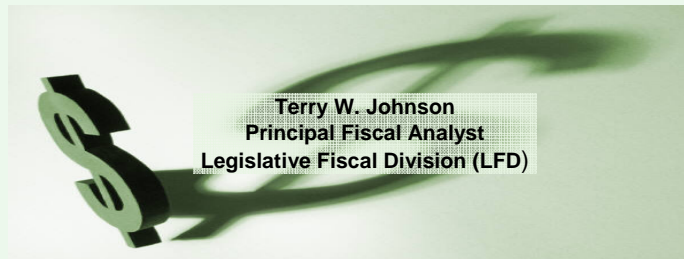




General Fund Revenue Report for Fiscal 2009



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July 1, 2009

A report to the
Revenue and Transportation Interim Committee

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Presentation Outline

- **Comparison: Adjusted HJ 2 to Now**
- **Selected Revenue Source Data**
 - Individual Income Tax
 - Corporation Income Tax
- **Economic Trends**
- **Summary**



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Summary of Aggregate General Fund Revenue

▪ Final FY 2008	\$1,953.5 M	
▪ Through June 2009 (no accruals)	\$1,654.9 M	
▪ Current Change and Rate	\$ (298.7) M	-15.3%
▪ HJ 2 Change and Rate	\$ (108.9) M	-5.6%

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Comparison of Selected Revenue Sources

Comparison of General Fund Revenue Sources to Adjusted HJ2 Estimates				
Revenue Source	% of 2008	Actual Fiscal 2008	HJ2 Adjusted Estimate Fiscal 2009	Estimated Chg From 2008
Individual Income Taxes	44.4%	\$866,658,538	\$852,615,000	(\$14,043,538)
Corporation Income Taxes	8.2%	160,341,787	157,284,000	(3,057,787)
Property Taxes	10.5%	205,043,752	214,615,000	9,571,248
Natural Resource Taxes & Royalties	10.7%	209,051,035	138,841,000	(70,210,035)
Vehicle Taxes	5.8%	112,485,831	112,419,000	(66,831)
All Other Revenue Sources	20.5%	399,958,892	368,830,000	(31,128,892)
Totals	100.0%	\$1,953,539,835	\$1,844,604,000	(\$108,935,835)

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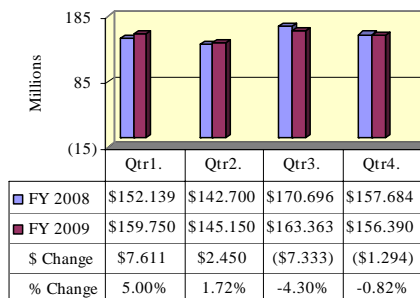
Individual Income Tax Comparison

Individual Income Tax Comparison				
Revenue Code & Description	Final	Through 6/30/2009	Difference	Percent Change
	Fiscal 2008	Fiscal 2009		
510101 Withholding Tax	645,532,404.52	624,652,888.06	(20,879,516.46)	-3.23%
510482 Mineral Royalty WH Tax	12,426,153.25	15,186,293.87	2,760,140.62	22.21%
510102 Estimated Tax	250,705,012.40	247,228,099.03	(3,476,913.37)	-1.39%
510103 Current Year I/T	182,219,742.98	127,658,677.24	(54,561,065.74)	-29.94%
510105 Income Tax - Audit Collections	30,636,653.00	28,968,230.00	(1,668,423.00)	-5.45%
510106 Income Tax Refunds	(254,861,428.26)	(248,622,770.23)	6,238,658.03	-2.45%
Totals	\$866,658,537.89	\$795,071,417.97	(\$71,587,119.92)	-8.26%
Percent of Actual/Estimated	100.00%	93.47%		

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Individual Income Tax Comparison (Millions)

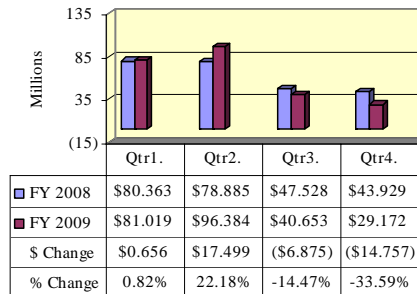
Withholding Comparison - FY 2008 vs. FY 2009



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Individual Income Tax Comparison (Millions)

Individual Estimated Payment Comparison - FY 2008 vs. FY 2009



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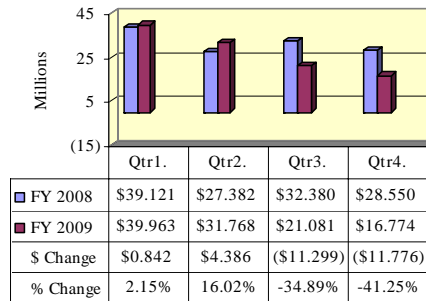
Corporation Income Tax Comparison

Corporation Income Tax Comparison				
Revenue Code & Description	Final Fiscal 2008	Through 06/30/09 Fiscal 2009	Difference	Percent Change
510501 Corporation Tax	39,473,129.82	46,195,459.39	6,722,329.57	17.03%
510505 Corporation Tax Estimated Paym	127,433,438.78	109,585,667.24	(17,847,771.54)	-14.01%
510502 Corporation Tax Refunds	(23,439,303.89)	(17,053,615.31)	6,385,688.58	-27.24%
510503 Corporation Tax-Audit Collect.	<u>16,874,522.00</u>	<u>29,784,746.00</u>	<u>12,910,224.00</u>	76.51%
Totals	\$160,341,786.71	\$168,512,257.32	\$8,170,470.61	5.10%
Percent of Actual/Estimated	100.00%	100.87%		

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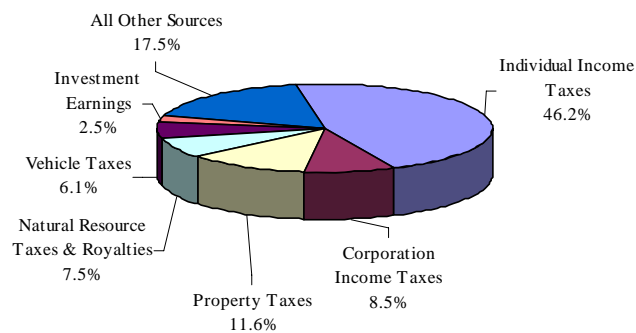
Corporation Income Tax Comparison (Millions)

Corporation Estimated Payment Comparison - FY 2008 vs. FY 2009



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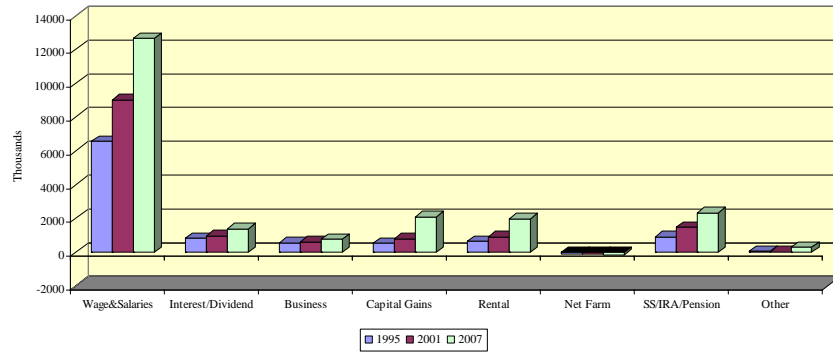
General Fund Revenue - Fiscal 2009 HJ 2 Estimates



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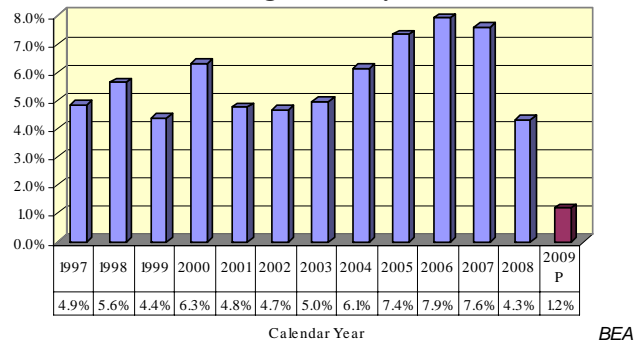
Montana Tax Return Income



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Year to Year Percent Change in Montana Wage & Salary Income

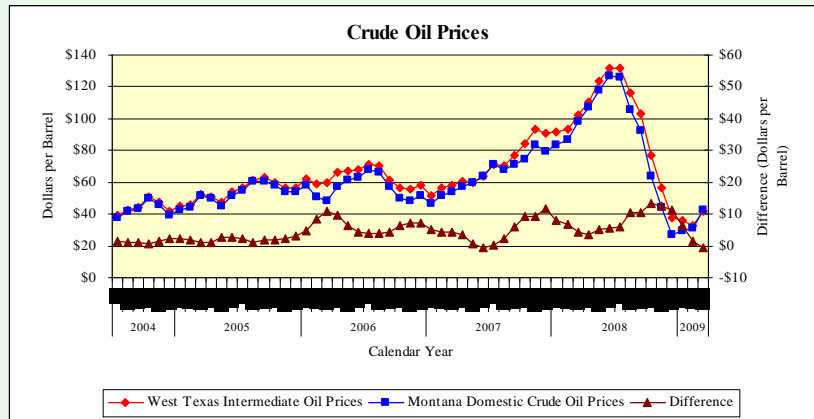


Above graph reflects BEA revisions for 2001-2007.

BEA

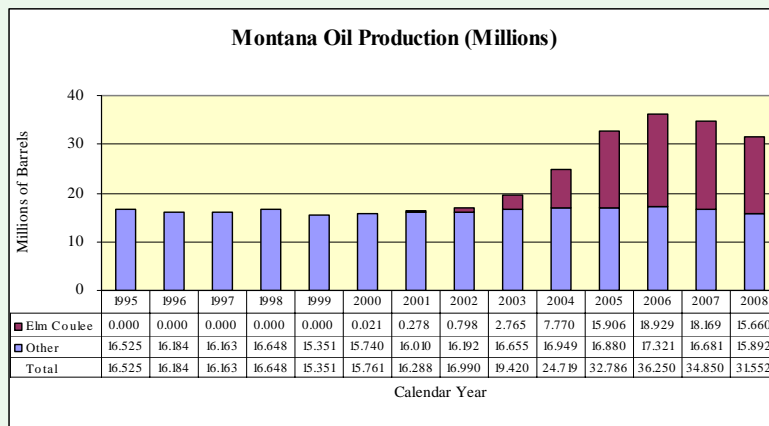
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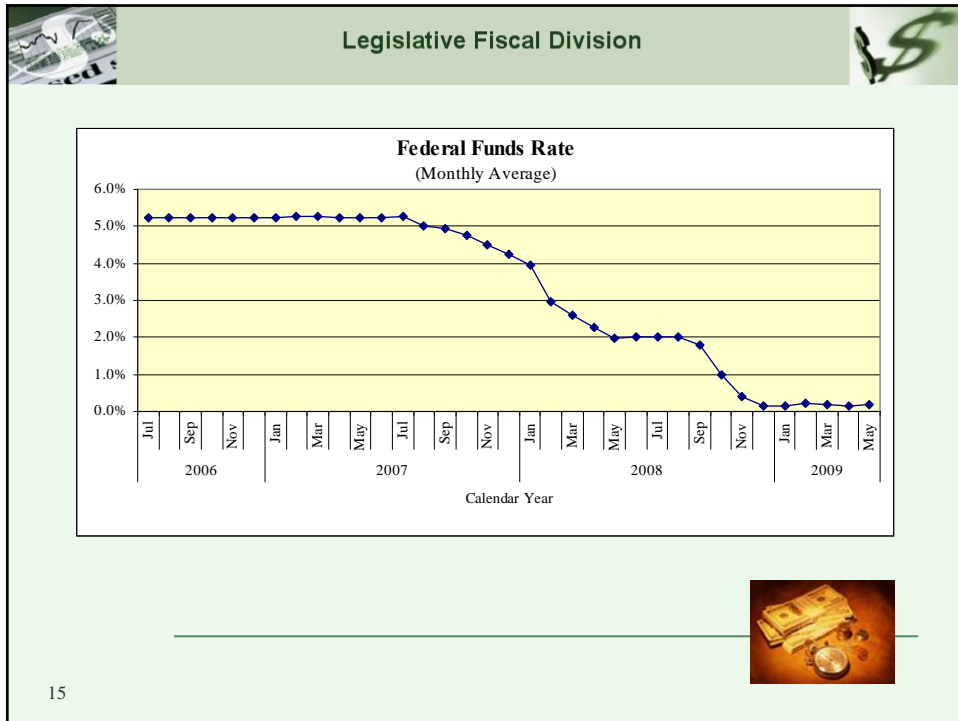


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Summary

Directional Effects on Legislative Projected FY 2009 Balance of \$369.1 M *



- Individual Income Tax
- Corporation Income Tax
- Oil and Gas Production Tax
- Video Gaming Tax


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* 61st Legislative Session




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General Fund Balance Fiscal Issues Watch List Example		
Issue	Impact on Fund Balance	Biennial Impact Millions
Federal Stimulus Package	Positive	Unknown
Pension Funds	Negative	Unknown
State Fund Old Fund	Negative	Unknown
Wildfire Costs	Unknown	Unknown




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Questions ?



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