

# Other General Fund Revenue

All Other Revenue	Nursing Facilities Fee
Highway Patrol Fines	Public Contractors Tax
Investment License Fee	Public Institution Reimbursements
Long Range Bond Excess	Tobacco Settlement



Legislative Fiscal Division



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# Legislative Fiscal Division

## Revenue Estimate Profile

### All Other Revenue

**Revenue Description:** There are a number of other taxes, fees, and fines that historically have generated less than \$2.5 million each in annual general fund revenue. In addition, the statutes governing these miscellaneous taxes, fees, and fines are frequently changed, making the comparison of tax years difficult.

“All Other Revenue” sources are estimated in aggregate except for the following: investment license transfers, land grant transfers, civil fines, gross vehicle weight fees, lodging facility use tax, Montana University System debt service deposits, deposits by state agencies for SABHRS debt service, and wildfire cost reimbursements.

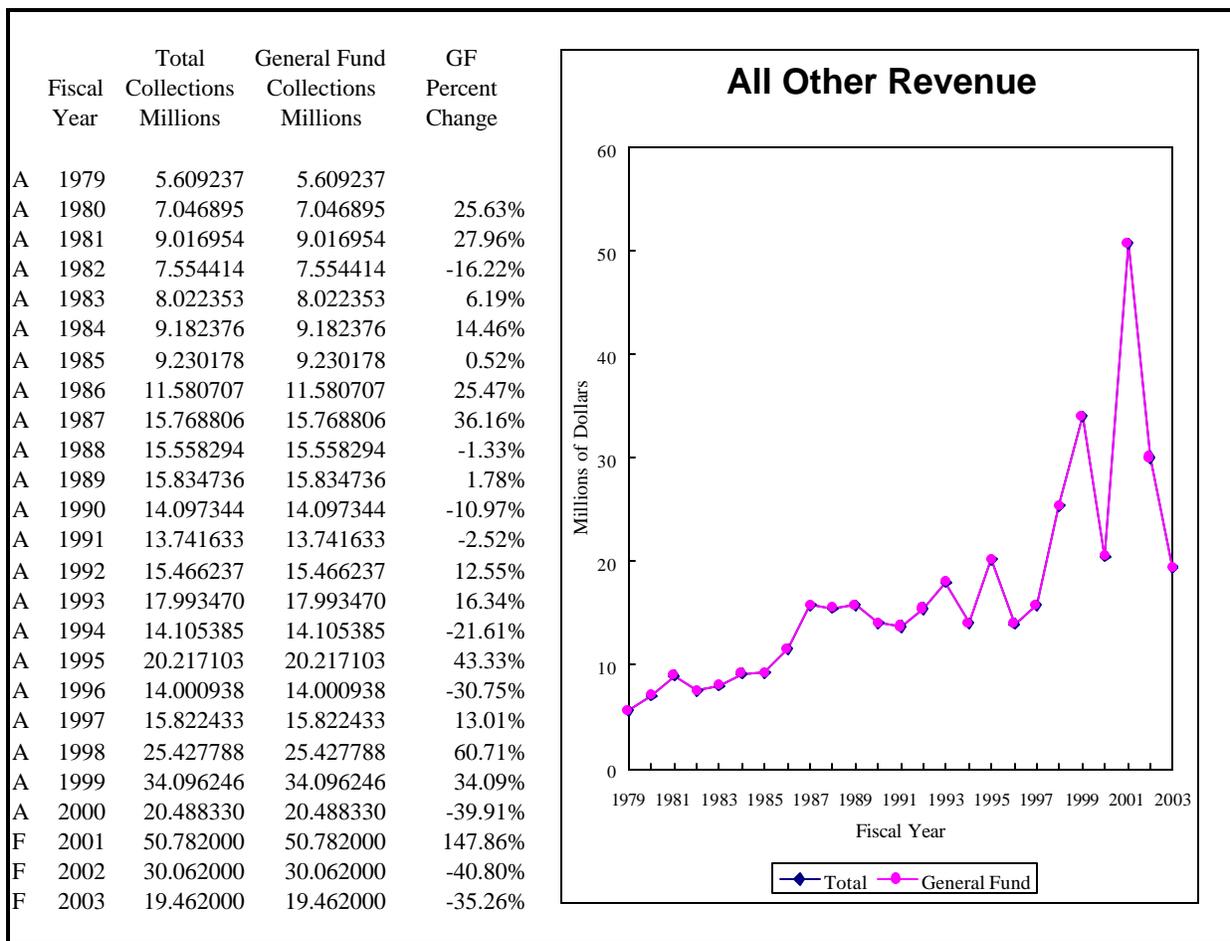
**Applicable Tax Rate(s):** Various

**Distribution:** “All Other Revenue” is deposited in the general fund.

**Statute:** Various

**% of Total FY 2000 General Fund Revenue:** 1.76%

**Revenue Projection:**



# Legislative Fiscal Division

## Revenue Estimate Profile

### All Other Revenue

**NOTE:**

Due to the transition to a new state accounting system and other factors, an unusually large number of accounting errors occurred in fiscal 2000. The errors not only impact the general fund, but other funds as well.

To correct these errors and ensure an accurate Comprehensive Annual Financial Report for the state, adjustments must be made in fiscal 2001 as prior year adjustments. All of these necessary adjustments may not be known at this time. The actual fiscal 2000 revenue shown in the table above was adjusted for these accounting errors, but has not been audited by the Legislative Auditor.

The general fund adjustments to this general fund revenue source that were known as of November 10, 2000 are: 1) - \$2,832,225; and 2) -\$1,349,572.

**Revenue Estimate Assumptions:**

	t	Total Tax	GF Tax	Base	Annual	Wildfire	Shared	
	Fiscal	Millions	Millions	Millions	Growth	Reimburse	Coal Transfer	SFCAP
						Millions	Millions	Millions
Actual	2000	20.488330	20.488330	11.125862	-8.9735%	0.000000	0.000000	0.577083
Forecast	2001	50.782000	50.782000	11.125862	0.0000%	31.200000	0.034416	0.582761
Forecast	2002	30.062000	30.062000	11.125862	0.0000%	10.400000	0.269483	0.629574
Forecast	2003	19.462000	19.462000	11.125862	0.0000%	0.000000	0.265511	0.661307

	t	Investment	Land Grant	Civil Fines	GVW Fees	Accom. Tax	MSU&EMC	SABHRS
	Fiscal	Transfer	Millions	Millions	Millions	Millions	Debt	Debt
		Millions	Millions	Millions	Millions	Millions	Millions	Millions
Actual	2000	2.296258	0.086129	0.439498	1.275935	0.016878	0.495693	2.506520
Forecast	2001	2.595000	0.085708	0.522354	1.292000	0.016878	0.837170	2.490067
Forecast	2002	2.640000	0.085514	0.552745	1.292000	0.016878	0.839583	2.210643
Forecast	2003	2.760000	0.085472	0.580511	1.292000	0.016878	0.838186	1.835989

# Legislative Fiscal Division

## Revenue Estimate Profile

### Highway Patrol Fines

**Revenue Description:** The Montana Highway Patrol issues citations for speeding, driving under the influence of alcohol or drugs, and other misdemeanors. Fines and forfeitures associated with these citations are collected by various state and local courts.

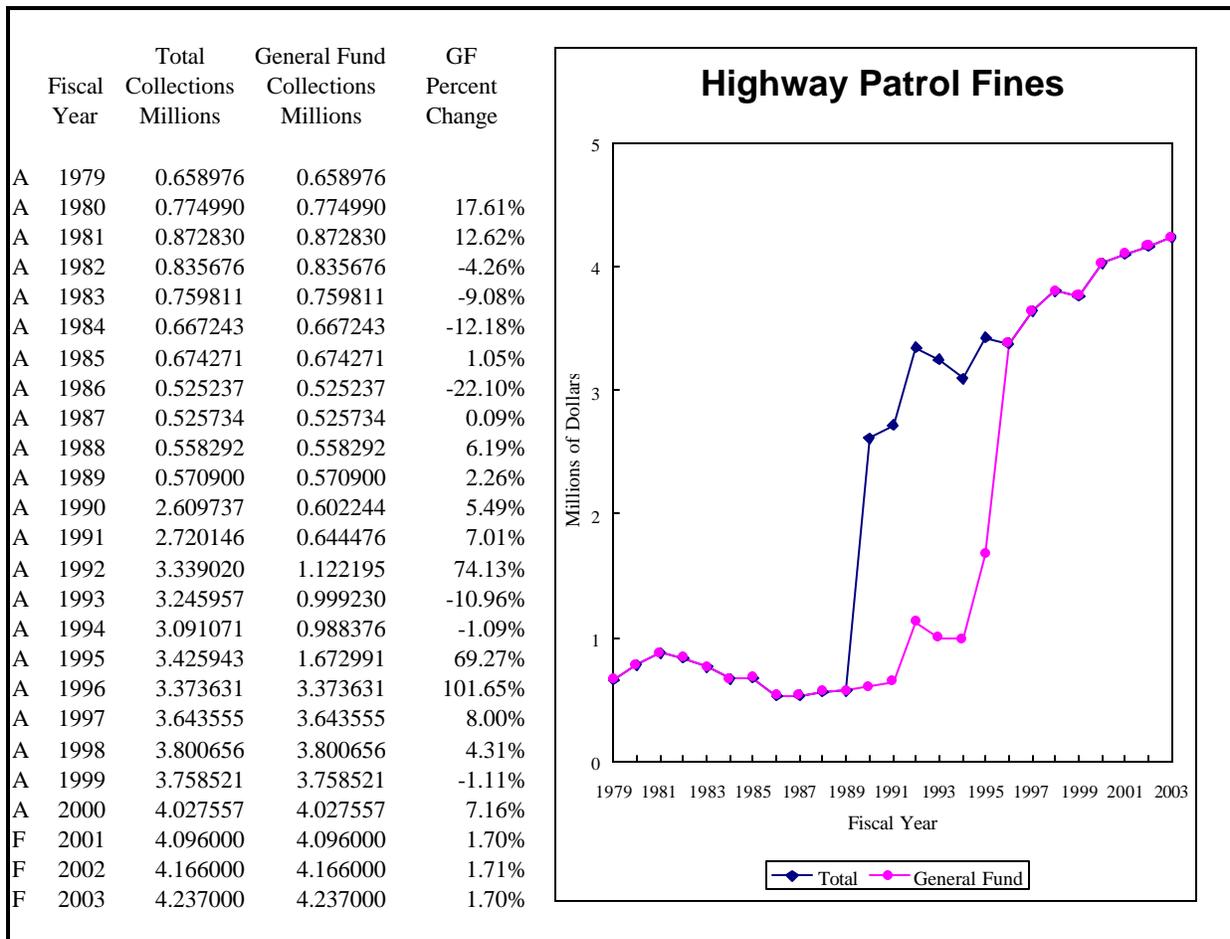
**Applicable Tax Rate(s):** N/A

**Distribution:** Highway Patrol fines and forfeitures on all offenses that result from citations issued by the Highway Patrol, except those paid to a justice's court, are deposited in the general fund. Although statute directs 18 percent of these fines to be deposited into the crime victims compensation and assistance account, no such deposits have occurred since fiscal 1995. If, on March 31 of each year, the balance in the crime victims compensation and assistance account exceeds \$500,000, the balance in excess of that amount is deposited into the general fund.

**Statute:** Title 61, Chapters 8 and 12; Title 53, Chapter 9, MCA

**% of Total FY 2000 General Fund Revenue:** 0.35%

**Revenue Projection:**



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## Legislative Fiscal Division

Revenue Estimate Profile

### Highway Patrol Fines

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Fine
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Growth Rate</u>
Actual	2000	4.027557	4.027557	0.071580
Forecast	2001	4.096000	4.096000	0.017051
Forecast	2002	4.166000	4.166000	0.017051
Forecast	2003	4.237000	4.237000	0.017051

# Legislative Fiscal Division

## Revenue Estimate Profile

### Investment License Fee

**Revenue Description:** Investment advisors and investment companies pay various fees to the state. These fees are for the registration of securities and agents, for registration of securities by notification, or for notice of a federal filing of a federally secured security.

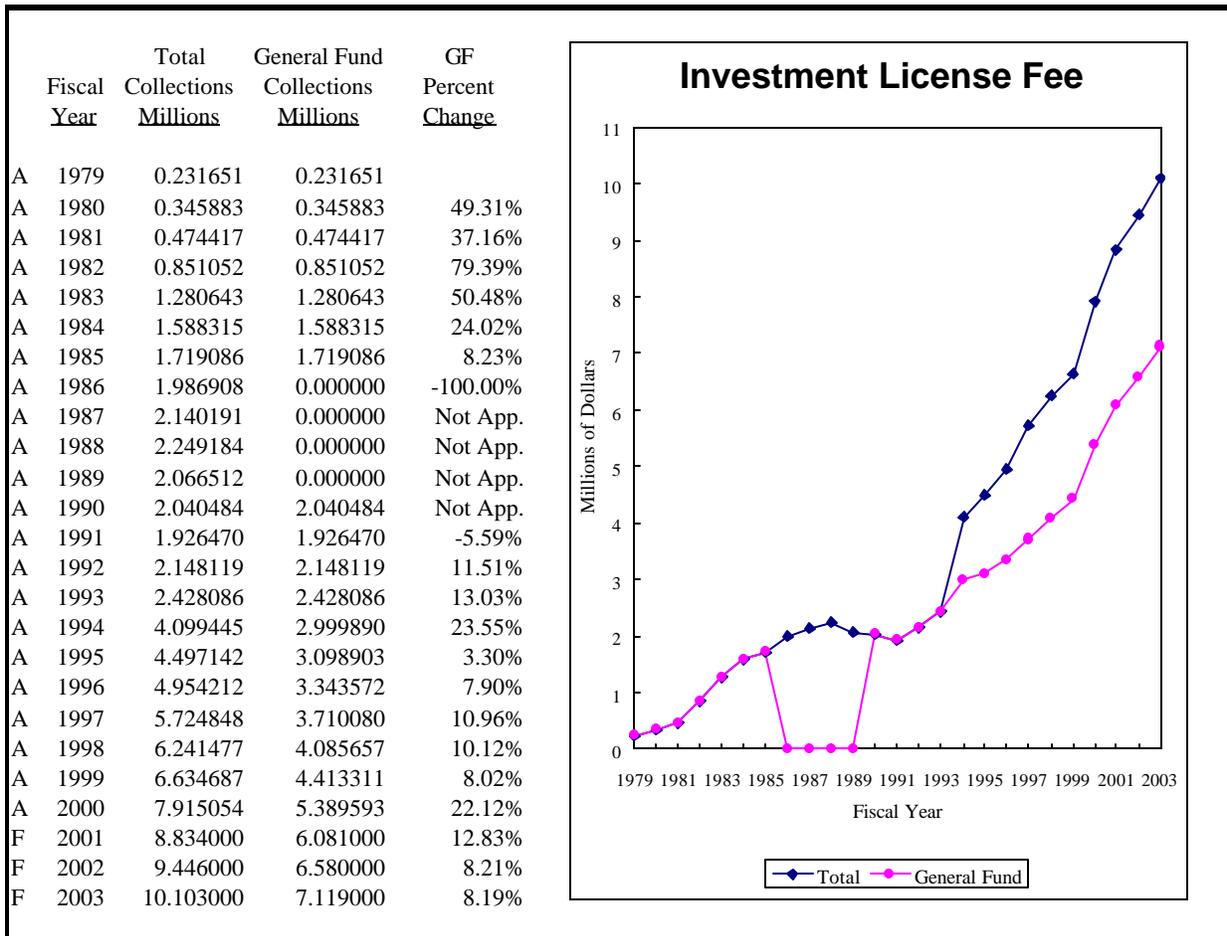
**Applicable Tax Rate(s):** Initial and annual security registration fees vary, but cannot be less than \$200 or more than \$1,000. Initial and annual registration fees for a broker-dealer, investment adviser, and federal covered adviser are \$200. Initial and annual registration fees for a salesperson or investment adviser are \$50.

**Distribution:** All such fees except portfolio notice filing fees and examination charges are deposited to the general fund. Portfolio notice filing fees and examination chargers are deposited in a state special revenue account from which the State Auditor pays for expenses associated with the regulation of portfolio activities. The excess in this account is transferred to the general fund throughout the year as a non-budgeted transfer.

**Statute:** Title 30, Chapter 10, MCA

**% of Total FY 2000 General Fund Revenue:** 0.46%

**Revenue Projection:**



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# Legislative Fiscal Division

## Revenue Estimate Profile

### Investment License Fee

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	GF Transfer	Licenses	Portfolio	Port. Exp.
	Fiscal	Millions	Millions	Millions	Millions	Millions	Millions
Actual	2000	7.915054	5.389593	2.296258	5.389593	2.525461	0.151983
Forecast	2001	8.834000	6.081000	2.595000	6.081466	2.752361	0.157109
Forecast	2002	9.446000	6.580000	2.640000	6.579848	2.865789	0.225835
Forecast	2003	10.103000	7.119000	2.760000	7.119073	2.983891	0.224207

	t	Licenses	Portfolio	Expense
	Fiscal	Growth	Growth	Growth
Actual	2000	0.221213	0.137475	0.148649
Forecast	2001	0.128372	0.089845	0.140058
Forecast	2002	0.081951	0.041211	0.127206
Forecast	2003	0.081951	0.041211	0.117311

# Legislative Fiscal Division

## Revenue Estimate Profile

### Long Range Bond Excess

**Revenue Description:** Statute provides for a debt service account to pay interest and principal on long range building program bonds and to accumulate reserves for payment of debt service when required by statute or bond resolution. Money received in the debt service account in excess of the principal, interest, and reserve requirements must be transferred by the treasurer to the general fund. Thus, this debt service account is referred to as the “long range bond excess account.”

In the past, 15-35-108(7), MCA, allocated 1.3 percent of coal severance tax collections into the debt service account to fund the bonds issued for the purchase of the Virginia City and Nevada City properties. This allocation was de-earmarked to the general fund by House Bill 69 in the 1999 legislative session. Debt service payments for these bonds are now made via the general fund statutory appropriation for debt service. Therefore, no long range bond excess deposits to the general fund are expected.

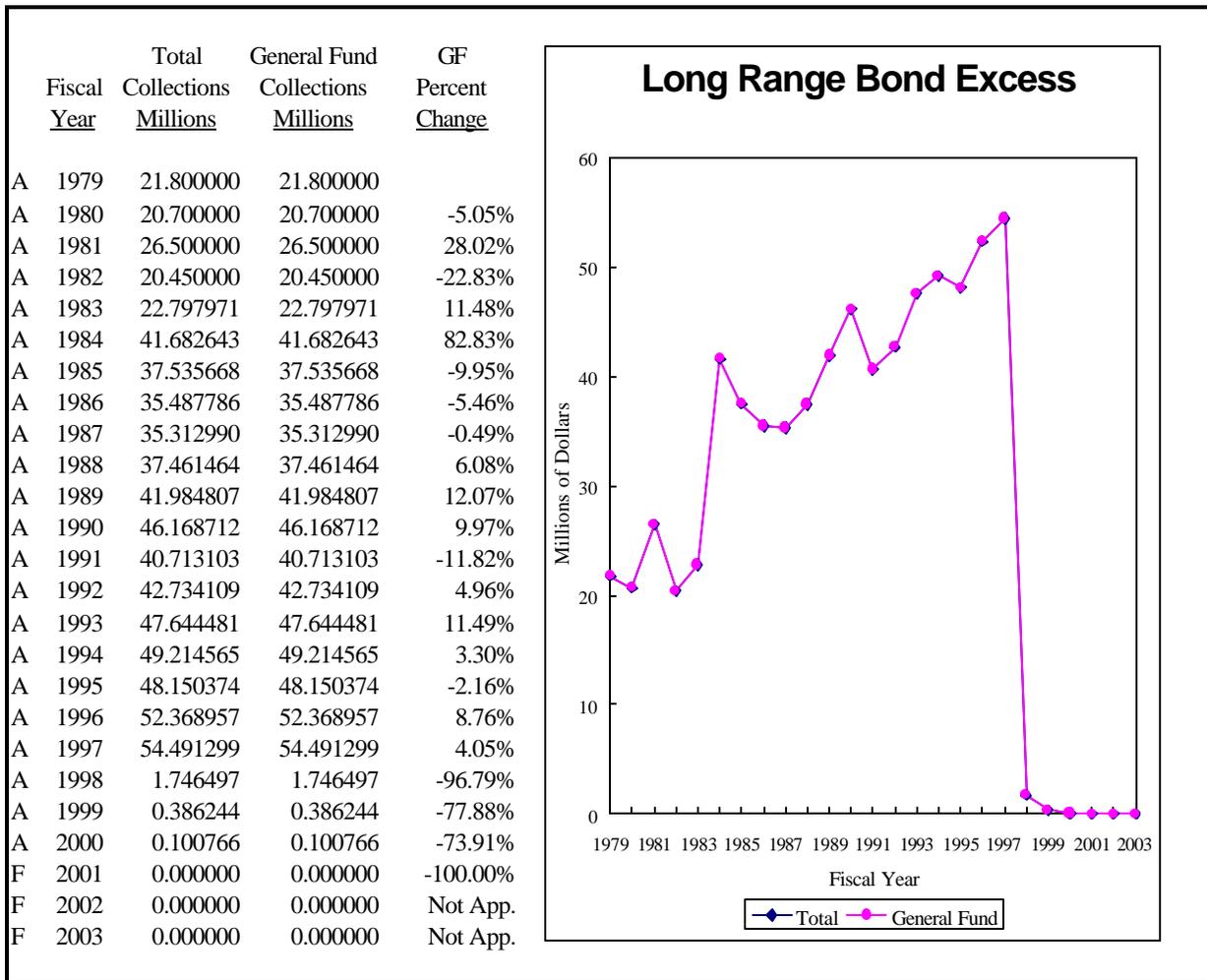
**Applicable Tax Rate(s):** N/A

**Distribution:** All long range bond excess funds are deposited into the general fund.

**Statute:** Title 17, Chapter 5, and Title 15, Chapter 35, MCA

**% of Total FY 2000 General Fund Revenue:** 0.01%

**Revenue Projection:**



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# Legislative Fiscal Division

## Revenue Estimate Profile

### Long Range Bond Excess

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Coal Tax	DS Percent
	Fiscal	Millions	Millions	Millions	Allocation
Actual	2000	0.100766	0.100766	35.469791	0.000000
Forecast	2001	0.000000	0.000000	33.290000	0.000000
Forecast	2002	0.000000	0.000000	33.866000	0.000000
Forecast	2003	0.000000	0.000000	33.811000	0.000000

# Legislative Fiscal Division

## Revenue Estimate Profile

### Nursing Facilities Fee

**Revenue Description:** Qualified nursing facilities are required to pay a utilization fee of \$2.80 per bed day. Nursing facilities are health care facilities licensed by the Department of Public Health and Human Services and include those operated for profit or non-profit, freestanding or part of another health facility, and publicly or privately owned. According to federal definitions, nursing facilities do not include adult foster homes, retirement homes, and other alternative living arrangements. Bed days are defined as a 24-hour period in which a resident of a nursing facility is present in the facility or in which a bed is held for a resident while on temporary leave.

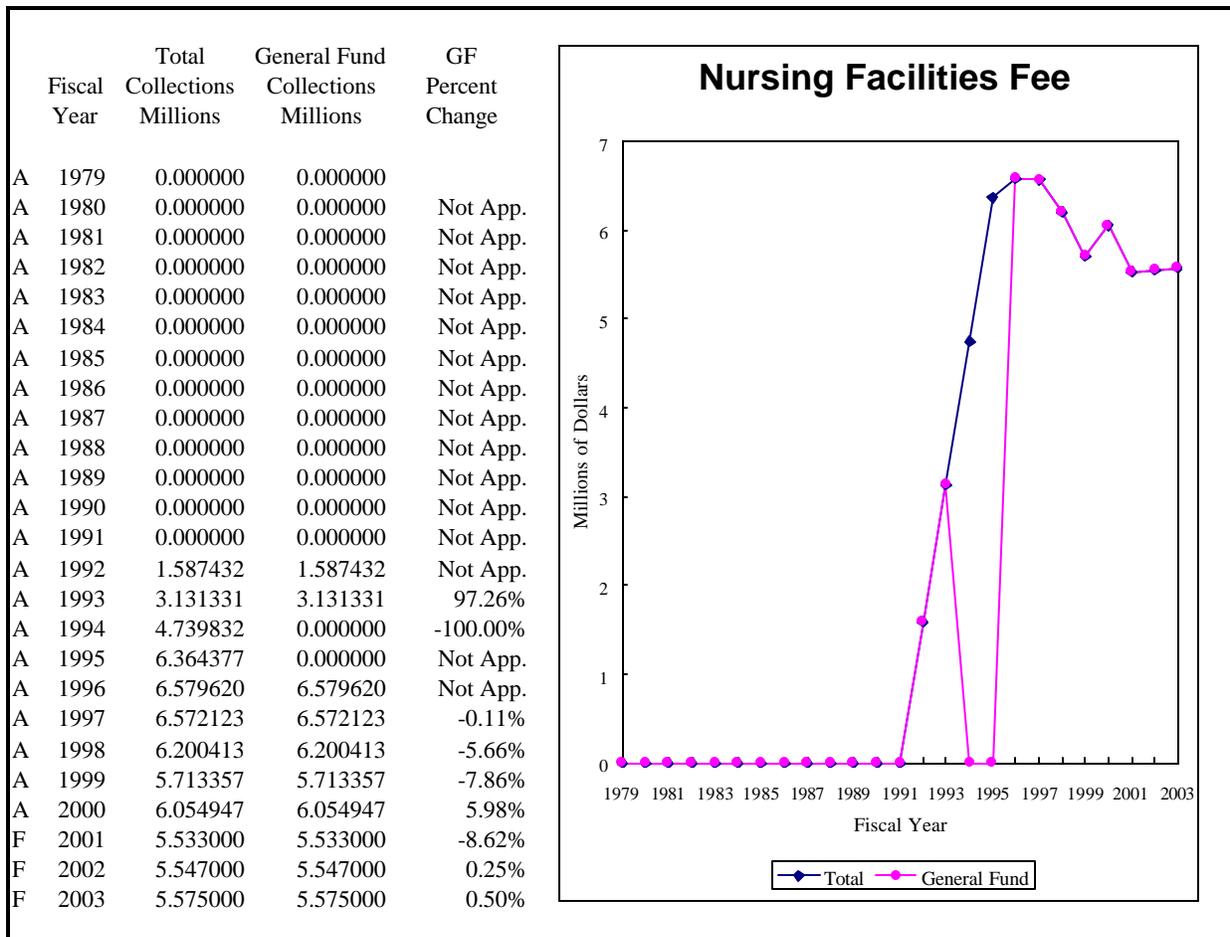
**Applicable Tax Rate(s):** \$2.80 per bed day

**Distribution:** All nursing facility fee revenue is deposited into the general fund.

**Statute:** Title 15, Chapter 60, MCA

**% of Total FY 2000 General Fund Revenue:** 0.52%

**Revenue Projection:**



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# Legislative Fiscal Division

## Revenue Estimate Profile

### Nursing Facilities Fee

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**NOTE:**

Due to the transition to a new state accounting system and other factors, an unusually large number of accounting errors occurred in fiscal 2000. The errors not only impact the general fund, but other funds as well. To correct these errors and ensure an accurate Comprehensive Annual Financial Report for the state, adjustments must be made in fiscal 2001 as prior year adjustments. All of these necessary adjustments may not be known at this time. The actual fiscal 2000 revenue shown in the table above was adjusted for these accounting errors, but has not been audited by the Legislative Auditor.

The general fund adjustment to this general fund revenue source that was known as of November 10, 2000 is -\$129,755.

#### Revenue Estimate Assumptions:

	t Fiscal	Total Tax Millions	GF Tax Millions	Fee	Bed Days
Actual	2000	6.054947	6.054947	2.800000	2.019711
Forecast	2001	5.533000	5.533000	2.800000	1.975978
Forecast	2002	5.547000	5.547000	2.800000	1.980918
Forecast	2003	5.575000	5.575000	2.800000	1.990823

# Legislative Fiscal Division

## Revenue Estimate Profile

### Public Contractors Tax

**Revenue Description:** Contractors or subcontractors submitting a proposal to perform construction work in Montana for the federal government, state government, or any political subdivision, must be licensed as a public contractor. A license is not required in order to bid on contracts in which federal aid is used for highway construction, but a license is required once the bid is awarded.

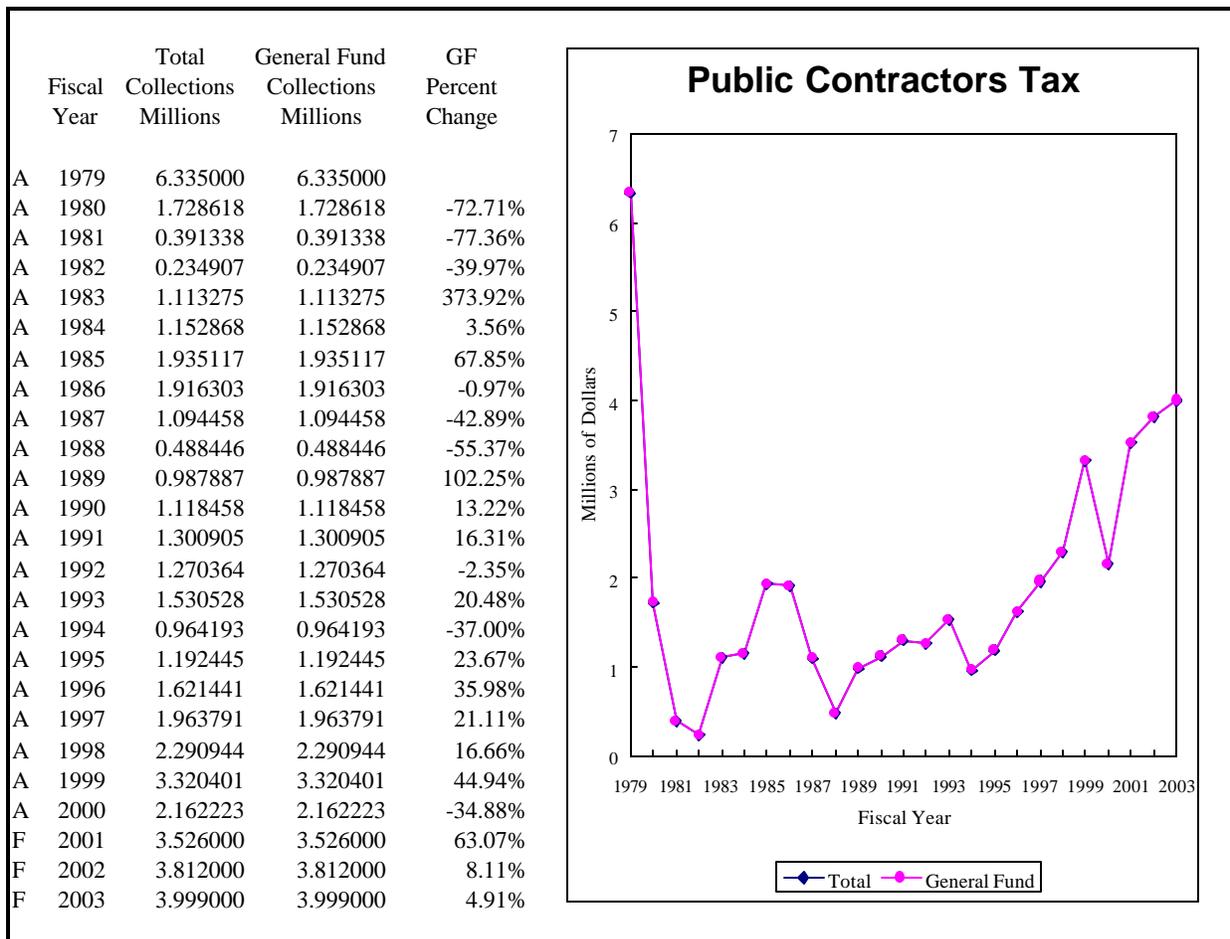
**Applicable Tax Rate(s):** A 1.0 percent license fee is applied to the gross receipts of each separate project let by any of the listed public entities. However, a credit (in the form of a refund) against the license fee is allowed for personal property taxes and certain motor vehicle fees paid in Montana on personal property or vehicles used in the business of the contractor. In addition, the amount of the net license fee paid (gross less the property tax refund) may be used as a credit on the contractor's corporate or individual tax return. Overpayments are also refunded.

**Distribution:** All public contractor tax revenue is deposited into the general fund.

**Statute:** Title 15, Chapter 50, MCA

**% of Total FY 2000 General Fund Revenue:** 0.19%

**Revenue Projection:**



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# Legislative Fiscal Division

## Revenue Estimate Profile

### Public Contractors Tax

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#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Gross Tax	Credits	Tax	DOT	Other
	Fiscal	Millions	Millions	Millions	& Refunds	Rate	Millions	Millions
					Millions			
Actual	2000	2.162223	2.162223	5.516069	3.444985	0.010000	234.875308	316.731592
Forecast	2001	3.526000	3.526000	5.592647	2.066527	0.010000	222.503964	336.760738
Forecast	2002	3.812000	3.812000	6.067395	2.255576	0.010000	248.683035	358.056467
Forecast	2003	3.999000	3.999000	6.388019	2.389430	0.010000	258.103048	380.698873

# Legislative Fiscal Division

## Revenue Estimate Profile

### Public Institution Reimbursements

**Revenue Description:** The Department of Public Health and Human Services receives reimbursement for the cost of sheltering and treating residents at the Montana Developmental Center (MDC), the Montana Mental Health Nursing Care Center, Montana State Hospital (MSH), Eastern Montana Veterans' Home, Eastmont Human Services Center, Montana Chemical Dependency Treatment Center, and the Montana Veterans' Home. There are four sources of reimbursement income: 1) state and federally matched Medicaid monies; 2) insurance proceeds from companies with whom the resident is insured; 3) payments by residents or persons legally responsible for them; and 4) federal Medicare funds. Most of the reimbursements come from federal Medicaid payments.

Three variables determine the level of Medicaid nursing home payments: 1) the number of patient days eligible for Medicaid reimbursement; 2) the reimbursement rate per patient day; and 3) the private resources of Medicaid patients.

**Applicable Tax Rate(s):** N/A

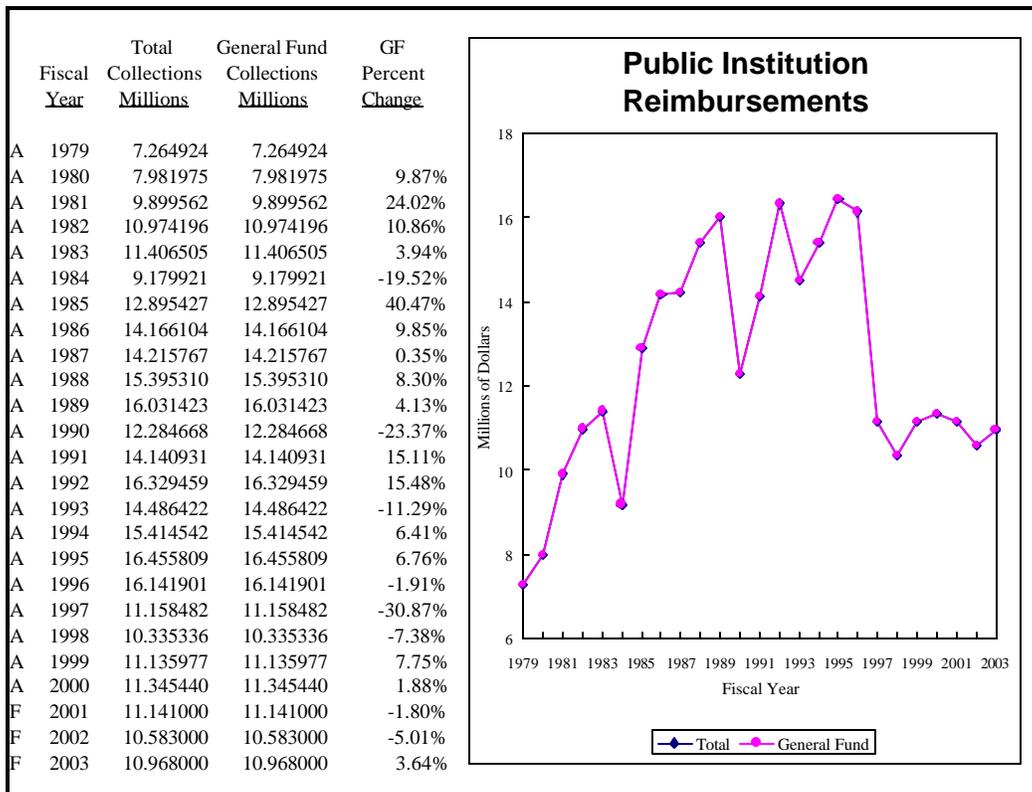
**Distribution:** Revenue collected from these sources are deposited in the general fund with the following exceptions:

1. Reimbursements from MDC and MSH are first used to pay debt service on bonds issued to fund construction of facilities at MDC and MSH. The remainder is deposited into the general fund.
2. Reimbursements received for the Veterans' Home and Montana Chemical Dependency Treatment Center are deposited into a state special revenue account and appropriated to the institutions.
3. Medicaid payments from the Montana Mental Health Nursing Care Center and MSH are deposited into the federal fund and appropriated for the mental health programs.

**Statute:** Title 53, Chapter 1, MCA

**% of Total FY 2000 General Fund Revenue:** 0.97%

**Revenue Projection:**



**Legislative Fiscal Division**  
 Revenue Estimate Profile  
**Public Institution Reimbursements**

**NOTE:**

Due to the transition to a new state accounting system and other factors, an unusually large number of accounting errors occurred in fiscal 2000. The errors not only impact the general fund, but other funds as well. To correct these errors and ensure an accurate Comprehensive Annual Financial Report for the state, adjustments must be made in fiscal 2001 as prior year adjustments. All of these necessary adjustments may not be known at this time. The actual fiscal 2000 revenue shown in the table above was adjusted for these accounting errors, but has not been audited by the Legislative Auditor.

The general fund adjustment to this general fund revenue source that was known as of November 10, 2000 is -\$695,735.

**Revenue Estimate Assumptions:**

	t	Total Rev.	GF Rev.	Private	Insurance	Medicaid	Medicare
	Fiscal	Millions	Millions	Millions	Millions	Millions	Millions
Actual	2000	11.345440	11.345440	0.512403	0.000257	12.490967	0.003044
Forecast	2001	11.141000	11.141000	2.467614	0.582849	10.952030	0.126731
Forecast	2002	10.583000	10.583000	2.778569	0.523790	10.150935	0.116238
Forecast	2003	10.968000	10.968000	2.885090	0.523790	10.429421	0.116238

	t	MDC Debt	MSH Debt	County
	Fiscal	Millions	Millions	Millions
Actual	2000	-0.965496	0.000000	0.000000
Forecast	2001	-1.079220	-1.909252	0.000000
Forecast	2002	-1.075405	-1.911032	0.000000
Forecast	2003	-1.075425	-1.910857	0.000000

# Legislative Fiscal Division

## Revenue Estimate Profile

### Tobacco Settlement

**Revenue Description:** Montana receives revenue as a settling party to a Master Settlement Agreement with four original tobacco companies and 19 subsequent companies to end a four-year legal battle with 46 states, Puerto Rico, American Samoa, the U.S. Virgin Islands, the North Mariana Island, Guam and the District of Columbia (52 total settling entities).

Montana is eligible for four types of payments: 1) reimbursement for legal costs (received December 1999); 2) five initial payments (Two were received in fiscal 2000. One each year is expected in fiscal 2001, 2002, and 2003); 3) on-going annual payments; and 4) strategic contribution payments (from fiscal 2008 through 2017). The Master Settlement Agreement places no restrictions on how the money is to be spent.

The total amount of tobacco settlement funds available to Montana may be affected by a number of adjustments. These include inflation, sales volume changes, operating income of the original four tobacco companies, number and operating income of subsequent participating manufactures, number of state reaching state specific finality, settlements reached by the four states not party to the agreement (Florida, Texas, Minnesota, and Mississippi), litigation offsets, and federal tobacco legislation offsets among others.

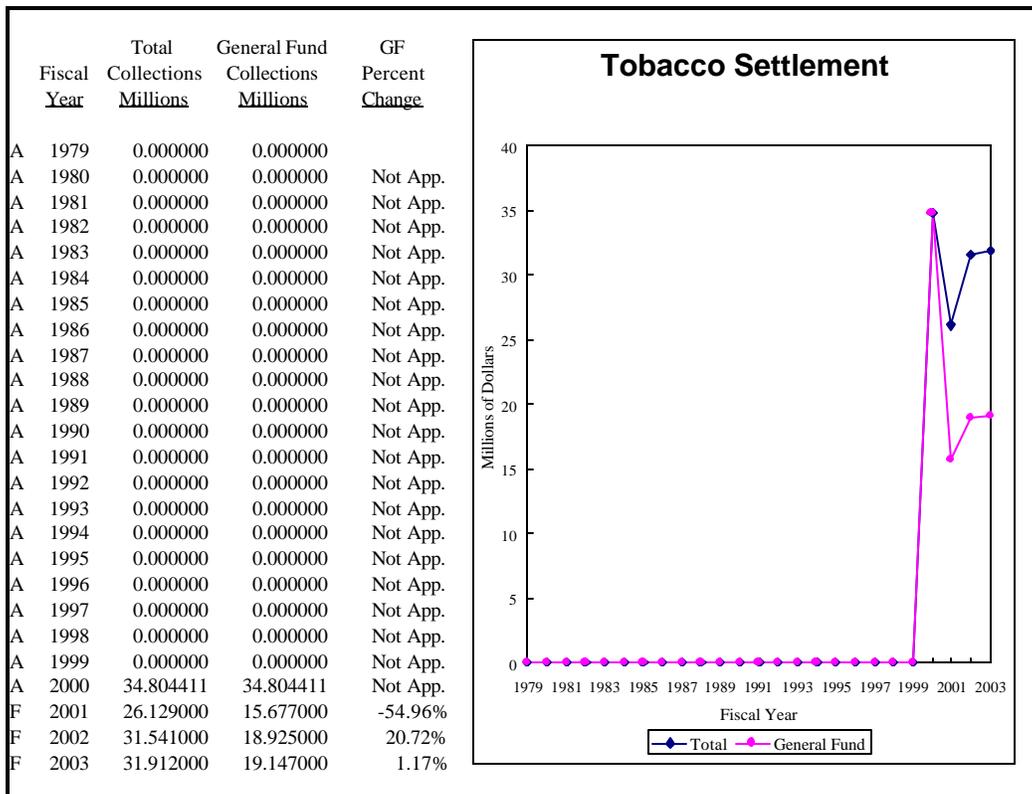
**Applicable Tax Rate(s):** NA

**Distribution:** Due to passage of Constitutional Amendment 35 by the electorate in November 2000, the legislature is required to dedicate not less than 40 percent of tobacco settlement money to a permanent trust fund. The remainder of the money is deposited into the general fund. Since the legislature has not yet determined the exact percentage to be deposited to the trust fund, the revenue estimate assumes 40 percent.

**Statute:** Title 53, Chapter 4

**% of Total FY 2000 General Fund Revenue:** 2.99%

**Revenue Projection:**



# Legislative Fiscal Division

## Revenue Estimate Profile

### Tobacco Settlement

#### Revenue Estimate Assumptions:

	t	Total Tax	GF Tax	Initial	Annual	Montana's	PSS
	Fiscal	Millions	Millions	Payment	Payment	Share	Reduction
				Millions	Millions	Percent	Percent
Actual	2000	34.804411	34.804411	4872.000000	4500.000000	0.004247591	-0.124500000
Forecast	2001	26.129000	15.677000	2546.160000	5000.000000	0.004247591	-0.124500000
Forecast	2002	31.541000	18.925000	2622.544800	6500.000000	0.004247591	-0.124500000
Forecast	2003	31.912000	19.147000	2701.221144	6500.000000	0.004247591	-0.124500000

	t	Annual	Cummulative	Adjustment	Adjusted	Annual	Cummulative
	Fiscal	Vol. Change	Vol. Change	Factor	Vol. Change	CPI Change	CPI Change
		Percent	Percent	Percent	Percent	Percent	Percent
Actual	2000	-0.140094943	-0.140094943	0.980000000	-0.137293044	0.030000000	0.030000000
Forecast	2001	-0.025300000	-0.161850541	0.980000000	-0.158613530	0.032993000	0.063983000
Forecast	2002	-0.016700000	-0.175847637	0.980000000	-0.172330684	0.030000000	0.095902000
Forecast	2003	-0.018400000	-0.191012040	0.980000000	-0.187191799	0.030000000	0.128779000

	t	Op. Income	SPM
	Fiscal	Adjustment	Payment
		Millions	Millions
Actual	2000	40.787986	46.572241
Forecast	2001	42.134266	48.195600
Forecast	2002	43.398902	49.837822
Forecast	2003	44.701296	51.633833