

Property Taxes

Property Tax 55 Mill
Property Tax 40 Mill
Property Tax 6 Mill
Property Tax 1.5 Mill
Non Levy Revenue



Legislative Fiscal Division



www.leg.state.mt.us/fiscal/

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 55 Mill

Revenue Description: Montana law requires counties to levy a county equalization levy of 55 mills against all taxable value in a county. Taxable value is defined as the market value of statutorily defined property times a statutory tax rate. Property valued at market value includes personal property, utility property, railroad and airline property, livestock, and mineral net and gross proceeds. The assessed value of residential and commercial real estate is the market value phased in over the reappraisal cycle. Agricultural land and timberland are valued on a productivity basis and their values are also phased in over the reappraisal cycle. Beginning January 1, 2003, livestock will no longer be taxed.

Residential and commercial real estate, agricultural land and timberland were reappraised in tax year 1997. In the 1997 legislative session, SB 195 forestalled large property tax increases by phasing in the new reappraisal values at 2 percent per year, and phasing down tax rates over 50 years. These provisions were in effect for two years. After these provisions were struck down by the Montana Supreme Court, SB184, passed during the 1999 session, required that appraised values be phased-in over four years, and required that future reappraisal cycles be six years. At the same time, a homestead exemption was created and phased-in for residential and commercial real estate. Tax rates for residential and commercial real estate, agricultural land and timberland were phased-down.

Beginning January 1, 2003, residential and commercial property as well as agricultural land and timberland will reflect the impact of a new reappraisal on market values. The current reappraisal cycle is 6 years, during which increases in property values will be phased in by 1/6th per year. Property that declines in value will be assessed immediately at its new reappraised value. The impact of reappraisal on assessed values is unknown at this time. Tax rates and the homestead exemptions for tax years 2003 and beyond are frozen at their tax year 2002 levels and require legislation to be changed.

In addition to the tax on property, this revenue component includes collections from "non-levy" sources that are distributed on the basis of mills levied by taxing jurisdictions. These non-levy sources include the local share of the oil and gas production tax, coal gross proceeds taxes, federal forest revenues, and other smaller revenue sources.

**LFD
COMMENT**

The Legislative Fiscal Division has requested property reappraisal information from the Department of Revenue. The department has stated that official reappraisal results are not yet available. Therefore, the Legislative Fiscal Division's revenue estimates are based on current law and do not include any impacts due to property reappraisals.

Applicable Tax Rate(s): Varies according to property classification.

Distribution: All property tax receipts are deposited into the general fund, except revenue associated with the university.

Collection Frequency: Monthly with significant state deposits in December and June.

Applicable Assumptions and/or Relevant Indicators:

- Statewide Taxable Value
- Coal Gross Proceeds Tax Collections
- Natural Gas and Oil Production Tax Collections
- Total Federal Forest Receipts
- Other Non-Levy Receipts

Revenue collections for these sources are calculated under individual, separate processes.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 55 Mill

Data Source(s): Department of Revenue (DOR), Office of Public Instruction (OPI), County Assessor Offices, Montana Association of Counties (MACO)

Contacts: Department of Revenue

Statute: Title 15, Chapter 6, MCA

% of Total FY 2002 General Fund Revenue: 0.00 %

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

There are twelve classes of property, each with its own tax rate. A growth rate for each class (except classes 1 and 2) is applied to taxable values in a base year. The latest base year is tax year 2002, which generates state and local revenue in fiscal 2003 since property taxes are paid in November and May of the following year. Growth rates for tax years 2003 and 2004 are derived by discerning trends in historical market values for each class of property. Future known changes in taxable value are also applied. For instance, beginning in tax year 2003, class 6 livestock will no longer be taxed due to SB 200 passed during the 1999 legislative session. The taxable value of class 8 business equipment is adjusted to reflect the fact that a portion (approximately 38 percent) of this property pays its property taxes early based on prior year mills. Tax year 2002 was also the last year of the phasing in of exemptions for intangible property in classes 5 (rural electric and telephone cooperatives), 7 (non-centrally assessed public utilities), 9 (centrally assessed public utilities), 12 (railroads and airlines) and 13 (electric generation and telecommunication property).

Taxable values of all property in tax year 2002 (fiscal 2003) are known and represent the final year of phasing in the 1997 reappraisal in class 4 residential and commercial real estate, class 3 agricultural land and class 10 timberland. Tax year 2002 is also the last year for the phasing-in of the two homestead exemptions for residential and commercial real estate, and the phasing in of tax rate reductions. The growth rates for taxable value for tax years 2003 and 2004 (fiscal years 2004 and 2005) do not include the impacts of the new 2003 reappraisal because they are unknown at this time. The tax rates and homestead exemptions for these years are fixed at their tax year 2002 levels. Growth rates for these classes were derived from historical market values as if each year's values were fully phased-in for reappraisal.

The future taxable values of classes 1 (net proceeds of all mines other than coal and metal) and 2 (gross proceeds of metal mines) are derived from forecasts of mine production and prices.

The resulting forecast of statewide taxable value is reduced by the amount of incremental property in tax increment finance districts and increased by the amount of property receiving local property tax abatements. Tax increment financing (TIF) districts are in urban centers where all local and state mills are applied to the increment in property values from a base year. State and local levies applied to the increment stay with the TIF district and are unavailable to state and local jurisdictions. Local property tax abatements are partial or total reductions in property values for local jurisdictions mills only. State mills are applied to local property abatements and thus are part of the state property tax base.

State 55-mill property tax revenue in future years is derived by applying the state mill levy to the projected statewide net taxable value.

The next step involves estimating the 55 mill's share of non-levy revenue. Nonlevy revenue includes: the local share of

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 55 Mill

the natural gas and oil production tax, coal gross proceeds, federal forest revenue, and other revenue. See the nonlevy revenue section for forecasting methods for each source. Each of these forecasted revenues is multiplied by the applicable allocation percent and summed. The applicable percentage is based on the ratio of the state mill levy divided by the weighted total statewide average mills assessed in the prior year in the jurisdiction in which the revenue source was generated. The distribution of coal gross proceeds taxes is based on mill levies existing fiscal 1990 when the county equalization levy was 45 mills instead of 55 mills.

The final estimate of 55-mill property tax revenue is the sum of revenue from property and nonlevy revenue.

Two issues require further discussion for this source. Beginning in tax year 2004 and each future year the tax rate on class 8 business equipment will be subject to a test to determine whether the rate will be reduced by 1 percent per year until the rate reaches zero. The rate reductions will take effect if inflation adjusted growth in Montana wages and salaries in the prior year is at least 2.85 percent. If this “trigger” is reached in tax year 2004, revenues to the 55 mills will be reduced in fiscal 2004 and fiscal 2005.

Also, in 15-10-420 MCA, a governing entity, including the state but excluding schools, is authorized to impose a mill levy sufficient to generate the amount of property taxes assessed in the prior year plus one-half the rate of inflation for the prior three years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax assessed in the prior year based on the current year taxable value, less the current year’s value of newly taxable property, plus one-half the rate of inflation for the prior 3 years. The taxes assessed in the prior year do not include taxes from class 1 net proceeds and class 2 gross proceeds. The calculated mills must be rounded up to the nearest whole number.

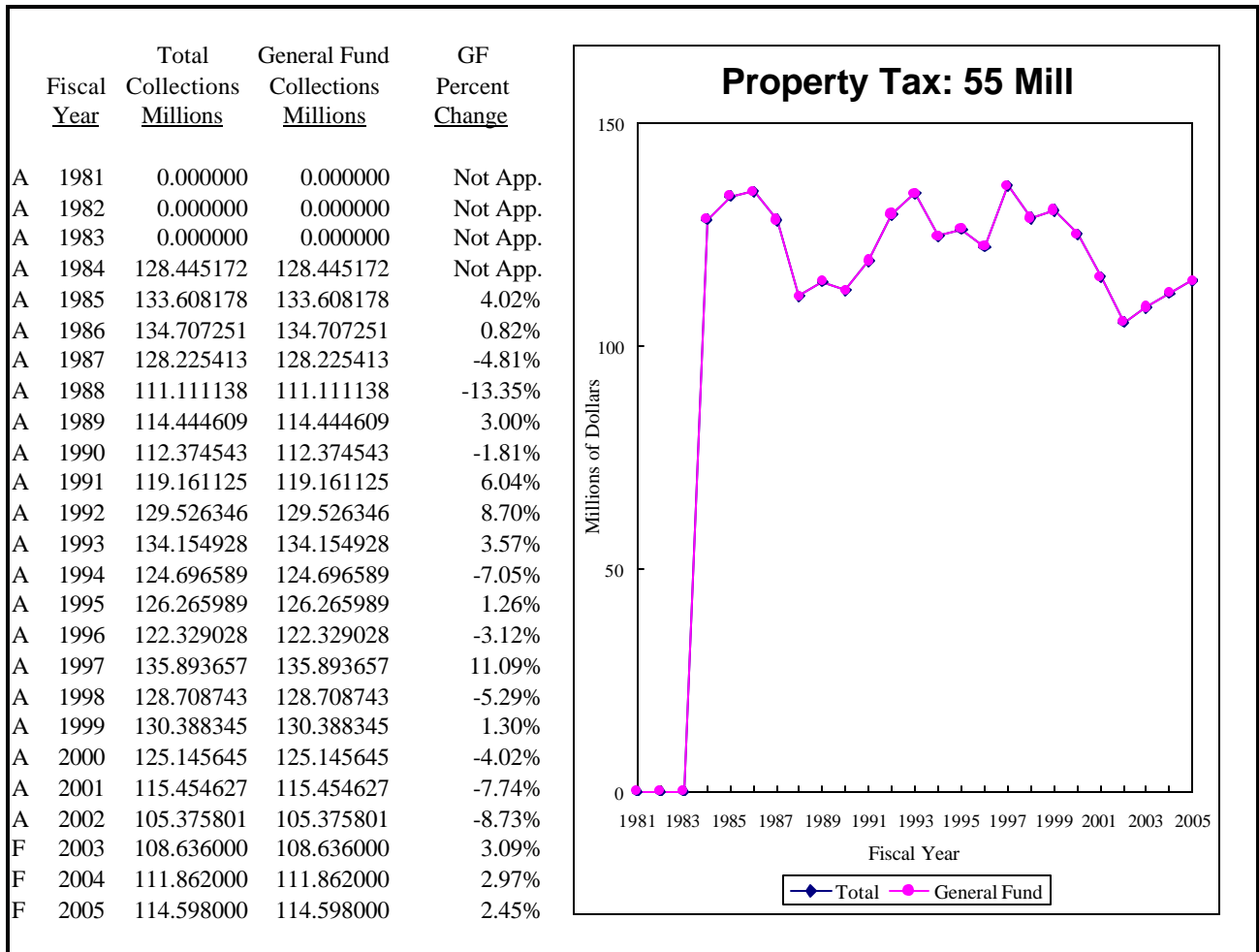
If reappraisal raises the assessed value of existing property up sufficiently, the county equalization levy of 55 mills may have to be reduced.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 55 Mill

Revenue Projection:

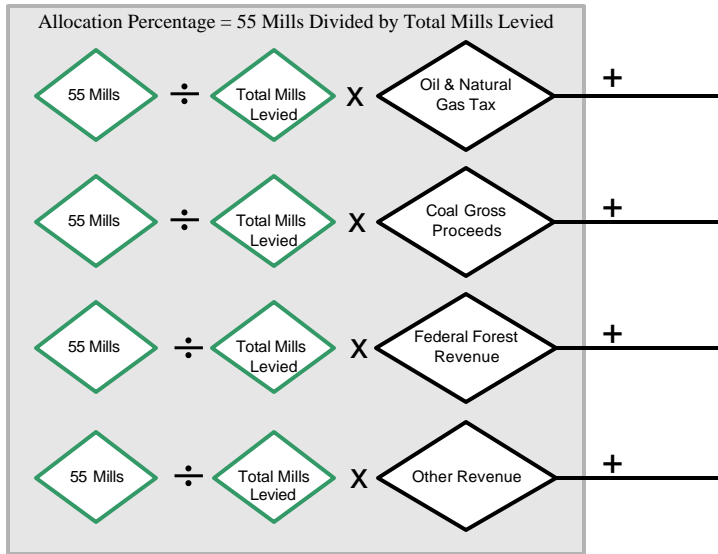
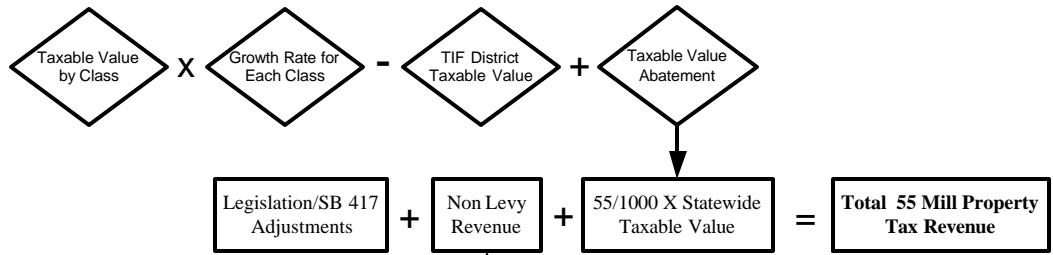


Legislative Fiscal Division

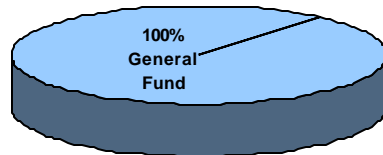
Revenue Estimate Profile

Property Tax: 55 Mill

Forecast Methodology



Distribution Methodology



Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 55 Mill

Revenue Estimate Assumptions

	t	Total Tax	GF Tax	Tax. Value	Mills/1000	Non-Levy	Adjustments
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Applied</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	125.145645	125.145645	1863.986815	0.055000	23.445540	0.274000
Actual	2001	115.454627	115.454627	1656.909416	0.055000	16.482000	4.933824
Actual	2002	105.375801	105.375801	1671.589714	0.055000	16.144000	0.000000
Forecast	2003	108.636000	108.636000	1691.085799	0.055000	16.056000	-0.430000
Forecast	2004	111.862000	111.862000	1737.421082	0.055000	16.734000	-0.430000
Forecast	2005	114.598000	114.598000	1790.114905	0.055000	16.572000	-0.430000

	t	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	7.026572	8.282057	139.192024	894.188310	37.015035	22.570979	1.881621
Actual	2001	5.178965	8.460976	139.318879	920.536186	39.008611	15.695230	0.155867
Actual	2002	7.842501	11.014983	139.057406	954.102342	35.667858	12.459077	0.189041
Forecast	2003	8.691402	10.669321	138.900095	1002.873942	35.382198	3.823687	0.216414
Forecast	2004	8.691402	8.753474	138.483395	1042.988900	36.372900	0.000000	0.254936
Forecast	2005	8.691402	8.478781	138.067945	1084.708456	37.391341	0.000000	0.300315

	t	Class 8	Class 9	Class 10	Class 12	Class 13	TIF's	Abatement
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	215.748092	498.030237	8.520090	68.192588	0.000000	44.535577	7.874787
Actual	2001	112.782734	230.832978	8.708849	49.641444	147.142750	28.428840	7.874787
Forecast	2002	116.605209	219.955767	8.198788	48.658380	144.488095	30.529563	3.879830
Forecast	2003	120.057884	206.360123	7.170239	46.688479	137.184847	30.802832	3.870000
Forecast	2004	124.620084	210.487325	7.496843	47.896340	139.928544	32.423061	3.870000
Forecast	2005	129.355647	214.697072	7.561841	48.393504	142.727115	34.128514	3.870000

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 40 Mill

Revenue Description: Montana law requires counties to levy a state equalization levy of 40 mills against all taxable value in the state. Taxable value is defined as the market value of statutorily defined property times a statutory tax rate. Property valued at market value includes personal property, utility property, railroad and airline property, livestock, and mineral net and gross proceeds. The assessed value of residential and commercial real estate is the market value phased in over the reappraisal cycle. Agricultural land and timberland are valued on a productivity basis and their values are also phased in over the reappraisal cycle. Beginning January 1, 2003, livestock will no longer be taxed.

Residential and commercial real estate, agricultural land and timberland were reappraised in tax year 1997. In the 1997 legislative session, SB 195 forestalled large property tax increases by phasing in the new reappraisal values at 2 percent per year, and phasing down tax rates over 50 years. These provisions were in effect for two years. After these provisions were struck down by the Montana Supreme Court, SB184, passed during the 1999 session, required that appraised values be phased-in over four years, and required that future reappraisal cycles be six years. At the same time, a homestead exemption was created and phased-in for residential and commercial real estate. Tax rates for residential and commercial real estate, agricultural land and timberland were phased-down.

Beginning January 1, 2003, residential and commercial property as well as agricultural land and timberland will reflect the impact of a new reappraisal on market values. The current reappraisal cycle is 6 years, during which increases in property values will be phased in by 1/6th per year. Property that declines in value will be assessed immediately at its new reappraised value. The impact of reappraisal on assessed values is unknown at this time. Tax rates and the homestead exemptions for tax years 2003 and beyond are frozen at their tax year 2002 levels and require legislation to be changed.

In addition to the tax on property, this revenue component includes collections from "non-levy" sources that are distributed on the basis of mills levied by taxing jurisdictions. These non-levy sources include the local share of the oil and gas production tax, coal gross proceeds taxes, federal forest revenues, and other smaller revenue sources.

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The Legislative Fiscal Division has requested property reappraisal information from the Department of Revenue. The department has stated that official reappraisal results are not yet available. Therefore, the Legislative Fiscal Division's revenue estimates are based on current law and do not include any impacts due to property reappraisals.

Applicable Tax Rate(s): Varies according to property classification.

Distribution: All property tax receipts are deposited into the general fund, except revenue associated with the university and welfare levy.

Collection Frequency: Monthly with significant state deposits in December and June.

Applicable Assumptions and/or Relevant Indicators:

Statewide Taxable Value
Natural Gas and Oil Production Tax Collections

Revenue collections for these sources are calculated under individual, separate processes.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 40 Mill

Data Source(s): Department of Revenue (DOR), Office of Public Instruction (OPI), County Assessor Offices, Montana Association of Counties (MACO)

Contacts: Department of Revenue

Statute: Title 15, Chapter 6, MCA

% of Total FY 2002 General Fund Revenue: 13.38 %

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

There are twelve classes of property, each with its own tax rate. A growth rate for each class (except classes 1 and 2) is applied to taxable values in a base year. The latest base year is tax year 2002, which generates state and local revenue in fiscal 2003 since property taxes are paid in November and May of the following year. Growth rates for tax years 2003 and 2004 are derived by discerning trends in historical market values for each class of property. Future known changes in taxable value are also applied. For instance, beginning in tax year 2003, class 6 livestock will no longer be taxed due to SB 200 passed during the 1999 legislative session. The taxable value of class 8 business equipment is adjusted to reflect the fact that a portion (approximately 38 percent) of this property pays its property taxes early based on prior year mills. Tax year 2002 was also the last year of the phasing in of exemptions for intangible property in classes 5 (rural electric and telephone cooperatives), 7 (non-centrally assessed public utilities), 9 (centrally assessed public utilities), 12 (railroads and airlines) and 13 (electric generation and telecommunication property).

Taxable values of all property in tax year 2002 (fiscal 2003) are known and represent the final year of phasing in the 1997 reappraisal in class 4 residential and commercial real estate, class 3 agricultural land and class 10 timberland. Tax year 2002 is also the last year for the phasing-in of the two homestead exemptions for residential and commercial real estate, and the phasing in of tax rate reductions. The growth rates for taxable value for tax years 2003 and 2004 (fiscal years 2004 and 2005) do not include the impacts of the new 2003 reappraisal because they are unknown at this time. The tax rates and homestead exemptions for these years are fixed at their tax year 2002 levels. Growth rates for these classes were derived from historical market values as if each year's values were fully phased-in for reappraisal.

The future taxable values of classes 1 (net proceeds of all mines other than coal and metal) and 2 (gross proceeds of metal mines) are derived from forecasts of mine production and prices.

The resulting forecast of statewide taxable value is reduced by the amount of incremental property in tax increment finance districts and increased by the amount of property receiving local property tax abatements. Tax increment financing (TIF) districts are in urban centers where all local and state mills are applied to the increment in property values from a base year. State and local levies applied to the increment stay with the TIF district and are unavailable to state and local jurisdictions. Local property tax abatements are partial or total reductions in property values for local jurisdictions mills only. State mills are applied to local property abatements and thus are part of the state property tax base.

State 40-mill property tax revenue in future years is derived by applying the state mill levy to the projected statewide net taxable value. This amount is further adjusted downward by SB 417 reimbursements. SB 417 reimbursements are amounts allowed to be deducted from the 40 mill levy for reductions in class 8 business equipment tax rates from 9 percent to 6 percent between tax years 1996 and 1998. These reimbursements are declining at 10 percent per year until eliminated in tax year 2008.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 40 Mill

The next step involves estimating the 40 mill's share of non-levy revenue. Nonlevy revenue includes: the local share of the natural gas and oil production tax. See the nonlevy revenue section for forecasting methods for each source. Each of these forecasted revenues is multiplied by the applicable allocation percent and summed. The applicable percentage is based on the ratio of the state mill levy divided by the weighted total statewide average mills assessed in the prior year in the jurisdiction in which the revenue source was generated. The distribution of coal gross proceeds taxes is based on mill levies existing fiscal 1990 when the county equalization levy was 45 mills instead of 40 mills.

The final estimate of 40-mill property tax revenue is the sum of revenue from property and nonlevy revenue.

Two issues require further discussion for this source. Beginning in tax year 2004 and each future year the tax rate on class 8 business equipment will be subject to a test to determine whether the rate will be reduced by 1 percent per year until the rate reaches zero. The rate reductions will take effect if inflation adjusted growth in Montana wages and salaries in the prior year is at least 2.85 percent. If this "trigger" is reached in tax year 2004, revenues to the 40 mills will be reduced in fiscal 2004 and fiscal 2005.

Also, in 15-10-420 MCA, a governing entity, including the state but excluding schools, is authorized to impose a mill levy sufficient to generate the amount of property taxes assessed in the prior year plus one-half the rate of inflation for the prior three years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax assessed in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half the rate of inflation for the prior 3 years. The taxes assessed in the prior year do not include taxes from class 1 net proceeds and class 2 gross proceeds. The calculated mills must be rounded up to the nearest whole number.

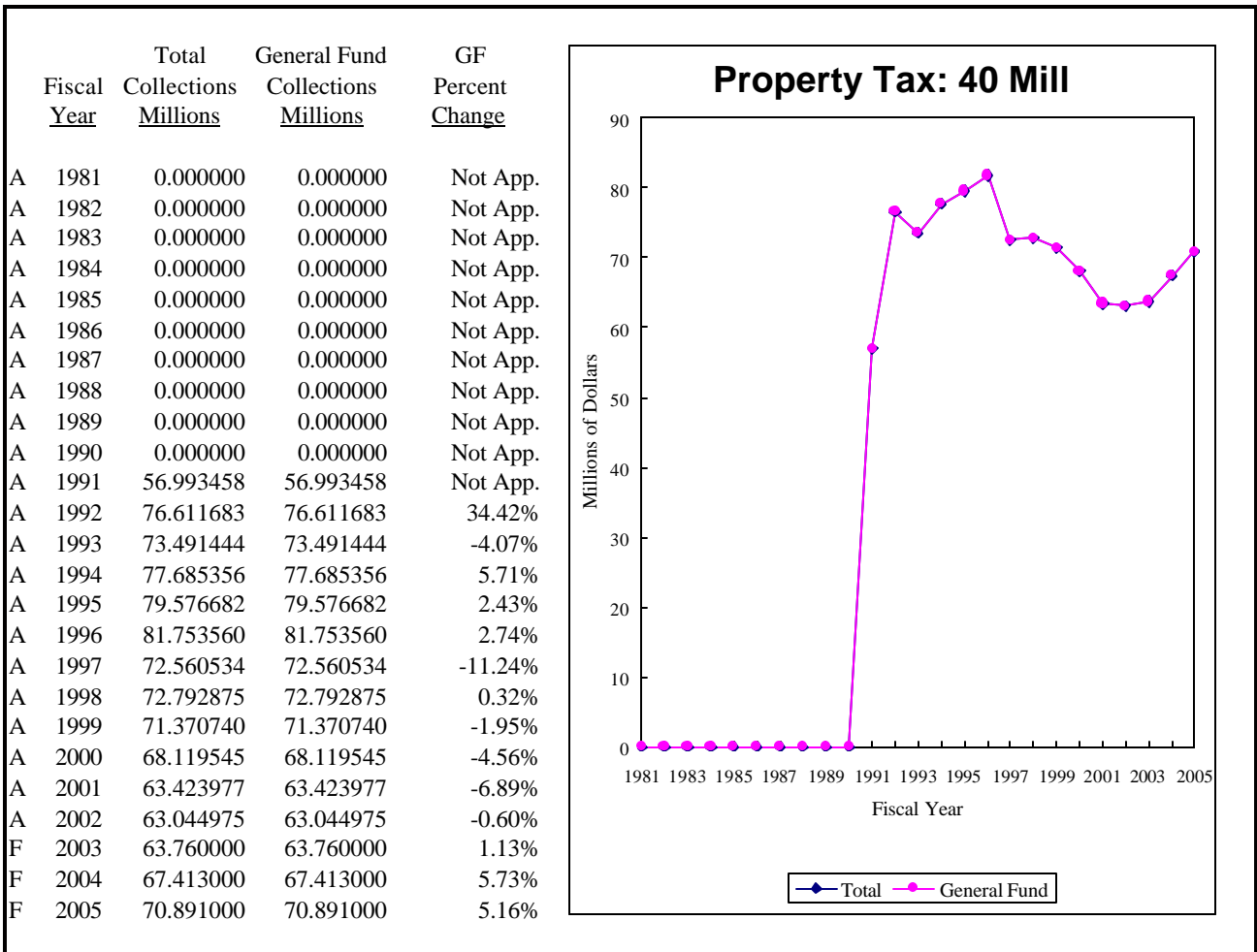
If reappraisal raises the assessed value of existing property up sufficiently, the state equalization levy of 40 mills may have to be reduced.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 40 Mill

Revenue Projection:

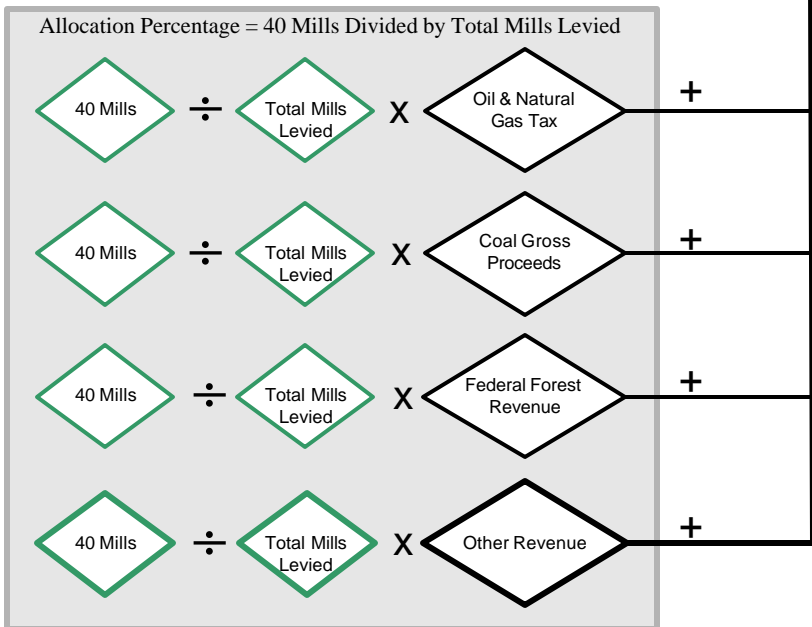
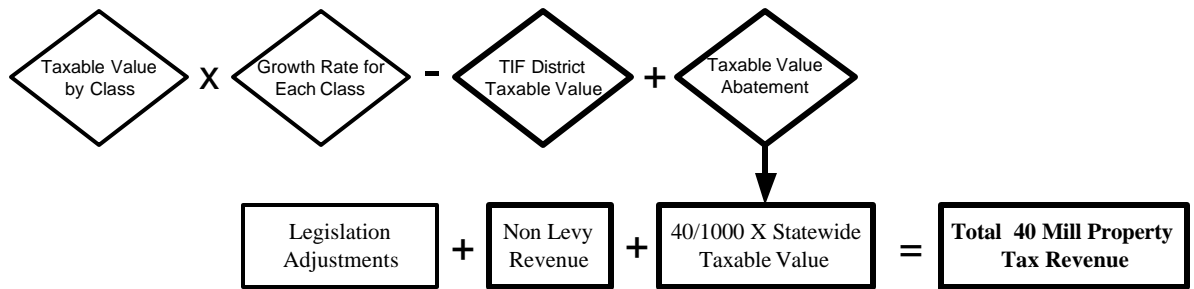


Legislative Fiscal Division

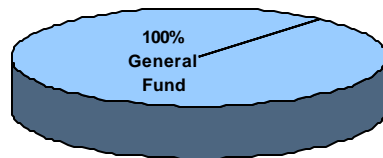
Revenue Estimate Profile

Property Tax: 40 Mill

Forecast Methodology



Distribution Methodology



Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 40 Mill

Revenue Estimate Assumptions

	t	Total Tax	GF Tax	Tax. Value	Mills/1000	Non-Levy	Adjustments
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Applied</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	68.119545	68.119545	1863.986815	0.040000	10.810197	-12.712919
Actual	2001	63.423977	63.423977	1656.909416	0.040000	5.251000	-11.300000
Actual	2002	63.044975	63.044975	1671.589714	0.040000	4.650000	-9.888000
Forecast	2003	63.760000	63.760000	1691.085799	0.040000	4.592000	-8.475000
Forecast	2004	67.413000	67.413000	1737.421082	0.040000	4.979000	-7.063000
Forecast	2005	70.891000	70.891000	1790.114905	0.040000	4.936000	-5.650000

	t	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
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Forecast	2005	129.3556470	214.6970720	7.5618410	48.3935040	142.7271150	34.1285140	3.8700000

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 6 Mill

Revenue Description: Montana law requires counties to levy a University levy of 6 mills against all taxable value in a county for use by the university system. Taxable value is defined as the market value of statutorily defined property times a statutory tax rate. Property valued at market value includes personal property, utility property, railroad and airline property, livestock, and mineral net and gross proceeds. The assessed value of residential and commercial real estate is the market value phased in over the reappraisal cycle. Agricultural land and timberland are valued on a productivity basis and their values are also phased in over the reappraisal cycle. Beginning January 1, 2003, livestock will no longer be taxed.

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Distribution: All property tax receipts are deposited into the general fund, except revenue associated with the university.

Collection Frequency: Monthly with significant state deposits in December and June.

Applicable Assumptions and/or Relevant Indicators:

- Statewide Taxable Value
- Coal Gross Proceeds Tax Collections
- Natural Gas and Oil Production Tax Collections

Revenue collections for these sources are calculated under individual, separate processes.

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Contacts: Department of Revenue

Statute: Title 15, Chapter 6, MCA

% of Total FY 2002 General Fund Revenue: 0.00 %

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

There are twelve classes of property, each with its own tax rate. A growth rate for each class (except classes 1 and 2) is applied to taxable values in a base year. The latest base year is tax year 2002, which generates state and local revenue in fiscal 2003 since property taxes are paid in November and May of the following year. Growth rates for tax years 2003 and 2004 are derived by discerning trends in historical market values for each class of property. Future known changes in taxable value are also applied. For instance, beginning in tax year 2003, class 6 livestock will no longer be taxed due to SB 200 passed during the 1999 legislative session. The taxable value of class 8 business equipment is adjusted to reflect the fact that a portion (approximately 38 percent) of this property pays its property taxes early based on prior year mills. Tax year 2002 was also the last year of the phasing in of exemptions for intangible property in classes 5 (rural electric and telephone cooperatives), 7 (non-centrally assessed public utilities), 9 (centrally assessed public utilities), 12 (railroads and airlines) and 13 (electric generation and telecommunication property).

Taxable values of all property in tax year 2002 (fiscal 2003) are known and represent the final year of phasing in the 1997 reappraisal in class 4 residential and commercial real estate, class 3 agricultural land and class 10 timberland. Tax year 2002 is also the last year for the phasing-in of the two homestead exemptions for residential and commercial real estate, and the phasing in of tax rate reductions. The growth rates for taxable value for tax years 2003 and 2004 (fiscal years 2004 and 2005) do not include the impacts of the new 2003 reappraisal because they are unknown at this time. The tax rates and homestead exemptions for these years are fixed at their tax year 2002 levels. Growth rates for these classes were derived from historical market values as if each year's values were fully phased-in for reappraisal.

The future taxable values of classes 1 (net proceeds of all mines other than coal and metal) and 2 (gross proceeds of metal mines) are derived from forecasts of mine production and prices.

The resulting forecast of statewide taxable value is increased by the amount of property receiving local property tax abatements. Local property tax abatements are partial or total reductions in property values for local jurisdictions mills only. State mills are applied to local property abatements and thus are part of the state property tax base. The six mill levy is not adjusted for property in tax increment finance districts.

State 6-mill property tax revenue in future years is derived by applying the state mill levy to the projected statewide net taxable value.

The next step involves estimating the 6 mill's share of non-levy revenue. Nonlevy revenue includes: the local share of the natural gas and oil production tax, and coal gross proceeds. See the nonlevy revenue section for forecasting methods for each source. Each of these forecasted revenues is multiplied by the applicable allocation percent and summed. The applicable percentage is based on the ratio of the state mill levy divided by the weighted total statewide average mills

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 6 Mill

assessed in the prior year in the jurisdiction in which the revenue source was generated. The distribution of coal gross proceeds taxes is based on mill levies existing fiscal 1990 when the county equalization levy was 45 mills instead of 6 mills.

The final estimate of 6-mill property tax revenue is the sum of revenue from property and nonlevy revenue.

Two issues require further discussion for this source. Beginning in tax year 2004 and each future year the tax rate on class 8 business equipment will be subject to a test to determine whether the rate will be reduced by 1 percent per year until the rate reaches zero. The rate reductions will take effect if inflation adjusted growth in Montana wages and salaries in the prior year is at least 2.85 percent. If this “trigger” is reached in tax year 2004, revenues to the 6 mills will be reduced in fiscal 2004 and fiscal 2005.

Also, in 15-10-420 MCA, a governing entity, including the state but excluding schools, is authorized to impose a mill levy sufficient to generate the amount of property taxes assessed in the prior year plus one-half the rate of inflation for the prior three years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax assessed in the prior year based on the current year taxable value, less the current year’s value of newly taxable property, plus one-half the rate of inflation for the prior 3 years. The taxes assessed in the prior year do not include taxes from class 1 net proceeds and class 2 gross proceeds. The calculated mills must be rounded up to the nearest whole number.

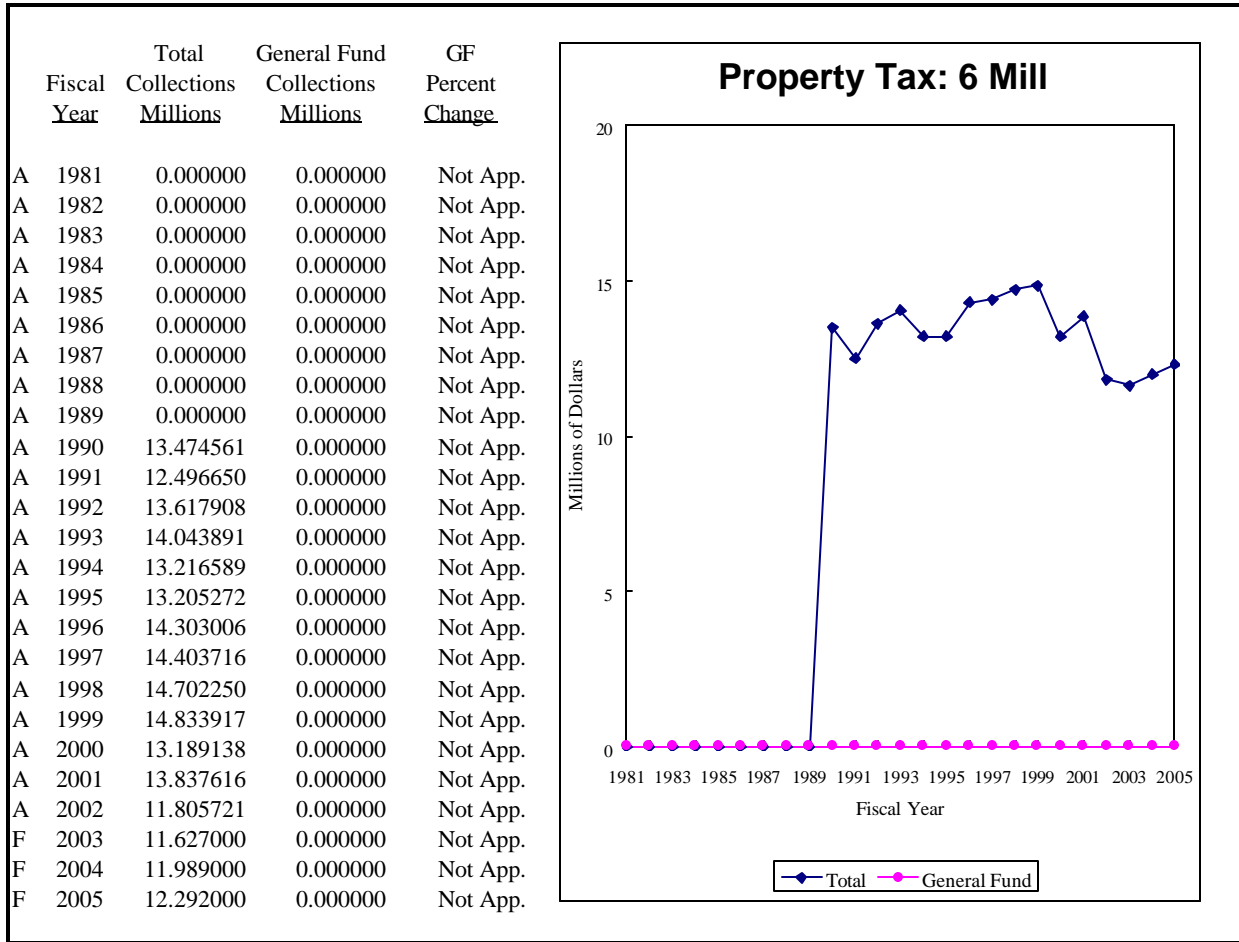
If reappraisal raises the assessed value of existing property up sufficiently, the university levy of 6 mills may have to be reduced.

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 6 Mill

Revenue Projection:

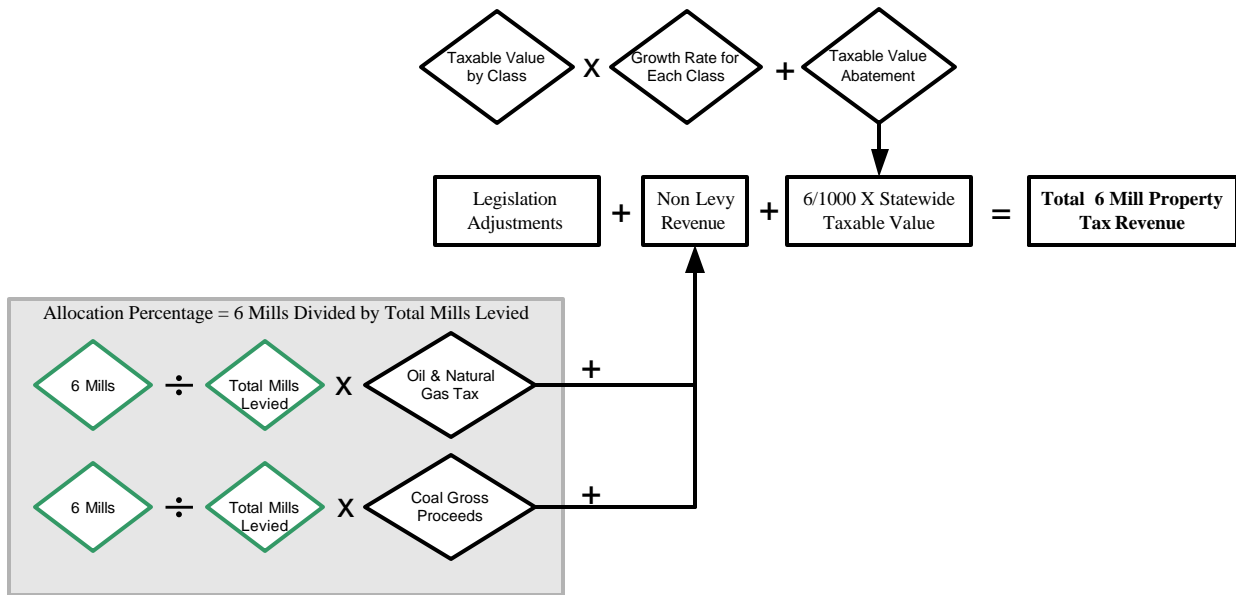


Legislative Fiscal Division

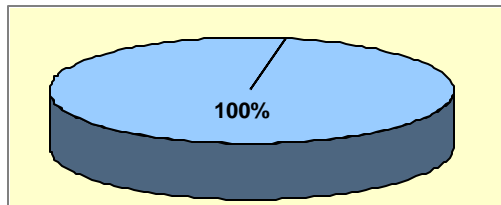
Revenue Estimate Profile

Property Tax: 6 Mill

Forecast Methodology



Distribution Methodology



■ State Special Revenue Fund

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 6 Mill

Revenue Estimate Assumptions

	t	Total Tax	GF Tax	Tax. Value	Mills/1000	Non-Levy	Adjustments
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Applied</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	13.189138	0.000000	1900.647605	0.006000	2.584415	0.000000
Actual	2001	13.837616	0.000000	1677.463469	0.006000	1.758000	0.657843
Actual	2002	11.805721	0.000000	1698.239447	0.006000	1.579000	0.000000
Forecast	2003	11.627000	0.000000	1718.018631	0.006000	1.319000	0.000000
Forecast	2004	11.989000	0.000000	1765.974143	0.006000	1.393000	0.000000
Forecast	2005	12.292000	0.000000	1820.373419	0.006000	1.370000	0.000000

	t	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6	Class 7
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	7.026572	8.282057	139.192024	894.188310	37.015035	22.570979	1.881621
Actual	2001	5.178965	8.460976	139.318879	920.536186	39.008611	15.695230	0.155867
Actual	2002	7.842501	11.014983	139.057406	954.102342	35.667858	12.459077	0.189041
Forecast	2003	8.691402	10.669321	138.900095	1002.873942	35.382198	3.823687	0.216414
Forecast	2004	8.691402	8.753474	138.483395	1042.988900	36.372900	0.000000	0.254936
Forecast	2005	8.691402	8.478781	138.067945	1084.708456	37.391341	0.000000	0.300315

	t	Class 8	Class 9	Class 10	Class 12	Class 13	TIF's	Abatement
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	215.748092	498.030237	8.520090	68.192588	0.000000	44.535577	7.874787
Actual	2001	112.782734	230.832978	8.708849	49.641444	147.142750	28.428840	7.874787
Forecast	2002	116.605209	219.955767	8.198788	48.658380	144.488095	30.529563	3.879830
Forecast	2003	120.057884	206.360123	7.170239	46.688479	137.184847	30.802832	3.870000
Forecast	2004	124.620084	210.487325	7.496843	47.896340	139.928544	32.423061	3.870000
Forecast	2005	129.355647	214.697072	7.561841	48.393504	142.727115	34.128514	3.870000

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 1.5 Mill

Revenue Description: Beginning in fiscal 1997, statute requires the boards of county commissioners in the five counties where colleges of technology reside, to levy 1.5 mills for deposit in the state general fund. This revenue component used to include collections from "non-levy" sources that are distributed on the basis of mills levied by taxing jurisdictions. HB 124, passed during the 2001 legislative session, eliminated distribution of nonlevy sources to the 1.5 mill levy.

**LFD
COMMENT**

The Legislative Fiscal Division has requested property reappraisal information from the Department of Revenue. The department has stated that official reappraisal results are not yet available. Therefore, the Legislative Fiscal Division's revenue estimates are based on current law and do not include any impacts due to property reappraisals.

Applicable Tax Rate(s): Varies according to property classification.

Distribution: All property tax receipts are deposited into the general fund, except revenue associated with the university.

Collection Frequency: Monthly with significant state deposits in December and June.

Applicable Assumptions and/or Relevant Indicators:

Taxable Value in Missoula, Lewis & Clark, Flathead, Cascade, and Silver Bow Counties

Revenue collections for these sources are calculated under individual, separate processes.

Data Source(s): Department of Revenue (DOR), Office of Public Instruction (OPI), County Assessor Offices, Montana Association of Counties (MACO)

Contacts: Department of Revenue

Statute: Title 15, Chapter 6, MCA

% of Total FY 2002 General Fund Revenue: 0.00 %

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

The 1.5 mill levy is applied to twelve classes of property, each with its own tax rate in 5 counties, Missoula, Cascade, Lewis & Clark, Flathead, and Silver Bow.. A growth rate for each class (except classes 1 and 2) is applied to taxable values in a base year. The latest base year is tax year 2002, which generates state and local revenue in fiscal 2003 since property taxes are paid in November and May of the following year. Growth rates for tax years 2003 and 2004 are derived by discerning trends in historical market values for each class of property. Future known changes in taxable value are also applied. For instance, beginning in tax year 2003, class 6 livestock will no longer be taxed due to SB 200 passed during the

Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 1.5 Mill

1999 legislative session. The taxable value of class 8 business equipment is adjusted to reflect the fact that a portion (approximately 38 percent) of this property pays its property taxes early based on prior year mills. Tax year 2002 was also the last year of the phasing in of exemptions for intangible property in classes 5 (rural electric and telephone cooperatives), 7 (non-centrally assessed public utilities), 9 (centrally assessed public utilities), 12 (railroads and airlines) and 13 (electric generation and telecommunication property).

Taxable values of all property in the 5 counties in tax year 2002 (fiscal 2003) are known and represent the final year of phasing in the 1997 reappraisal in class 4 residential and commercial real estate, class 3 agricultural land and class 10 timberland. Tax year 2002 is also the last year for the phasing-in of the two homestead exemptions for residential and commercial real estate, and the phasing in of tax rate reductions. The growth rates for taxable value for tax years 2003 and 2004 (fiscal years 2004 and 2005) do not include the impacts of the new 2003 reappraisal because they are unknown at this time. The tax rates and homestead exemptions for these years are fixed at their tax year 2002 levels. Growth rates for these classes were derived from historical market values as if each year's values were fully phased-in for reappraisal.

The future taxable values of classes 1 (net proceeds of all mines other than coal and metal) and 2 (gross proceeds of metal mines) are derived from forecasts of mine production and prices.

The resulting forecast of statewide taxable value is reduced by the amount of incremental property in tax increment finance districts and increased by the amount of property receiving local property tax abatements. Tax increment financing (TIF) districts are in urban centers where all local and state mills are applied to the increment in property values from a base year. State and local levies applied to the increment stay with the TIF district and are unavailable to state and local jurisdictions. Local property tax abatements are partial or total reductions in property values for local jurisdictions mills only. State mills are applied to local property abatements and thus are part of the state property tax base.

State 1.5-mill property tax revenue in future years is derived by applying the state mill levy to the projected statewide net taxable value.

The 1.5 mill levy no longer receives nonlevy revenue as per HB 124, passed during the 2001 legislative session.

Two issues require further discussion for this source. Beginning in tax year 2004 and each future year the tax rate on class 8 business equipment will be subject to a test to determine whether the rate will be reduced by 1 percent per year until the rate reaches zero. The rate reductions will take effect if inflation adjusted growth in Montana wages and salaries in the prior year is at least 2.85 percent. If this "trigger" is reached in tax year 2004, revenues to the 1.5 mills will be reduced in fiscal 2004 and fiscal 2005.

Also, in 15-10-420 MCA, a governing entity, including the state but excluding schools, is authorized to impose a mill levy sufficient to generate the amount of property taxes assessed in the prior year plus one-half the rate of inflation for the prior three years. The maximum number of mills that a governmental entity may impose is established by calculating the number of mills required to generate the amount of property tax assessed in the prior year based on the current year taxable value, less the current year's value of newly taxable property, plus one-half the rate of inflation for the prior 3 years. The taxes assessed in the prior year do not include taxes from class 1 net proceeds and class 2 gross proceeds. The calculated mills must be rounded up to the nearest whole number.

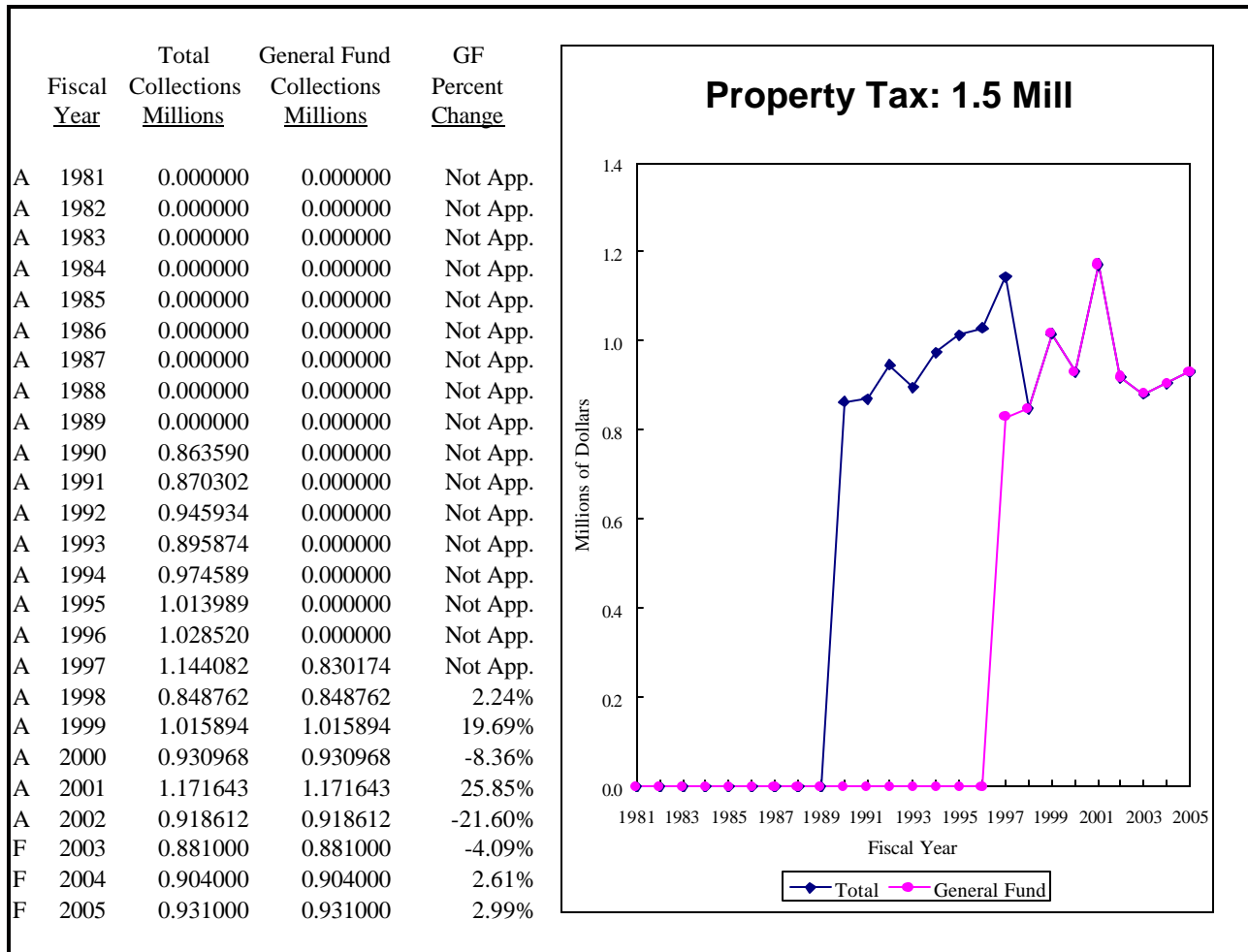
If reappraisal raises the assessed value of existing property up sufficiently, the 1.5 mill levy may have to be reduced.

Legislative Fiscal Division

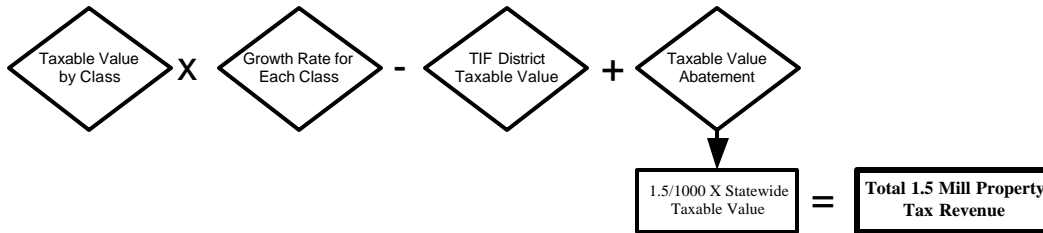
Revenue Estimate Profile

Property Tax: 1.5 Mill

Revenue Projection:



Forecast Methodology

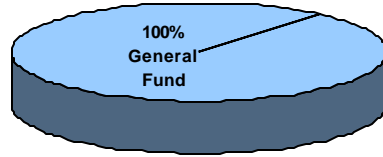


Legislative Fiscal Division

Revenue Estimate Profile

Property Tax: 1.5 Mill

Distribution Methodology



Revenue Estimate Assumptions

	<u>t</u>	<u>Total Tax</u>	<u>GF Tax</u>	<u>Tax. Value</u>	<u>Mills/1000</u>	<u>Non-Levy</u>	<u>Adjustments</u>
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Applied</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	0.930968	0.930968	618.047161	0.001500	0.121110	0.000000
Actual	2001	1.171643	1.171643	552.853841	0.001500	0.126000	0.038500
Actual	2002	0.918612	0.918612	563.452494	0.001500	0.020000	0.033688
Forecast	2003	0.881000	0.881000	587.106955	0.001500	0.000000	0.000000
Forecast	2004	0.904000	0.904000	602.780774	0.001500	0.000000	0.000000
Forecast	2005	0.931000	0.931000	620.676746	0.001500	0.000000	0.000000

	<u>t</u>	<u>Class 1</u>	<u>Class 2</u>	<u>Class 3</u>	<u>Class 4</u>	<u>Class 5</u>	<u>Class 6</u>	<u>Class 7</u>
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	7.026572	8.282057	139.192024	894.188310	37.015035	22.570979	1.881621
Actual	2001	5.178965	8.460976	139.318879	920.536186	39.008611	15.695230	0.155867
Actual	2002	7.842501	11.014983	139.057406	954.102342	35.667858	12.459077	0.189041
Forecast	2003	8.691402	10.669321	138.900095	1002.873942	35.382198	3.823687	0.216414
Forecast	2004	8.691402	8.753474	138.483395	1042.988900	36.372900	0.000000	0.254936
Forecast	2005	8.691402	8.478781	138.067945	1084.708456	37.391341	0.000000	0.300315

	<u>t</u>	<u>Class 8</u>	<u>Class 9</u>	<u>Class 10</u>	<u>Class 12</u>	<u>Class 13</u>	<u>TIF's</u>	<u>Abatement</u>
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	215.748092	498.030237	8.520090	68.192588	0.000000	44.535577	7.874787
Actual	2001	112.782734	230.832978	8.708849	49.641444	147.142750	28.428840	7.874787
Forecast	2002	116.605209	219.955767	8.198788	48.658380	144.488095	30.529563	3.879830
Forecast	2003	120.057884	206.360123	7.170239	46.688479	137.184847	30.802832	3.870000
Forecast	2004	124.620084	210.487325	7.496843	47.896340	139.928544	32.423061	3.870000
Forecast	2005	129.355647	214.697072	7.561841	48.393504	142.727115	34.128514	3.870000

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Non Levy Revenue includes federal forest receipts, oil and gas revenue, coal gross proceeds revenue, and other revenue which is distributed to statewide and local mills in each county. Before July 1, 2001, vehicle fees in lieu of taxes, financial institution taxes, and reimbursements from the state were non levy revenue. The mills to which non levy revenue is distributed are unique for each county and each non levy revenue source. The state's portion of non levy revenue is remitted to the state as a portion of the appropriate property tax. For instance, statewide 40 mill revenue includes a property tax portion and a non levy portion.

A description for each individual source follows below.

**LFD
COMMENT**

The Legislative Fiscal Division has requested property reappraisal information from the Department of Revenue. The department has stated that official reappraisal results are not yet available. Therefore, the Legislative Fiscal Division's revenue estimates are based on current law and do not include any impacts due to property reappraisals.

FEDERAL FOREST RECEIPTS

Revenue Description: The federal government authorizes logging operations on forest lands located within the borders of Montana. Through federal fiscal year 2000, the sale of timber generated revenue that the federal government shared with the state in the following year. The state received 25 percent of the federal forest receipts and sent the money to the county treasurer of the county in which the receipts were generated. Within thirty days, the county treasurer distributes the money to various county and state accounts.

Beginning November 2000, HR 2389 (federal legislation) fixes the allocation to the state at the average of the highest three years of forest receipts in the state. Not more than 20 percent and not less than 15 percent may be used by county governments for special projects on federal lands. The remainder is distributed under state law as described below.

Applicable Tax Rate(s): N/A

Distribution: The county treasurer apportions federal forest receipts in the following manner. Not more than 20% and not less than 15% is distributed to county government for special projects on federal land. Of the remainder:

- 66 2/3% goes to the general fund of the county
- 33 1/3% goes to the following countywide accounts, based on the mill ratios of each to total mills in the prior year:
county equalization accounts (55 mills), county transportation account, county retirement accounts

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

Applicable Assumptions and/or Relevant Indicators:

Federal Forest Timber Prices
Federal Board Feet Harvested
Mill Levies for County Transportation and Retirement Accounts

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Data Source(s): U.S. Forest Service survey, SABHRS

Contacts: U.S. Forest Service

Statute: Title 17, Chapter 3, MCA

% of Total FY 2002 General Fund Revenue: Included in total property tax contribution.

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source.

The applicable methodology (formulas) and assumptions are used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

With the passage of federal HR 2389, the level of forest receipts by the state as a whole will grow by $\frac{1}{2}$ the rate of inflation for rural communities. The general fund share (to the 55 mills) will only vary as the percentage the 55 mills represents of total levied mills varies. Total mills levied are forecast to increase by $\frac{1}{2}$ the rate of inflation as measured by the Consumer Price Index in fiscal 2003 through 2005.

COAL GROSS PROCEEDS TAX

Revenue Description: The state imposes a gross proceeds tax of 5.0 percent on the gross value of coal produced by all the coal mines in the state. The gross value of coal is computed as the tonnage of coal produced and sold times the contract sales price. This is the same gross value as used in the calculation of the state coal severance tax.

The tax is applied to one year's worth of production and the producer is billed in the following year. The producer pays the tax to the county treasurer in which the mine is located in two equal installments. One is in November of the notice year and the other is in May of the following year. Once received by the county treasurer, the tax revenue is distributed one month after receipt.

Applicable Tax Rate(s): The amount of tax due is 5.0 percent of the value of production as measured by the contract sales price for production in the preceding calendar year.

Distribution: The county treasurer distributes the coal gross proceeds tax based on the relative proportions of mill levies for the state, counties, and school districts as these existed in tax year 1989. At that time the county equalization mill levy was 45 mills. However, coal gross proceeds from new mines (starting business after December 31, 1988) are distributed across mill levies in the previous fiscal year.

Collection Frequency: The coal gross proceeds tax is collected twice annually in November and May. The state receives the tax revenue in December and June.

Applicable Assumptions and/or Relevant Indicators:

Montana Coal Production
Montana Contract Sales Price

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Statewide Average Mill Ratios

Data Source(s): Coal Company Surveys, Department of Revenue, County Treasurers

Contacts: Coal Company Representatives, Department of Revenue, County Treasurers

Statute: Title 15, Chapter 23, Part 7, MCA

% of Total FY 2002 General Fund Revenue: Included in total property tax contribution.

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

The major coal companies are surveyed for anticipated production levels and general indications of coal prices. In addition, a review is performed of historical trends and current literature on coal prices. The taxable value is then computed for each company by taking anticipated production, and multiplying that number by the contract sales price. Taxable value is then multiplied by the applicable tax rate to determine tax revenue. The final step involves applying the mill ratio for the state county equalization levy to the average statewide levy for tax year 1989 for the counties in which mines are located.

OIL & NATURAL GAS PRODUCTION TAXES

Revenue Description: The oil production tax is imposed on the production of petroleum and other mineral or crude oil in the state. The natural gas production tax is imposed on the production of natural gas in the state. The revenue from these taxes is submitted to the state, from which the state draws its share for distribution to the general fund, the resource indemnity trust and the Oil and Gas Conservation Board (See *Oil Production Tax* and *Natural Gas Production Tax*). The remaining share is for local distribution and is sent to the county treasurer in the counties in which the production occurred. A portion of the local share is distributed to the statewide mill levies.

Applicable Tax Rate(s): The oil and natural gas production taxes have numerous tax rates and distribution percentages depending on several factors. These factors include whether the oil or natural gas is produced from a stripper well, a horizontal well, an incentive well, from a well initially drilled before July 1, 1999 or after, from a well newly drilled within the last year or 18 months, and whether the interest being taxed is the working interest or the royalty interest.

Distribution: The local share of the oil and gas production tax is distributed by the county treasurer based on the relative proportions of mill levies for the state, counties, and school districts. The distribution of 5 percent of the revenue from pre-99 wells is based on the mill ratios that existed in fiscal 1990 (which did not include the 40 mills). The distribution of the remaining revenue from pre-99 wells and all the revenue from post-99 wells is distributed on mill ratios that existed in the previous fiscal year.

Collection Frequency: Quarterly: The oil and natural gas production tax is due 60 days after the end of the production quarter.

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Applicable Assumptions and/or Relevant Indicators:

Montana Oil Production
Montana Oil Price
Statewide Average Mill Ratios

Data Source(s): SABHRS, Department of Revenue, DRI-WEFA, *Wall Street Journal*

Contacts: Department of Revenue, Oil Company Representatives

Statute: Title 15, Chapter 36, MCA

% of Total FY 2002 General Fund Revenue: Included in total property tax contribution.

Revenue Estimate Methodology: The LFD uses a number of analytical techniques to develop relevant assumptions for this source of revenue. Historical data trends, economic conditions, input from industry experts, company surveys, and etc., are examples of information used to formulate these assumptions. The techniques used to develop these assumptions may vary from biennium to biennium and are highly dependent on availability of information, professional intuition/judgment, and a detailed analysis of the revenue source. The applicable methodology (formulas) and assumptions used by the LFD to develop a revenue estimate for this source are provided in the appendix of this document. The following summarizes the LFD process used to develop the revenue estimate.

Taxable value is calculated for each oil and natural gas type by multiplying anticipated production by the relevant oil and natural gas prices. Taxable value is then multiplied by the tax rate and allocated according to the local allocation percent for oil and natural gas type, to determine tax revenue. The next step consists of allocating the local share of pre-99 and post-99 oil and natural gas revenue to the appropriate taxing jurisdictions.

OTHER REVENUE

Revenue Description:

The county equalization account receives other revenue in addition to the types listed elsewhere. These include penalties and interest, back taxes, investment earnings, recreational fees, tax title and property sales, various state grants and fees, district court fines, county rents and lease income, and various revenue from federal sources such as PILT, Taylor Grazing and Bankhead Jones payments.

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Applicable Tax Rate(s): N/A

Distribution: Varies

Collection Frequency: Varies

Applicable Assumptions and/or Relevant Indicators: Because these sources are fairly stable in total, the last known year of collections is usually used to forecast future collections.

Data Source(s): County Collection Reports

Contacts: Office of Public Instruction

Statute: Various

% of Total FY 2002 General Fund Revenue: Included in total property tax contribution.

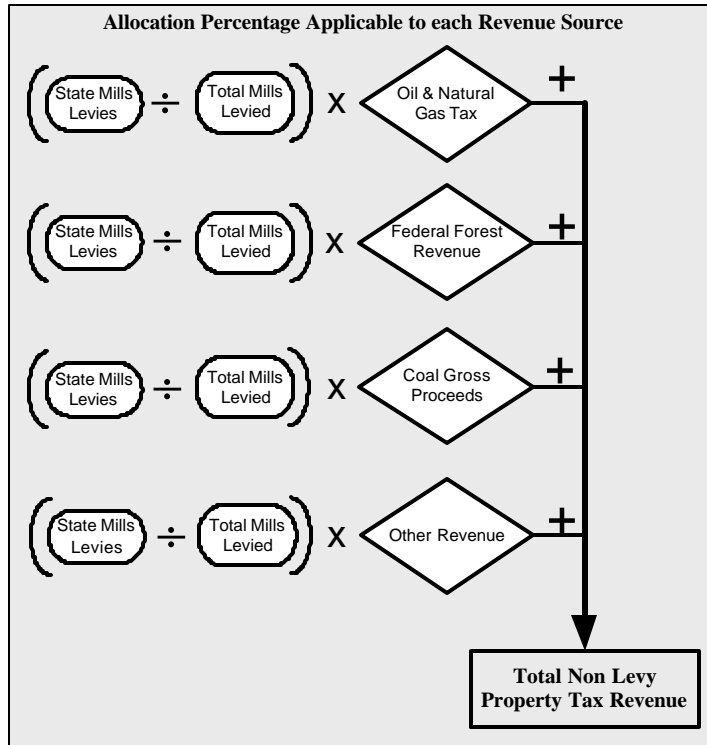
Revenue Estimate Methodology: : Because these sources are fairly stable in total, the last known year of collections is usually used to forecast future collections. Data for the last known year are obtained from data provided to the Office of Public Instruction by the county treasurers.

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Forecast and Distribution Methodology



Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

Revenue Estimate Assumptions

	t	Total Tax	40 Mill	55 Mill	6 Mill	9 Mill	1.5 Mill	Total State
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	143.879919	10.810197	23.445540	2.584415	0.860822	0.121110	37.822084
Actual	2001	137.612440	5.250599	16.481593	1.758272	0.177330	0.126396	23.794190
Actual	2002	73.008398	4.649510	16.144329	1.578894	0.000000	0.020201	22.392934
Forecast	2003	72.739326	4.591890	16.055907	1.319162	0.000000	0.000000	21.966959
Forecast	2004	75.655875	4.979180	16.733513	1.392957	0.000000	0.000000	23.105650
Forecast	2005	74.287102	4.936210	16.571961	1.369748	0.000000	0.000000	22.877919

	t	Corporate	Vehicle	Oil	Gas	Coal
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	8.406195	68.580047	23.112140	12.581713	10.785058
Actual	2001	0.000000	62.172220	25.583242	18.520482	11.330157
Actual	2002	0.000000	0.000000	22.141449	17.446846	10.470137
Forecast	2003	0.000000	0.000000	40.654094	0.000000	10.328402
Forecast	2004	0.000000	0.000000	44.513881	0.000000	10.506798
Forecast	2005	0.000000	0.000000	44.564994	0.000000	10.201349

	t	Other	PPR	Forest	Other
	<u>Fiscal</u>	<u>Vehicles</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2000	0.000000	11.559045	6.283122	2.572599
Actual	2001	0.000000	10.274706	7.185037	2.546596
Actual	2002	0.000000	8.990368	11.400000	2.559598
Forecast	2003	0.000000	7.706030	11.491202	2.559598
Forecast	2004	0.000000	6.421692	11.653906	2.559598
Forecast	2005	0.000000	5.137353	11.823808	2.559598

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

<u>Corporate</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	1.148824	0.000000	0.072211	0.010388
Actual	2001	0.000000	0.000000	0.000000	0.000000	0.000000
Actual	2002	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2003	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2004	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2005	0.000000	0.000000	0.000000	0.000000	0.000000

<u>Vehicle</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	6.816308	9.372424	1.022460	0.589115	0.084749
Actual	2001	0.000000	0.000000	0.000000	0.000000	0.103309
Actual	2002	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2003	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2004	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2005	0.000000	0.000000	0.000000	0.000000	0.000000

<u>Other</u> <u>Vehicle</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	0.000000	0.000000	0.000000	0.000000
Actual	2001	0.000000	0.000000	0.000000	0.000000	0.000000
Actual	2002	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2003	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2004	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2005	0.000000	0.000000	0.000000	0.000000	0.000000

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

<u>Oil & Gas</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	3.993889	5.897507	0.653196	0.000000	0.000000
Actual	2001	5.250599	7.721138	0.854483	0.000000	0.000000
Actual	2002	4.649510	6.843304	0.757447	0.000000	0.000000
Forecast	2003	4.591890	6.776192	0.750418	0.000000	0.000000
Forecast	2004	4.979180	7.352596	0.814390	0.000000	0.000000
Forecast	2005	4.936210	7.294105	0.808001	0.000000	0.000000

<u>Coal</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	4.454186	0.593890	0.000000	0.000000
Actual	2001	0.000000	4.679310	0.623906	0.000000	0.000000
Actual	2002	0.000000	4.324125	0.576549	0.000000	0.000000
Forecast	2003	0.000000	4.265589	0.568744	0.000000	0.000000
Forecast	2004	0.000000	4.339266	0.578567	0.000000	0.000000
Forecast	2005	0.000000	4.213116	0.561747	0.000000	0.000000

<u>Pers. Property</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	0.000000	0.314869	0.199496	0.025973
Actual	2001	0.000000	0.000000	0.279883	0.177330	0.023087
Actual	2002	0.000000	0.000000	0.244898	0.000000	0.020201
Forecast	2003	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2004	0.000000	0.000000	0.000000	0.000000	0.000000
Forecast	2005	0.000000	0.000000	0.000000	0.000000	0.000000

Legislative Fiscal Division

Revenue Estimate Profile

Non Levy Revenue

<u>Forest</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	0.000000	0.000000	0.000000	0.000000
Actual	2001	0.000000	1.534549	0.000000	0.000000	0.000000
Actual	2002	0.000000	2.417302	0.000000	0.000000	0.000000
Forecast	2003	0.000000	2.454528	0.000000	0.000000	0.000000
Forecast	2004	0.000000	2.482053	0.000000	0.000000	0.000000
Forecast	2005	0.000000	2.505142	0.000000	0.000000	0.000000

<u>Other</u>	<u>t</u> <u>Fiscal</u>	<u>40 Mill</u> <u>Millions</u>	<u>55 Mill</u> <u>Millions</u>	<u>6 Mill</u> <u>Millions</u>	<u>9 Mill</u> <u>Millions</u>	<u>1.5 Mill</u> <u>Millions</u>
Actual	2000	0.000000	2.572599	0.000000	0.000000	0.000000
Actual	2001	0.000000	2.546596	0.000000	0.000000	0.000000
Actual	2002	0.000000	2.559598	0.000000	0.000000	0.000000
Forecast	2003	0.000000	2.559598	0.000000	0.000000	0.000000
Forecast	2004	0.000000	2.559598	0.000000	0.000000	0.000000
Forecast	2005	0.000000	2.559598	0.000000	0.000000	0.000000