

**Federal Forest Receipts**

**Revenue Description**

Federal forest receipts are payments from the federal government in lieu of revenues from the sale of forest products of federal land. The federal government authorizes logging operations on forest lands located within the borders of Montana. The sale of timber generates revenue that the federal government shares with the state in the following year. FY 2025 has a significant drop in revenue as [Secure Rural Schools](#) was not extended at the federal level and payments reverted to the formula described below.

**Statutory Reference**

Tax Distribution – [17-3-211, MCA](#); [17-3-212, MCA](#)

Date Due – The state treasurer distributes the funds within thirty days of receiving full payment.

**Applicable Tax Rates:** N/A

**Collection Frequency:** Twice annually (usually October and December)

**Distribution**

The county treasurer apportions federal forest receipts as follows:

- 66.7% to the road fund of the county
- 33.3% to the following county wide accounts, based on the mill ratios of each to total mills in the current year:
  - The county equalization accounts (55 mills)
  - The county transportation account
  - The county retirement accounts

This revenue source represents one component used to calculate total non-levy property tax revenue; this is the 55 mills portion.

**Summary of Legislative Action:** The 67<sup>th</sup> Legislature did not enact legislation impacting this source.

**Forecast Risks**

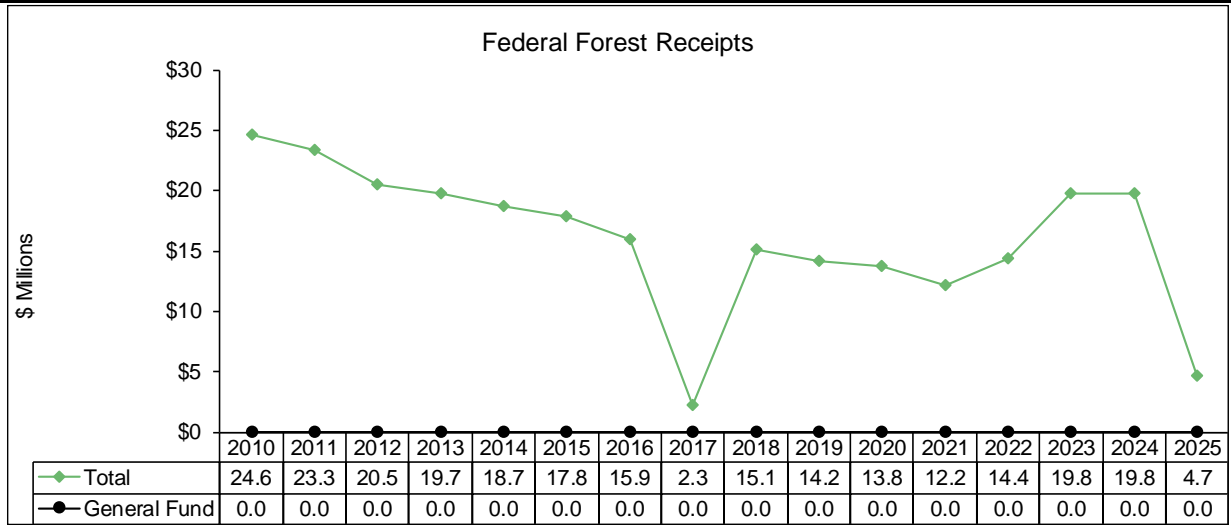
- Timber harvests
- Federal policy on reauthorizing [Secure Rural Schools](#)

**Revenue Estimate Methodology**

Counties receive 25.0% of the seven-year rolling average value of timber sold, lagged due to timing of production and payments. The estimate is based on average historical collections. The average state 55 mill share is applied to this and added to non-levy property revenue.

**Revenue Estimate Assumptions**

**Revenue Projection**



Revenue History

