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# Legislative Fiscal Division

## Revenue Estimate Profile

### GVW and Other Fees

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**Revenue Description:** There are two types of revenue derived from over 20 different sources classified under gross vehicle weight (GVW) and other income: fee revenue and permit revenue. The majority of revenue is derived from a variety of GVW fees, including those fees collected by counties when vehicles are registered. Miscellaneous permits comprise the second income component under this source. Enactment of the federal Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU) replaces the single state registration system (SSRS) with a new uniform carrier registration program. Elimination of the SSRS (effective January 1, 2007) eliminated the \$5 state fee that was deposited to the general fund. The revenue was replaced with revenue from a federal fee. Montana is expected to receive revenue from this fee in the same amount of the lost SSRS revenue.

#### Statutory Reference:

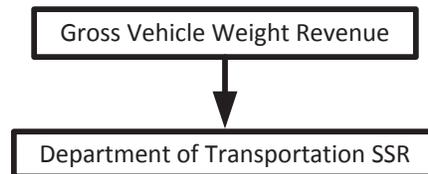
Tax Rate – Multiple (Administrative Rules 18.8.202)

Tax Distribution (MCA) – Multiple

**Applicable Tax Rate(s):** Various

**Distribution:** The majority of GVW revenue is allocated to the Montana Department of Transportation.

#### Distribution Chart:



**Summary of Legislative Action:** The 63<sup>rd</sup> Legislature did not enact legislation that impacted this source.

**Collection Frequency:** Various

**% of Total General Fund Revenue:** 0.0% (the general portion is included in “All Other General Fund”)

#### Revenue Estimate Methodology:

##### Data

The data used in the gross weight vehicle (GVW) tax estimate are obtained from the state accounting system (SABHRS) and the Montana Department of Transportation (MDT). The SABHRS data provide the historic collection data for the 13 different types of fees and permits. MDT provides statistics on the number of gross weight vehicle licenses for use in Montana.

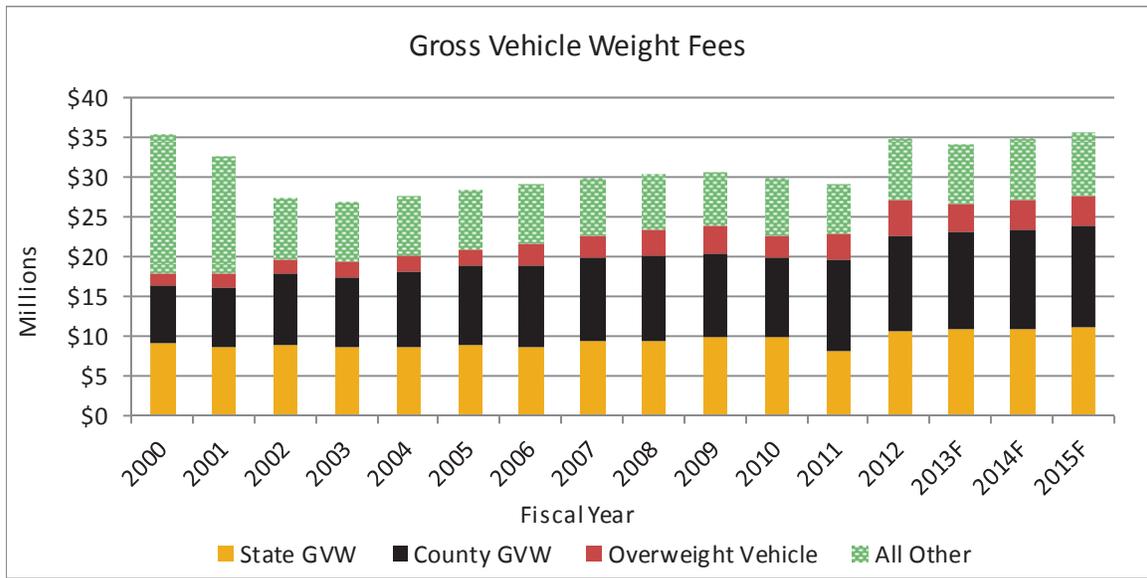
##### Analysis

The state of Montana imposes many fees and requires several types of permits based on the gross weight of commercial and large privately owned vehicles. In preparing the GVW estimate, 13 sources of fees and permit revenues are analyzed. Most of the sources demonstrate a payment history that can be adequately measured by applying a growth rate to a base year. The largest sources of revenue in the GVW are the gross vehicle weight fees collected by both counties and the state. The figure below demonstrates the relative importance of these two sources to the overall GVW collections.

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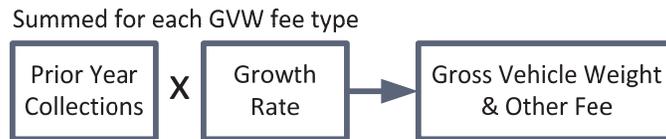
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Both county and state GVW fees are forecast with a compound growth rate with the historical high and low rates removed. Another large source of revenue included in the GVW is the fee for overweight vehicles. This fee is estimated with an eight-year moving average growth rate base on changes in the two previous years with the historical high and low rates removed. All other GVW fees, as shown in the figure above, are a collection of 10 different fees and permit types. While each of these fees is estimated separately, in combination the fees are expected to continue to increase after a decline from FY 2012 levels. The estimates for each of the GVW fees and permit collections are combined to produce the total estimate for GVW fees for the upcoming three fiscal years, denoted by an F in the above chart.

#### Forecast Methodology:



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#### Revenue Estimate Assumptions:

This section contains the assumptions used to generate the revenue estimates contained in Senate Joint Resolution 2. It does not reflect changes, if any, enacted by the 2013 Legislature that may affect future estimates of this revenue source.

	t	Total Tax	GF Tax	GVW	SSRS	Form 3	Trip	County
	<u>Fiscal</u>	<u>Millions</u>						
Actual	2002	27.266	1.045	8.814	1.045	0.860	0.441	8.933
Actual	2003	26.818	1.184	8.503	1.184	1.044	0.441	8.800
Actual	2004	27.500	1.215	8.586	1.215	1.007	0.455	9.398
Actual	2005	28.149	1.169	8.690	1.169	0.992	0.514	9.920
Actual	2006	28.916	1.330	8.555	1.336	1.059	0.542	10.243
Actual	2007	29.761	0.110	9.257	0.110	1.133	0.583	10.544
Actual	2008	30.238	-0.035	9.266	-0.035	1.137	0.642	10.827
Actual	2009	30.565	0.001	9.676	0.001	0.961	0.589	10.572
Actual	2010	29.630	0.019	9.618	0.019	1.023	0.565	10.120
Actual	2011	28.866	0.000	8.073	0.000	1.028	0.658	11.305
Actual	2012	34.745	0.000	10.489	0.000	1.102	0.865	12.086
Forecast	2013	33.969	0.000	10.651	0.000	1.134	0.700	12.272
Forecast	2014	34.707	0.000	10.814	0.000	1.161	0.750	12.461
Forecast	2015	35.486	0.000	10.984	0.000	1.197	0.805	12.657

	t	Sales	Overweight	Special	Restricted	Fuel	LPG	Other
	<u>Fiscal</u>	<u>Millions</u>						
Actual	2002	-0.640	1.845	0.903	0.000	0.108	0.000	4.957
Actual	2003	0.000	1.816	0.922	0.000	0.106	0.000	4.002
Actual	2004	0.000	1.903	0.978	0.000	0.108	0.000	3.850
Actual	2005	0.000	2.075	1.030	0.000	0.110	0.000	3.649
Actual	2006	0.000	2.646	1.104	0.000	0.118	0.000	3.314
Actual	2007	0.000	2.779	1.170	0.000	0.126	0.000	4.059
Actual	2008	0.000	3.185	1.229	0.000	0.151	0.000	3.834
Actual	2009	0.000	3.382	1.129	0.000	0.150	0.000	4.106
Actual	2010	0.000	2.730	1.081	0.000	0.142	0.000	4.332
Actual	2011	0.000	3.305	1.182	0.000	0.185	0.000	3.131
Actual	2012	0.000	4.353	1.422	0.000	0.254	0.000	4.174
Forecast	2013	0.000	3.477	1.240	0.000	0.263	0.000	4.231
Forecast	2014	0.000	3.659	1.300	0.000	0.274	0.000	4.289
Forecast	2015	0.000	3.850	1.361	0.000	0.284	0.000	4.349

$$\text{Total Tax} = \text{GVW} + \text{SSRS} + \text{Form 3} + \text{Trip} + \text{County} + \text{Sales} + \text{Overweight} + \text{Special} + \text{Restricted} + \text{Fuel} + \text{LPG} + \text{Other}$$

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#### Revenue Projection:

