



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

Room 110 Capitol Building * P.O. Box 201711 * Helena, MT 59620-1711 * (406) 444-2986 * FAX (406) 444-3036

Legislative Fiscal Analyst
CLAYTON SCHENCK

DATE: May 24, 2006

TO: Legislative Finance Committee

FROM: Greg DeWitt

RE: Supplemental Appropriation Proposal for Department of Revenue

At the March meeting the LFC was advised of a supplemental appropriation proposal for the Department of Revenue. This memo advises you that the Legislative Fiscal Division has been notified by the Department of Revenue that they intend to withdraw the supplemental request for FY 2006.

The unanticipated expenditures for litigation expenses of contested tax cases continue to exist but are delayed from when they originally were expected in the original supplemental appropriation proposal. The staff analysis, sent to you earlier, continues to be relevant for the remainder of the 2007 biennium, but no longer needs to be considered for FY 2006. Indications are strong that the department would request supplemental funding from the 2007 Legislature for the associated costs.