

# Revenue Changes

An Introduction to Today's Topics

# Why We're Talking About Revenue Today

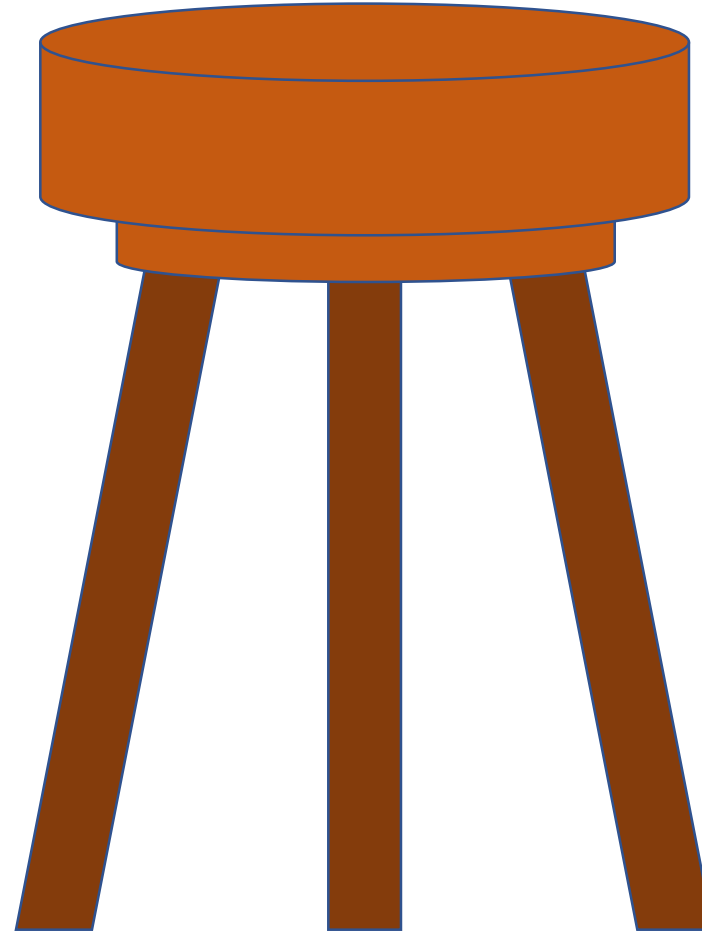
- HB 715 – study the long-term future budget and revenue needs with changing economics and demographics
  - (a) identifying structural revenue challenges with economic, demographic, and geographical variability considerations;
  - (b) exploring revenue sufficiency for long-term potential expenditures
- Committee requests in these topic areas.

# Revenue Areas

- Income & Corporate Tax
- Property Tax
- Natural Resources

# Three-Legged Stool

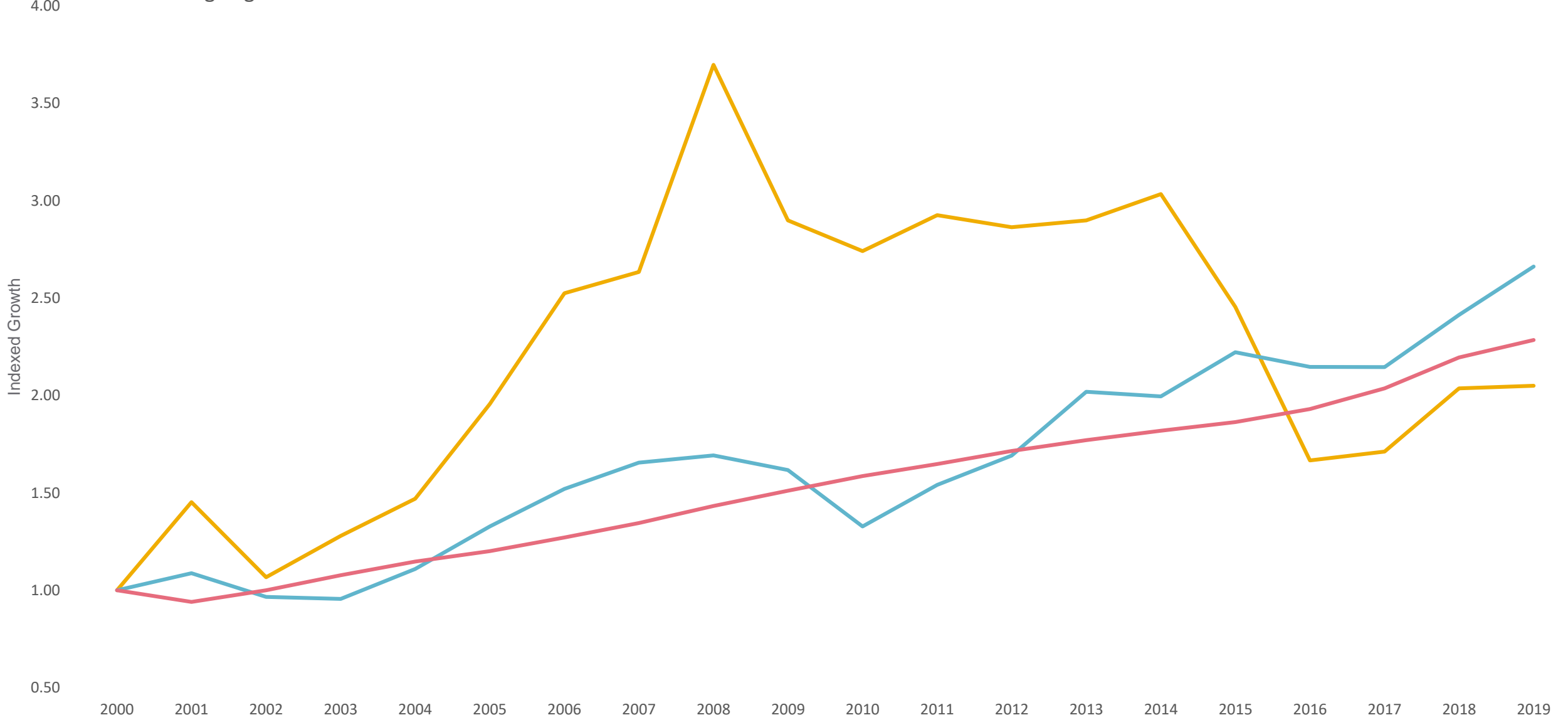
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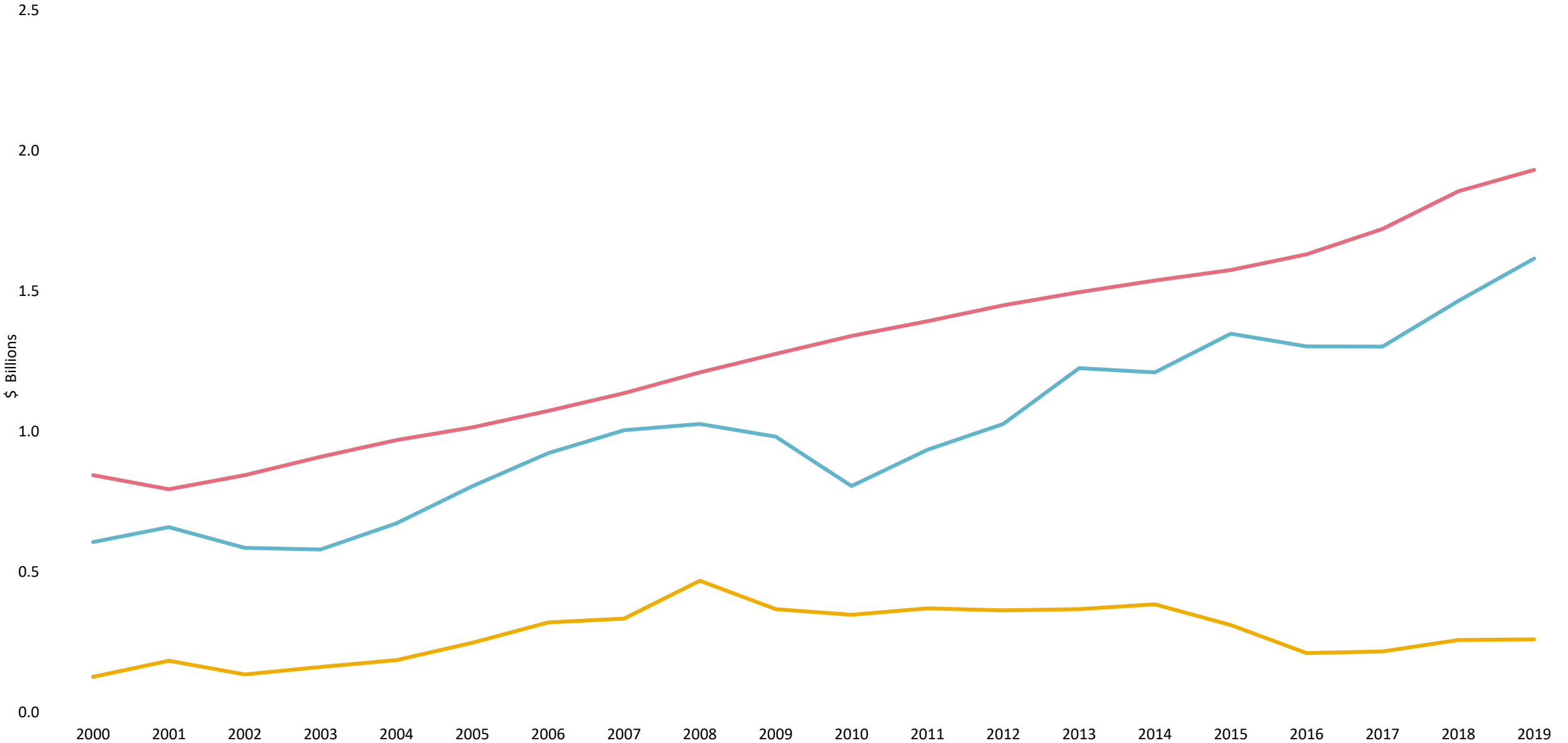
# A few definitions

- Income & Corporate Tax: State Revenues.
- Natural Resources: State and Local Components
  - Coal Severance
  - Coal Gross Proceeds (Non 55 and 6 mill portions)
  - Oil
  - Us Mineral Royalties
  - Federal Forest Revenue
  - Energy Generation and Transmission
  - Metal Mines
  - Resource Indemnity
- Property Tax: Taxes Levied from DOR Biennial Reports

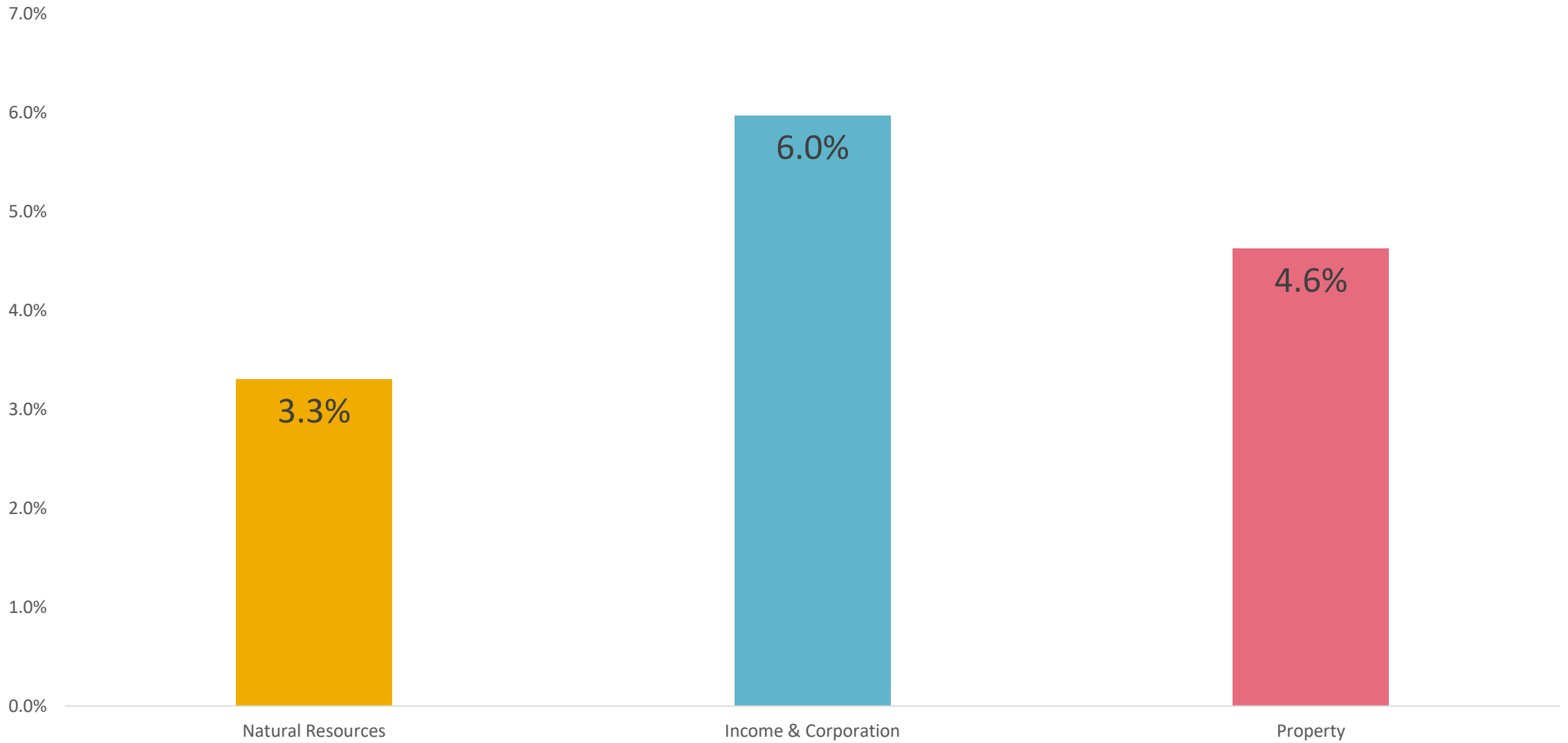
Indexed Tax Growth by Fiscal Year for **Natural Resources**, **Income & Corporate**, and **Property** shows that all three areas experienced more than a doubling in growth between FY 2000 and FY 2019



Actual Dollar Tax Growth by Fiscal Year for Natural Resources, Income & Corporate, and Property show increasing reliance on Property and Income & Corporate tax in comparison to Natural Resources.

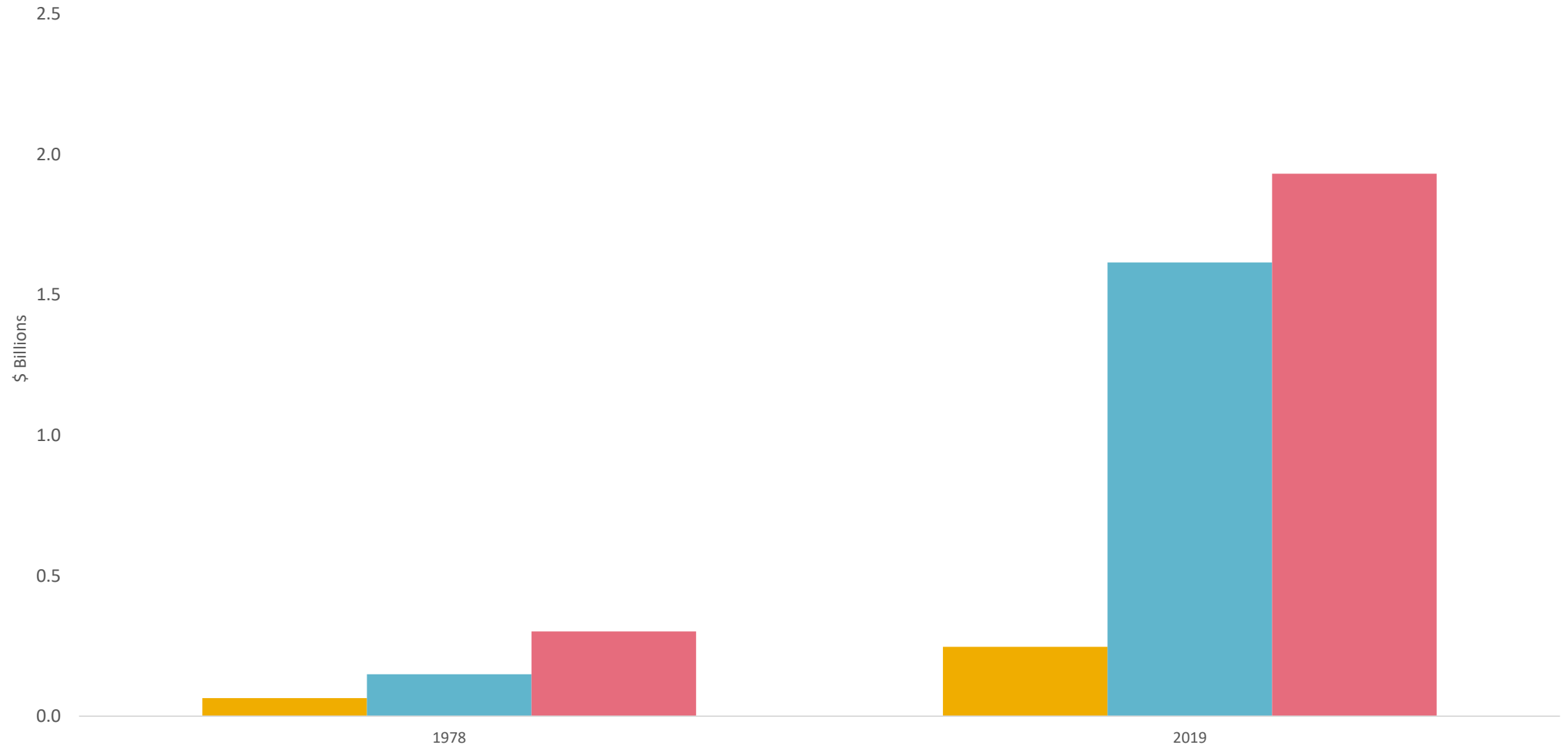


Compound Annual Growth Rate for **Natural Resources**, **Income & Corporate**, and **Property** FY 1978 to FY 2019





# Tax Growth by Fiscal Year for Natural Resources, Income & Corporate, and Property



# Additional Information on General Fund

## Historical Analysis of Montana Revenues

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