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A report for the
Legislative Finance Committee
www.leg.mt.gov/css/fiscal

Just the Facts
Fiscal Year 2005 and Beyond

General Fund Fiscal 2005
Revenue: $131.2 M

- Individual income ................... $ 91.5 M
- Non-wage growth
- Audits
- SB 407 effects
- Corporation income ............... $ 31.9 M
- Audits, delayed refunds
- Profit growth
- Oil & natural gas .................. $ 4.4 M
- Prices and production
- Other .................................. $ 3.4 M

Balance Change Summary
- Revenues $ 131.2 M
- Reversions $ 5.4 M
- Adjustments $ (1.6) M
- Total $ 135.0 M

Tax Year 2004 Tax Year 2004 Percent
Income Components Estimated Actual Difference Difference
Dividend Income $322,987 $379,386 $46,399 12.23%
Net Capital Gain 796,913 1,193,177 402,264 33.71%
Rent, Royalty, Partnership 1,123,657 1,283,271 159,614 12.44%
All Other Income 12,858,049 12,877,313 19,264 0.15%
Totals $15,105,606 $15,733,147 $627,541 3.99%

Montana Capital Gains Income
Montana Rents, Royalties, Partnership Income

Corporation Tax
Industry Mix
Percent of Total Tax Liability*

<table>
<thead>
<tr>
<th>Sector</th>
<th>2002</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Services</td>
<td>31.1</td>
<td>28.2</td>
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<tr>
<td>Manufacturing</td>
<td>3.6</td>
<td>6.3</td>
</tr>
<tr>
<td>Natural Resources</td>
<td>20.9</td>
<td>29.8</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>17.6</td>
<td>13.7</td>
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<tr>
<td>Services</td>
<td>10.1</td>
<td>11.3</td>
</tr>
<tr>
<td>Utilities, Telcom.</td>
<td>16.7</td>
<td>10.8</td>
</tr>
</tbody>
</table>

* Corporations with $500,000 or greater tax liability

Total Montana Oil Production

Total Montana Production

Total Montana Natural Gas Production

Montana Energy Price Data
General Fund 2007 Biennium

- Budgeted ending balance $76.0 M
- Unanticipated 2005 $135.0 M
- Wildfires, other adj. $(6.4) M
- Additional revenues $165.9 M
- Governor’s Proposals $(189.7) M
- Projected Balance (Before a Reserve) $180.8 M

General Fund 2007 Biennium Various Funding Proposals

- Property tax relief
- Supplemental funding
  - Human services
  - Corrections
  - Wildfires
- Water adjudication
- Energy assistance
- Old fund insurance

General Fund 2009 Biennium Outlook

- Beginning balance $???.? M
- Anticipated revenue $3,232.8 M
- Present law costs $(3,110.6) M
- Session costs $(10.0) M
- Structural balance $112.2 M

General Fund 2009 Biennium Outlook *

- Beginning balance $???.? M
- Anticipated revenue $3,232.8 M
- Present law costs $(3,110.6) M
- Session costs $(10.0) M
- School funding proposal $(62.3) M
- Structural balance $(49.9) M

* For illustrative purposes only.

On-going costs from the Governor’s school funding proposal are used.

Just the Facts
Fiscal Year 2005 and Beyond

Who has the facts?

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