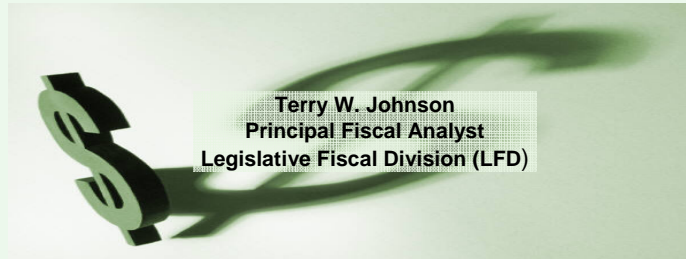




State General Fund

A Look Back, What the Future Holds



Terry W. Johnson
Principal Fiscal Analyst
Legislative Fiscal Division (LFD)

December 5, 2006

A report to the
Montana Taxpayers Association

1



Legislative Fiscal Division



Presentation Outline

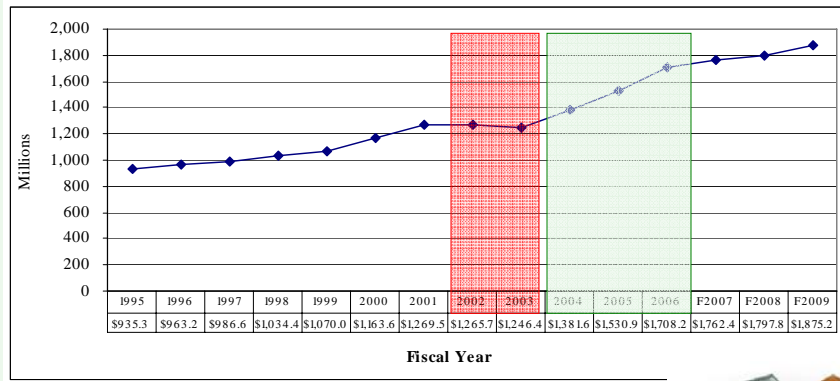
- **General Fund Revenue Trends**
 - Total General Fund Revenue
 - Individual Income Tax
 - Corporation Income Tax
 - Oil & Gas Production Tax
- **General Fund Outlook 2009 Biennium**
 - General Fund Outlook – Present Law
 - Revenue Outlook
 - General Fund Outlook – With Governor's Proposals



2

Legislative Fiscal Division

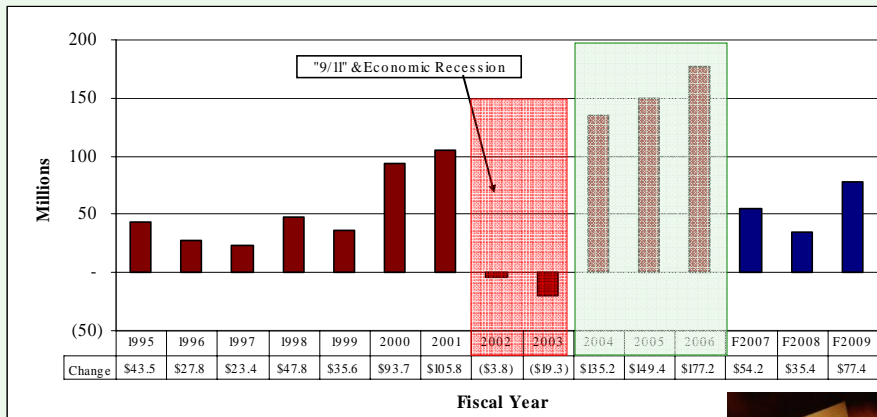
Total General Fund Revenue



3

Legislative Fiscal Division

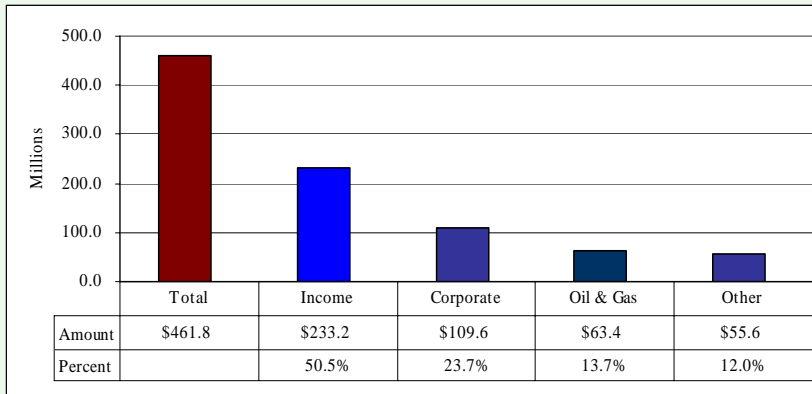
Total General Fund Revenue
Year over Year Change



4



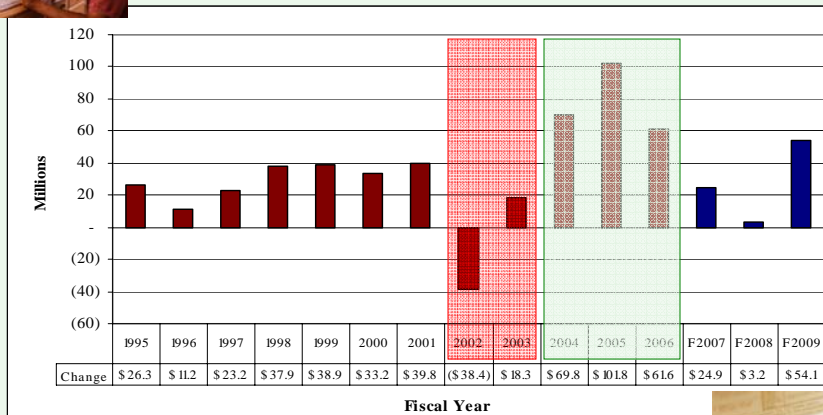
Total General Fund Revenue Change
Fiscal 2004 through 2006



5



Total Individual Income Tax
Year over Year Change

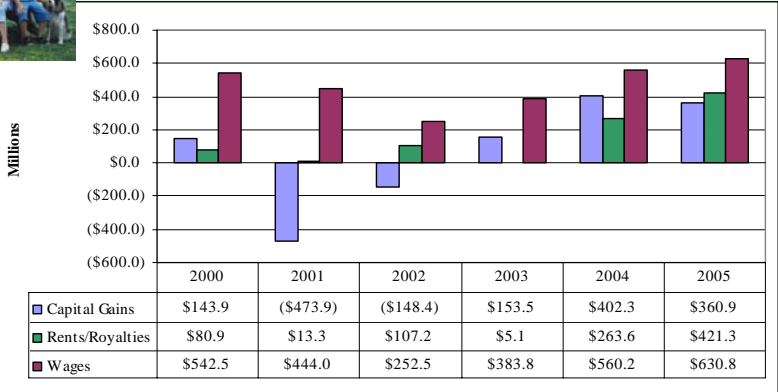


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Legislative Fiscal Division



Individual Income Tax - Income Components
Year over Year Change

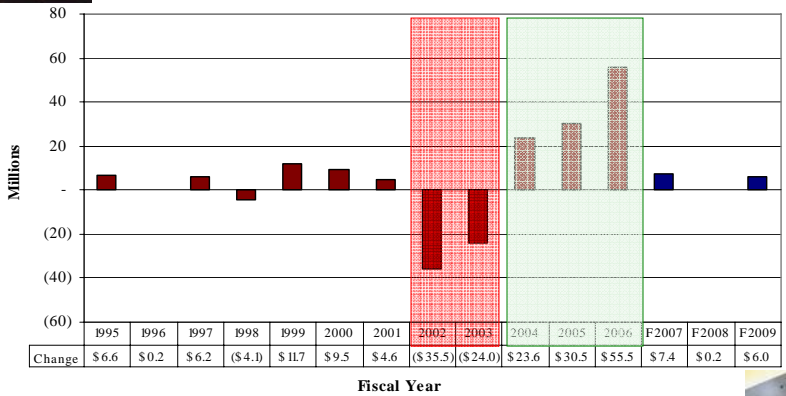


7

Legislative Fiscal Division



Total Corporation Income Tax
Year over Year Change

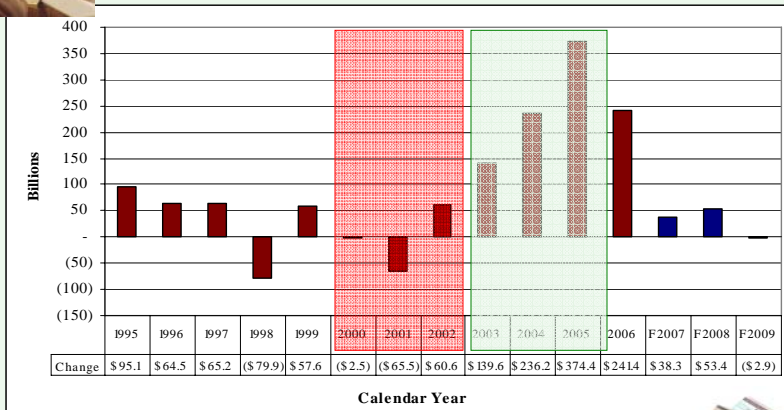


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Legislative Fiscal Division



US Corporate Profits
Year over Year Change

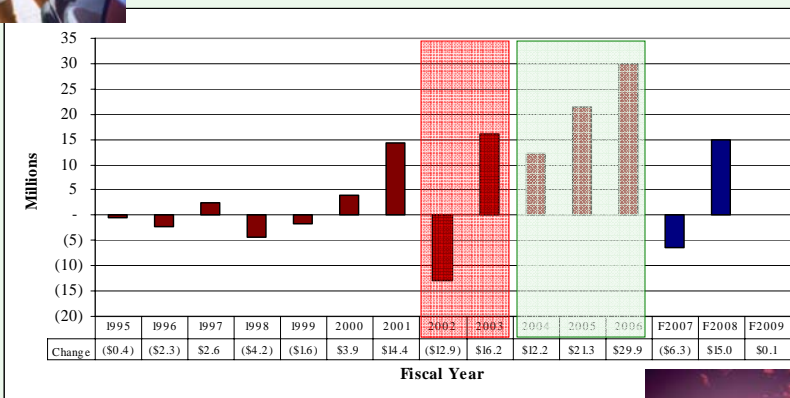


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Legislative Fiscal Division



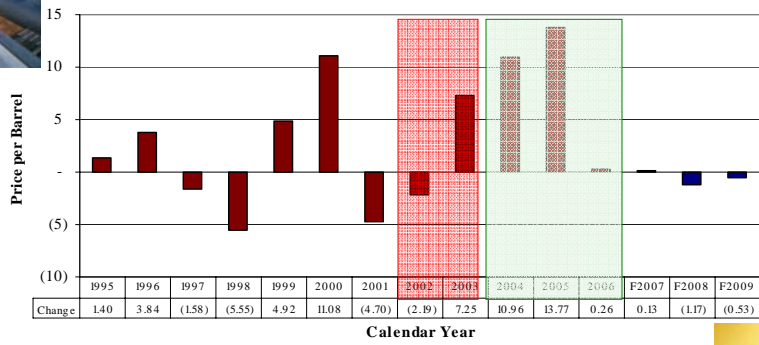
Total Oil & Gas Production Tax
Year over Year Change



10



Montana Oil Price Year over Year Change



General Fund Outlook

2009 Biennium

Beginning Balance:	\$ 527.2 M
RTIC* Present Law Revenue:	\$ 3,673.0 M
LFD Present Law Disbursements:	\$ 3,214.3 M
Ending Balance (Before Reserves):	\$ 985.9 M

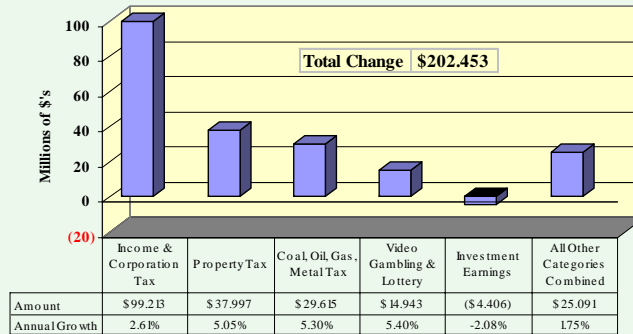
* Revenue & Transportation Interim Committee





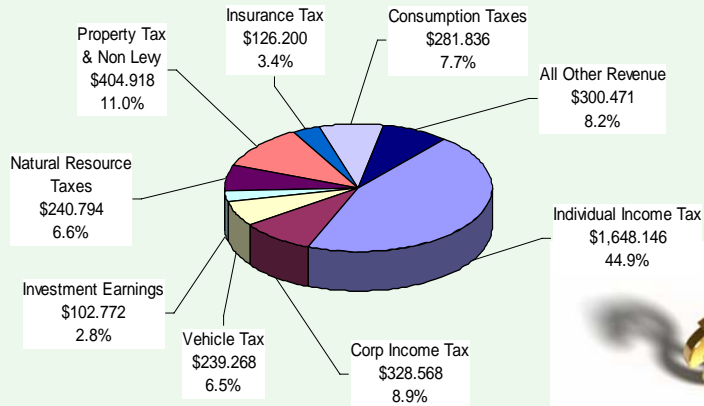
Revenue Outlook – 2009 Biennium

**General Fund Revenue Estimate Changes
RTIC Estimates 2007 Biennium vs 2009 Biennium**



Where the Revenue Comes From

**General Fund Revenue
By Major Component 2009 Biennium
Total \$3,672.973 Millions**





Executive Budget Proposals General Fund

Ending Balance Based on Present Law	\$ 985.9 M
Revenue Enhancements:	+\$ 77.0 M
HB2 Proposals:	- \$ 298.9 M
✓ Additional Present Law	- \$ 109.480 M
✓ New Proposals	- \$ 189.446 M
2009 Biennium Pay Plan:	- \$ 58.6 M
Long Range Planning:	- \$ 171.2 M
Tax Modifications:	- \$ 148.9 M
✓ Personal Property Reduction	- \$ 30.000 M
✓ Property Tax Rebate	- \$ 97.934 M
✓ Water Tax Rebate	- \$ 21.000 M



Executive Budget Proposals General Fund (continued)

Retirement Systems:	- \$ 129.3 M
Emergency Statutory Appropriation:	- \$ 9.0 M
Miscellaneous Other Proposals:	- \$ 29.4 M
Big Sky Savings Account:	- \$ 117.5 M
Total Executive Budget Proposals:	\$ 889.3 M
Ending Fund Balance With Executive Budget Proposals:	\$ 100.0 M



