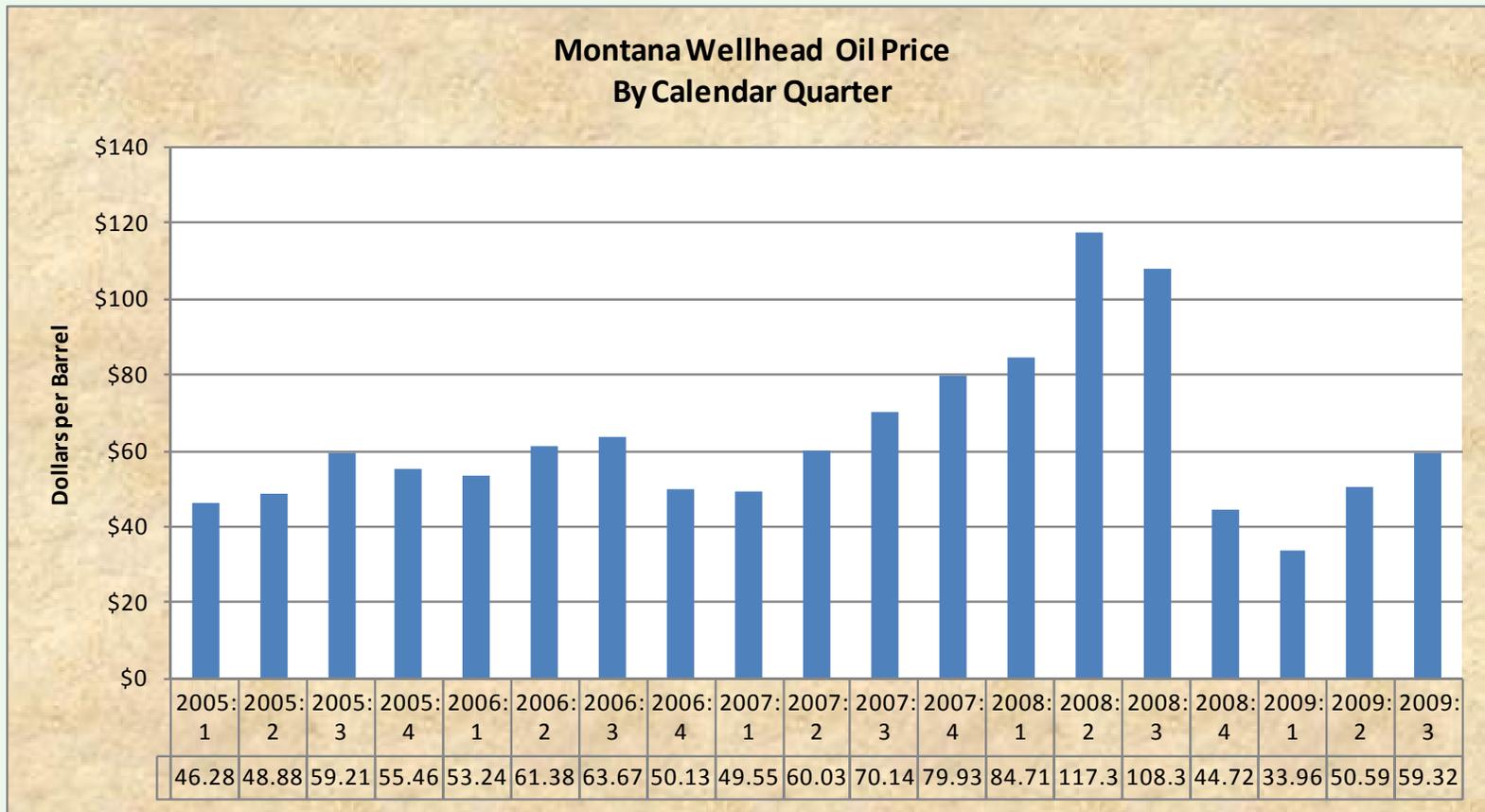


# Fiscal 2010 Summary Oil Production Tax - Production





# Fiscal 2010 Summary Oil Production Tax – Wellhead Price



# Fiscal 2010 & FY 2011 Summary

## Estimated Revenue Changes



<b>Estimated Revenue Changes From HJ 2 (Millions)</b>			
Category	FY 2010	FY 2011	Biennium
Individual Income Tax	(\$118.1)	(\$95.0)	(\$213.1)
Corporation Income Tax	(58.2)	(52.7)	(110.9)
Oil & Gas Production Tax	21.3	12.3	33.6
TCA Interest	(4.5)	(6.4)	(10.9)
Video Gaming Tax	(11.5)	(11.1)	(22.6)
Vehicle Fees/Taxes	(7.0)	(4.8)	(11.8)
Remaining Sources	<u>(4.1)</u>	<u>(10.1)</u>	<u>(14.2)</u>
<b>Current Estimate</b>	<b>(\$182.1)</b>	<b>(\$167.8)</b>	<b>(\$349.9)</b>
February Estimate	<u>(\$182.1)</u>	<u>(\$167.8)</u>	<u>(\$349.9)</u>
<b>Change From February Estimate</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>



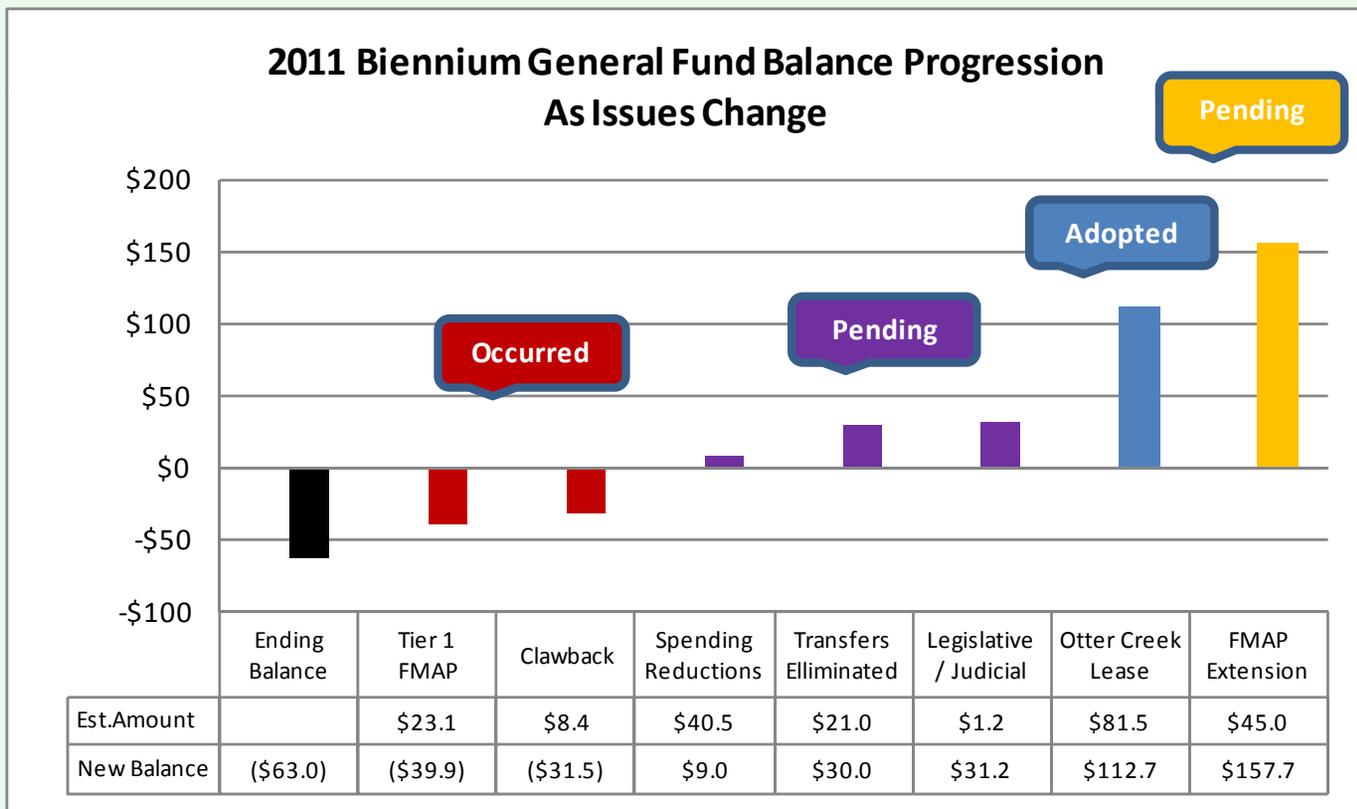
# 2011 Biennium General Fund Revenue Impact on Legislative Projected Balance



2011 Biennium General Fund Outlook	
In Millions	
	Biennium
Legislative Projected Balance	\$282.4
FY 2009 Balance Change	5.0
Net Revenue Changes	(349.9)
Fund Balance Adjustments	(0.5)
Supplementals	?
<b>New Projected Balance *</b>	<b>(\$63.0)</b>



# 2011 Biennium General Fund Revenue Impact on Legislative Projected Balance



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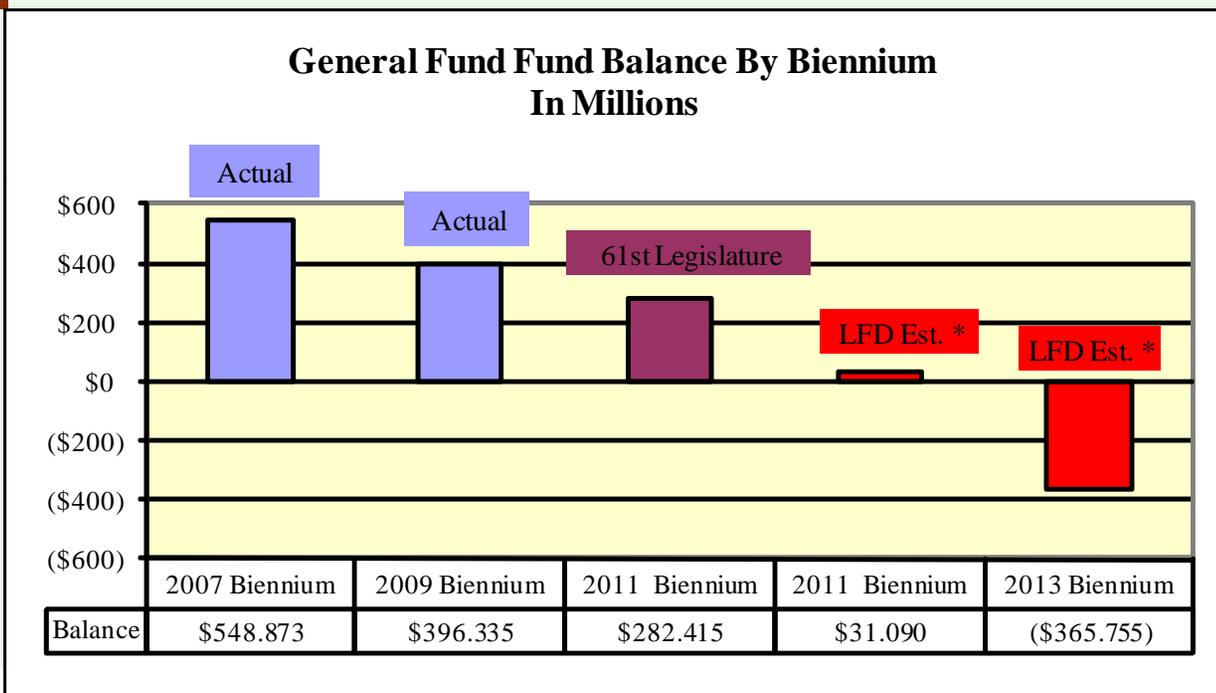
2013 Biennium General Fund Outlook	
In Millions	
	Biennium
Beginning Balance *	\$31.1
LFD Revenue Estimates	3,571.5
Present Law Services	(3,968.4)
Supplementals	?
Fund Balance Reserve	(\$100)
<b>Potential Deficit</b>	<b>(\$465.8)</b>
<b>Budget Gap</b>	<b>(\$396.9)</b>

\* Includes spending reductions as proposed by the Governor. Excludes Otter Creek and FMAP Extension.





# General Fund Balance Position



\* LFD estimates for the 2011 biennium includes the Governor's spending reductions. Excludes Otter Creek and FMAP extension.



# Questions ?

**Legislative Fiscal Division**



**[www.leg.mt.gov/css/fiscal](http://www.leg.mt.gov/css/fiscal)**