

U.S. Mineral Royalties

Revenue Description

Under the federal Mineral Lands Leasing Act ([30 USC, Section 191](#)), 50.0% of all sales, bonuses, royalties, and rentals received from federal lands in Montana must be paid to the state; however, that rate is currently at 48.0%. The money is to be used as the legislature may direct, giving priority to those subdivisions of the state socially or economically impacted by development of minerals leased under the federal act. The revenue produced on federal public lands includes royalties and bonuses from oil, gas, coal, and other mineral exploration and extraction.

Statutory Reference

Distribution – [17-3-240, MCA](#)

Collection Frequency: Monthly

Distribution

Receipts are deposited 75.0% to the general fund and 25.0% to the state special revenue mineral impact account. Money in the mineral impact account is statutorily appropriated for distribution to eligible counties in which the minerals were extracted.

Summary of Legislative Action: The 68th Legislature did not enact legislation impacting this source.

Forecast Risks

- Coal, oil, and other mineral prices
- The amount of production on federal lands
- Federal legislative impacts

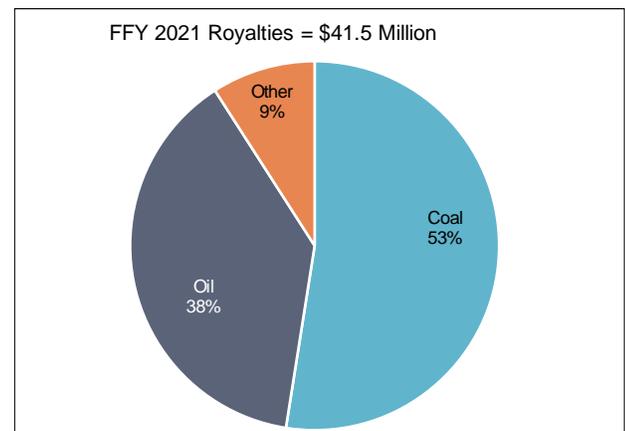
Revenue Estimate Methodology

Data

Federal fiscal year data on receipts by mineral type as well as royalty, bonus, rents, and other categories are combined with growth and distribution data from the coal and oil & natural gas analysis.

Analysis

The estimate for mineral royalties is obtained by multiplying together estimates for production & price (based on data from other natural resource analysis) and recent trends in the applicable royalty collections. Rents, bonuses, and other revenues are then simply trended as they are much more volatile than royalties. The estimates are based on the federal fiscal year, so a 25/75 split is used to convert to a state fiscal year. The adjacent chart shows royalties by 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.

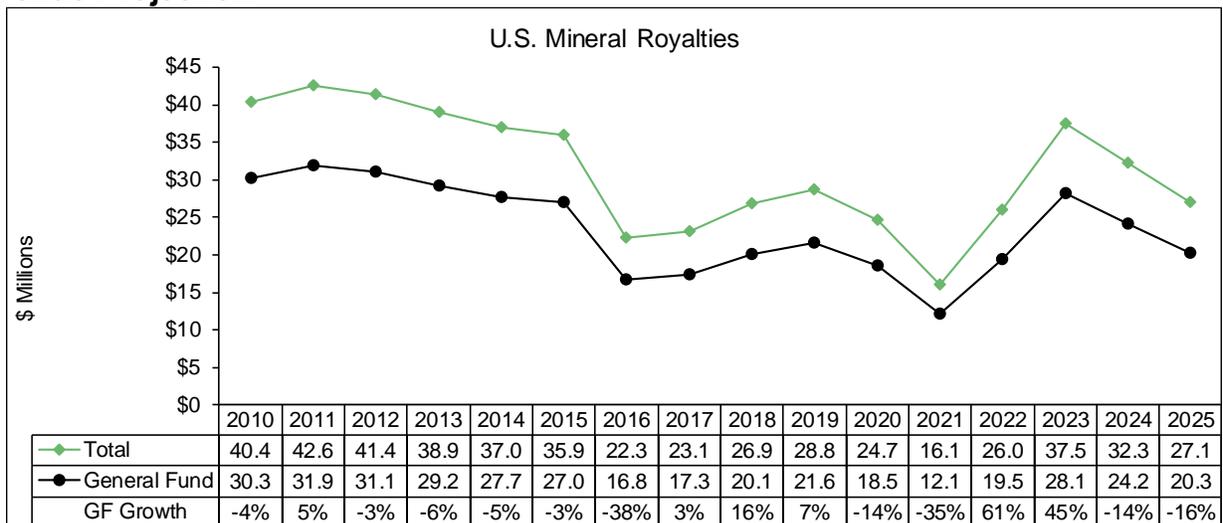
Natural Resource Taxes

U.S. Mineral Royalties

FY	Total Rev. \$ Millions	GF Rev. \$ Millions	FFY Total Rents \$ Millions	FFY Total Bonuses \$ Millions	FFY Total Royalties \$ Millions	FFY Total Other \$ Millions
A 2012	\$41.409	\$31.057	\$2.404	\$18.859	\$77.207	\$0.236
A 2013	38.940	29.205	2.247	3.143	72.476	1.844
A 2014	36.992	27.744	1.688	1.461	77.147	0.200
A 2015	35.947	26.960	1.368	0.139	68.839	0.149
A 2016	22.345	16.759	0.946	0.038	43.705	(0.241)
A 2017	23.096	17.322	0.870	0.763	47.650	0.671
A 2018	26.852	20.139	1.023	0.768	50.555	0.850
A 2019	28.760	21.570	0.840	2.598	59.146	1.280
A 2020	24.703	18.527	0.406	0.014	40.713	0.975
A 2021	16.109	12.082	0.333	0.236	41.131	1.061
A 2022	25.952	19.464	0.694	0.236	59.114	1.042
F 2023	37.523	28.143	0.659	0.236	81.933	1.042
F 2024	32.283	24.212	0.587	0.236	60.372	0.524
F 2025	27.054	20.291	0.536	0.236	53.282	0.524
F 2026	25.746	19.309	0.562	0.236	52.001	0.524
F 2027	25.429	19.072	0.608	0.236	51.493	0.524

FFY	Oil Royalties Millions	Coal Royalties Millions	Natural Gas Royalties Millions
A 2012	27.471	44.508	4.133
A 2013	25.158	42.946	3.956
A 2014	26.606	43.107	7.435
A 2015	21.680	43.148	3.905
A 2016	10.622	31.549	1.486
A 2017	12.831	33.265	1.488
A 2018	16.804	30.952	2.719
A 2019	17.811	37.706	3.435
A 2020	11.189	27.588	1.742
A 2021	15.959	21.806	2.880
A 2022	23.722	31.336	3.706
F 2023	20.145	57.897	3.547
F 2024	20.190	36.453	3.335
F 2025	20.564	29.157	3.198
F 2026	20.436	28.235	2.964
F 2027	20.922	27.347	2.850

Revenue Projection



Revenue History

