

### Electrical Energy Tax

#### Revenue Description

The electrical energy license tax is imposed on each person or organization engaged in generating, manufacturing, or producing electrical energy in Montana. This tax is in addition to the wholesale energy transaction tax.

#### Statutory Reference

Tax Rate – [15-51-101, MCA](#)

Tax Distribution – [17-2-124\(2\), MCA](#); [15-51-103, MCA](#)

Date Due – Thirty days after the end of the calendar quarter ([15-51-101, MCA](#); [15-51-102, MCA](#))

#### Applicable Tax Rates

A tax of \$0.0002 per kilowatt-hour is levied against all electrical energy produced within the state. A deduction is allowed for energy used by the plant for the production of the energy.

**Collection Frequency:** Quarterly

**Distribution:** All proceeds are deposited into the general fund.

**Summary of Legislative Action:** The 68<sup>th</sup> Legislature did not enact legislation impacting this source.

#### Forecast Risks

- Generation variability

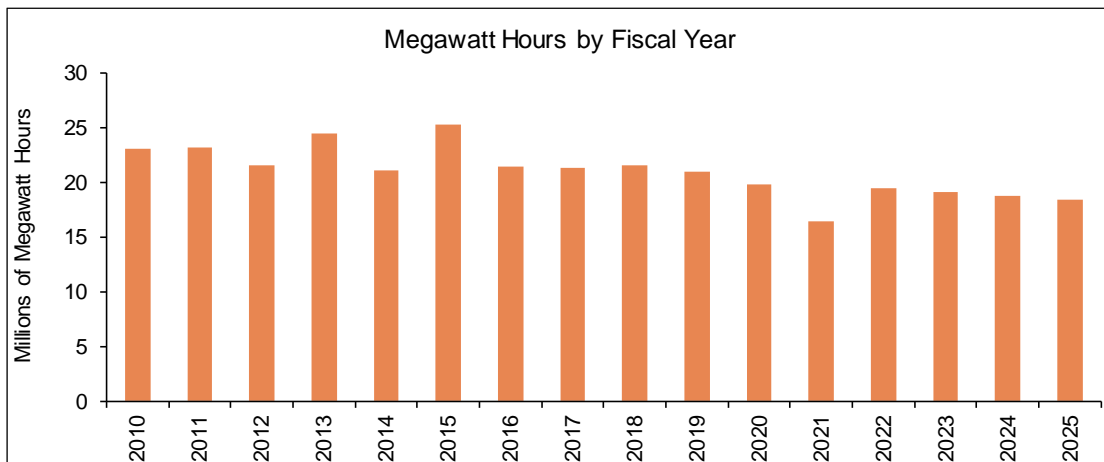
#### Revenue Estimate Methodology

##### Data

Data from quarterly reports produced by DOR provide a history of kilowatt hours produced for each individual company.

##### Analysis

Historic data of kilowatt hours are used to trend forecast future kilowatt hours by year. Taxable kilowatt hours are then multiplied by the tax rate to produce total revenue from this source.



#### Revenue Estimate Assumptions

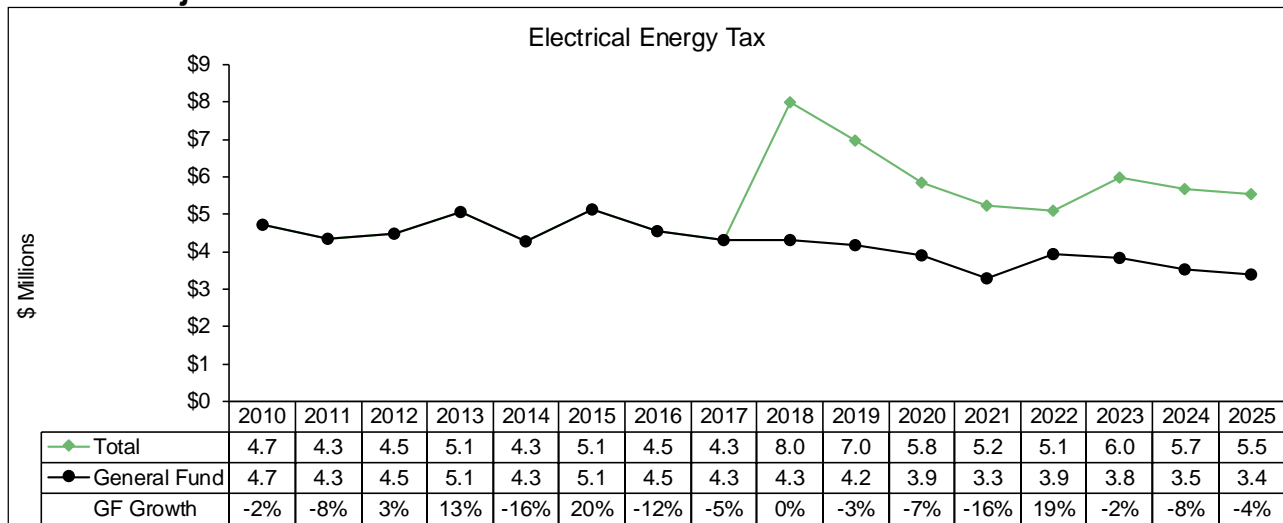
This section contains the assumptions used to generate the revenue estimates contained in House Joint Resolution 2. It does not reflect changes, if any, enacted by the 2023 Legislature.

**Natural Resource Taxes**

**Electrical Energy Tax**

FY	Total Tax \$ Millions	GF Tax \$ Millions	KWH Millions
A 2012	\$4.481	\$4.481	21,624
A 2013	5.067	5.067	24,519
A 2014	4.280	4.280	21,139
A 2015	5.133	5.133	25,358
A 2016	4.536	4.536	21,541
A 2017	4.314	4.314	21,368
A 2018	7.997	4.302	21,667
A 2019	6.961	4.185	20,997
A 2020	5.847	3.910	19,863
A 2021	5.223	3.298	16,492
A 2022	5.079	3.930	19,473
F 2023	5.990	3.841	19,206
F 2024	5.685	3.536	18,758
F 2025	5.532	3.383	18,482
F 2026	5.540	3.391	18,980
F 2027	5.594	3.445	18,857

**Revenue Projection**



**Revenue History**

