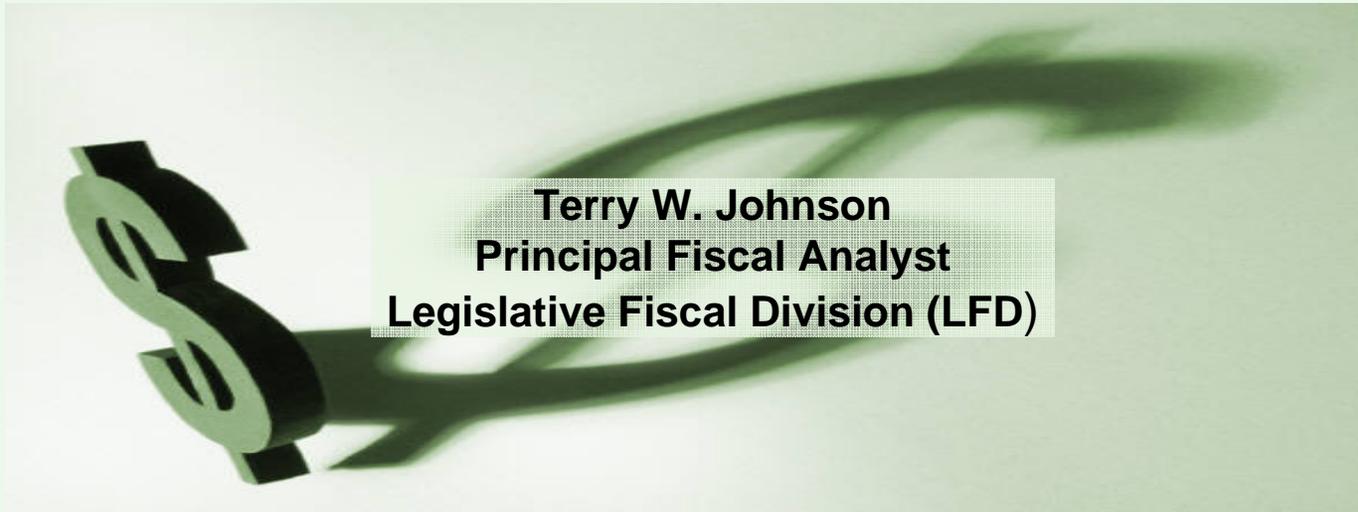




# General Fund Revenue Report

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**December 6, 2007**

**A report to the  
Revenue and Transportation Interim Committee**



## Presentation Outline

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- **Comparison: HJ 2 to Now**
- **Selected Revenue Source Data**
  - Individual Income Tax
  - Corporation Income Tax
- **Economic Trends**
- **Summary and Watch List**





## Summary of Aggregate General Fund Revenue



▪ Through November 2006	\$470.0 M	
▪ Through November 2007	\$525.6 M	
▪ Current Growth and Rate	\$ 55.6 M	11.8%
▪ HJ 2 Growth and Rate	\$ -60.0 M	-3.3%



## Comparison of Selected Revenue Sources (Millions)



Comparison of Selected Revenue Sources to Adjusted HJ2 Estimates			
Revenue Source	Actual Fiscal 2007	HJ2	
		Estimated Fiscal 2008	Estimated Chg From 2007
Individual Income Taxes	827,145,498	766,566,000	(60,579,498)
Corporation Income Taxes	177,503,707	161,271,000	(16,232,707)
Property Taxes	190,981,940	198,117,000	7,135,060
Natural Resource Taxes & Royalties	144,466,392	152,406,000	7,939,608
Vehicle Taxes	116,474,896	118,635,000	2,160,104
Totals	\$1,456,572,433	\$1,396,995,000	(\$59,577,433)



## Individual Income Tax Comparison (Millions)



Revenue Code & Description	Through 11/30/06 Fiscal 2007	Through 11/30/07 Fiscal 2008	Difference	Percent Change
510101 Withholding Tax	209,891,375.26	236,950,971.59	27,059,596.33	11.42%
510102 Estimated Tax	75,383,473.10	86,919,588.65	11,536,115.55	13.27%
510103 Current Year I/T	9,089,586.84	16,745,237.23	7,655,650.39	45.72%
510105 Income Tax - Audit Collections	6,269,685.47	7,805,504.00	1,535,818.53	19.68%
510106 Income Tax Refunds	<u>(41,258,891.76)</u>	<u>(39,073,426.76)</u>	<u>2,185,465.00</u>	<u>-5.59%</u>
Totals	\$259,375,228.91	\$309,347,874.71	\$49,972,645.80	19.27%
Percent of Actual/Estimated	31.36%	38.54%		



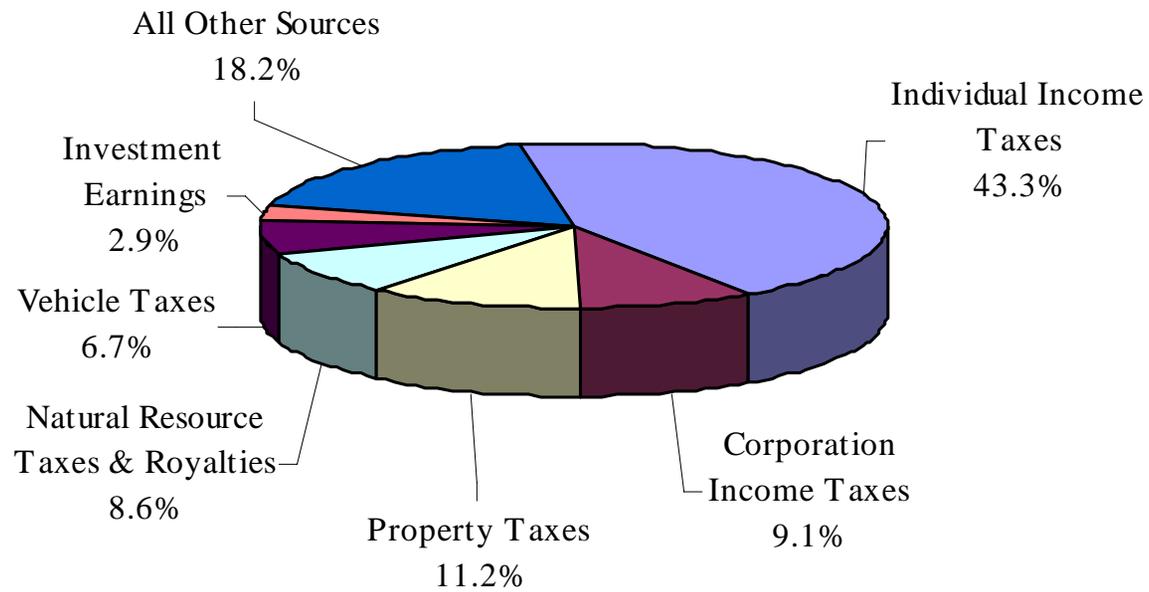
## Corporation Income Tax Comparison (Millions)



Revenue Code & Description	Through 11/30/06 Fiscal 2007	Through 11/30/07 Fiscal 2008	Difference	Percent Change
510501 Corporation Tax	11,073,821.03	10,160,245.08	(913,575.95)	-8.25%
510505 Corporation Tax Estimated Paym	44,396,033.14	40,280,643.01	(4,115,390.13)	-9.27%
510502 Corporation Tax Refunds	(2,837,449.73)	(9,432,405.00)	(6,594,955.27)	232.43%
510503 Corporation Tax-Audit Collect.	<u>1,861,603.00</u>	<u>4,235,856.33</u>	<u>2,374,253.33</u>	127.54%
Totals	\$54,494,007.44	\$45,244,339.42	(\$9,249,668.02)	-16.97%
Percent of Actual/Estimated	30.70%	28.05%		

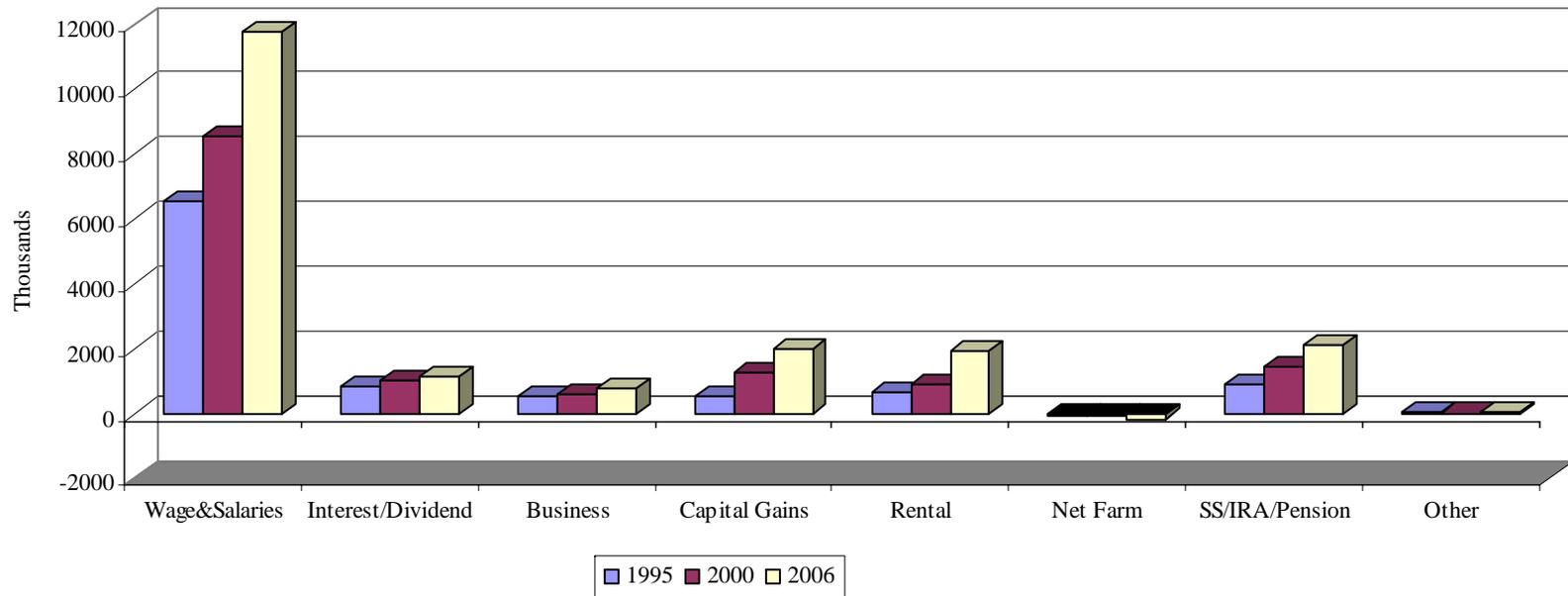


### General Fund Revenue - Fiscal 2008 HJ 2 Estimates



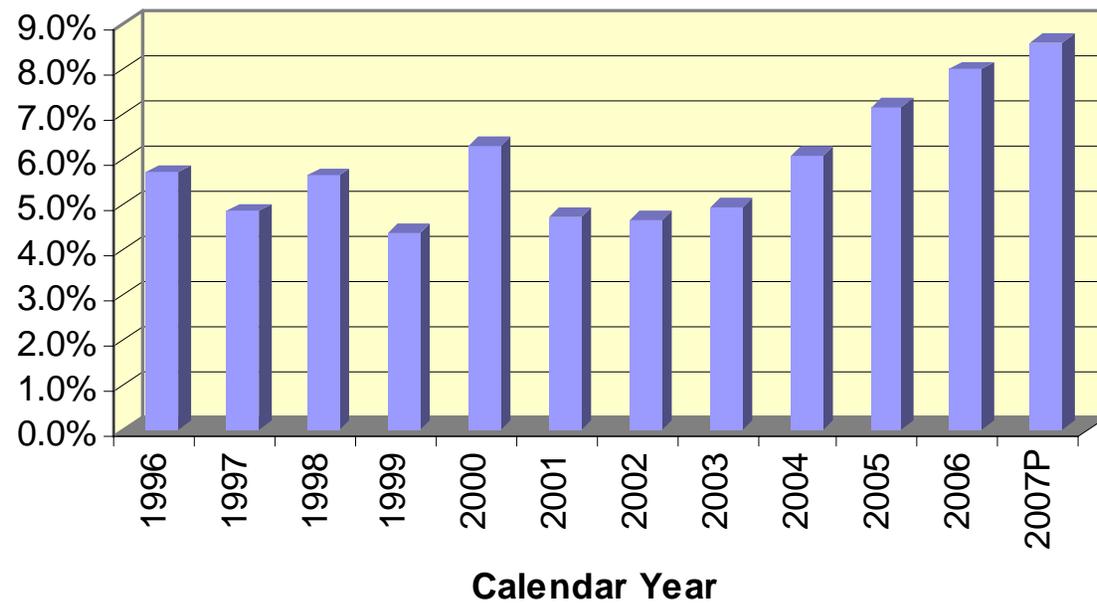


## Montana Tax Return Income



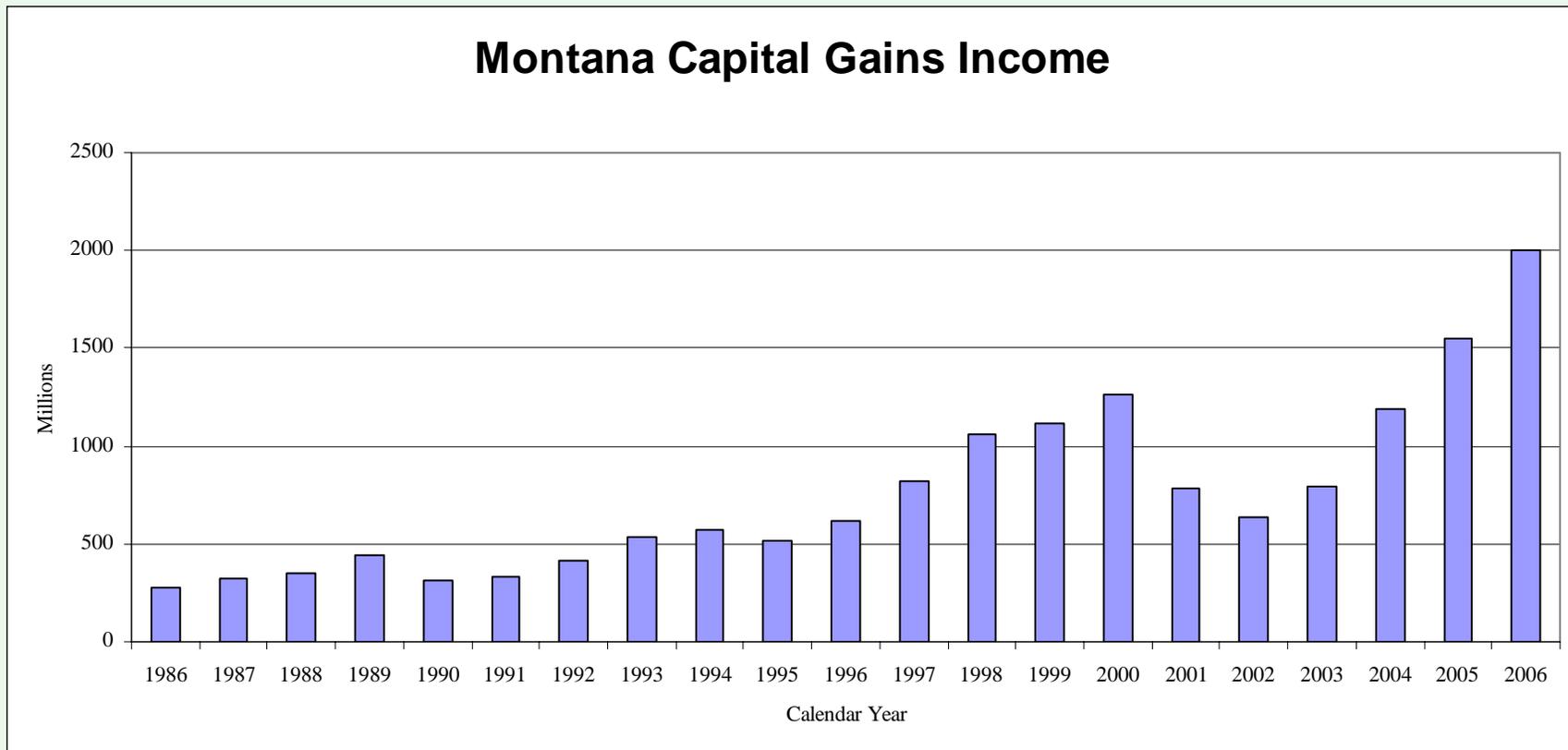


### Percent Change in Montana Wages and Salaries

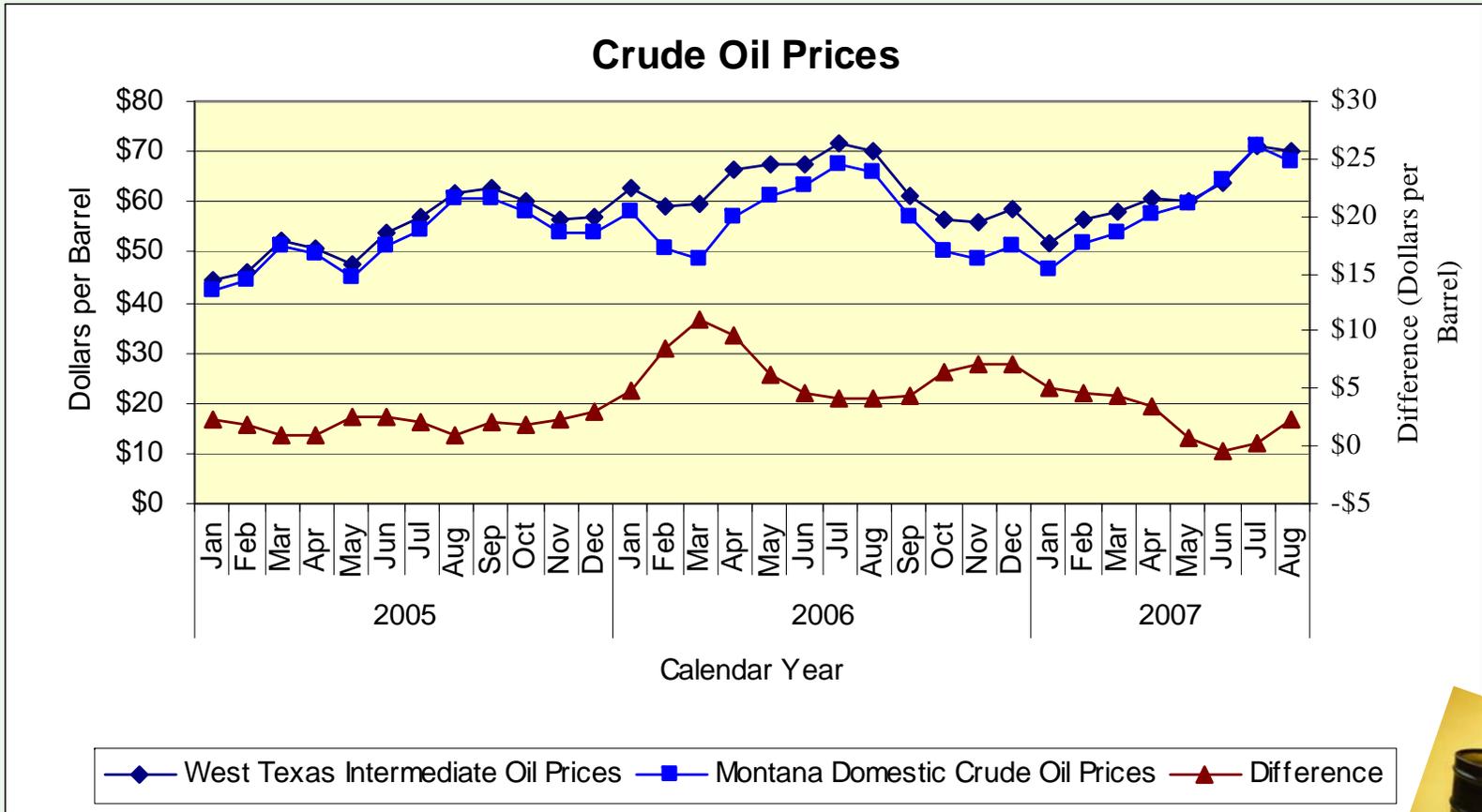




### Montana Capital Gains Income

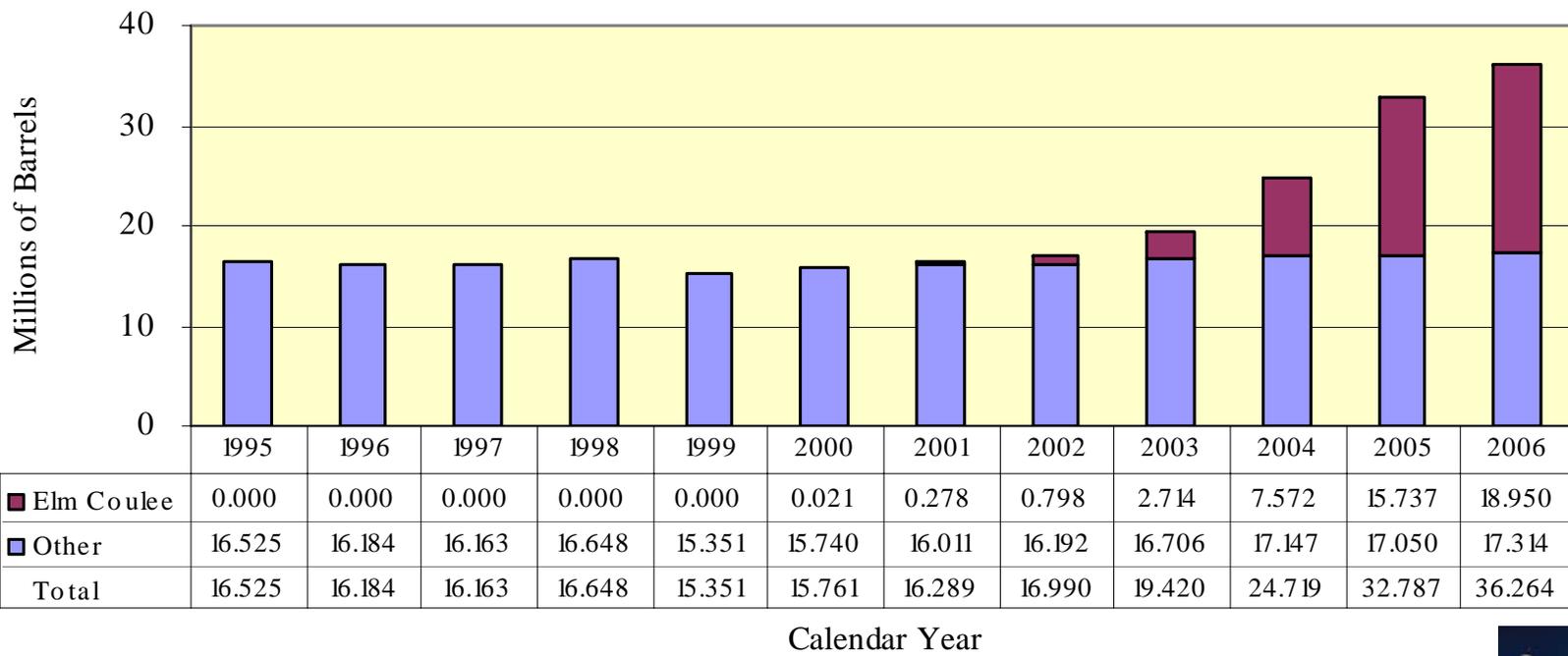


# Legislative Fiscal Division

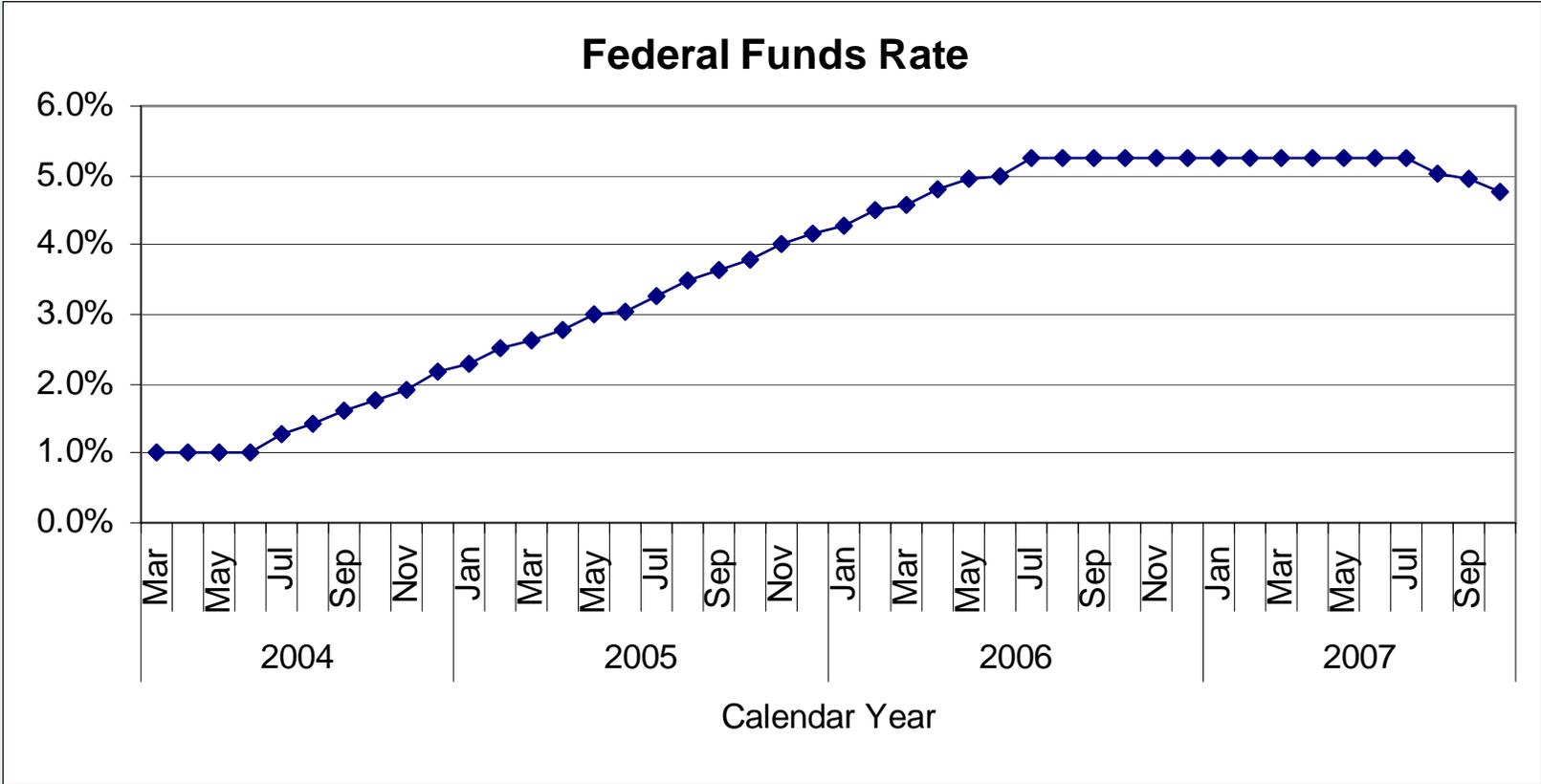




### Montana Oil Production



# Legislative Fiscal Division



## Summary

Effects on Legislative Projected  
FY 2008 Balance of \$190.7 M \*



Income Tax	↑
Corporation Tax	↓
Oil and Gas Production Tax	?
Supplemental Appropriations	↓

\* September 2007 Special Session





<b>General Fund Balance Fiscal Issues Watch List</b>		
<b>Issue</b>	<b>Impact on Fund Balance</b>	<b>Biennial Impact Millions</b>
Cobb versus State of Montana	Positive	\$36
Board of Investments (SIV's)	Negative	Unknown
Avista and PPL Lease Litigation	Positive	\$8 plus
State Fund Old Fund	Negative	\$33 to \$150
Wildfire Costs	Negative or Positive	Unknown



