
Legislative Fiscal Division

Revenue Estimate Profile

All Other Revenue

Revenue Description: There are a number of other taxes, fees, and fines that historically have generated less than \$2.5 million each in annual general fund revenue. In addition, the statutes governing these miscellaneous taxes, fees, and fines are frequently changed, making meaningful comparison between tax years impractical and accurate estimation of the revenue difficult.

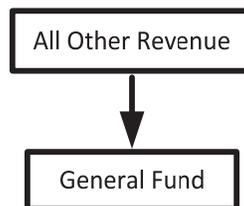
“All Other Revenue” sources are estimated in aggregate except for the following: court automation surcharge (enacted by the 2005 Legislature in House Bill 536), investment license transfers, liquor license fee transfers, civil fines, lodging facility use tax, deposits by state agencies for SWCAP/ SFCAP, district court fees, BOI reimbursement of State Street Banking fees, transfers of excess coal tax revenue in the shared account (beginning FY 2013), bentonite tax enacted in SB 276 by the 2005 Legislature, excess balances in the captive insurance and the procurement accounts, and transfer of the excess over \$2.0 million from the veterans’ cigarette tax account administered by DPHHS. In the past, general fund wildfire costs incurred on federal jurisdiction fires and reimbursed by the federal government had been included in this revenue source, but beginning in FY 2003 they are deposited to the federal special revenue fund. Due to a settlement with Federal Express, a one-time amount of \$1.457 million was added to FY 2011.

Statutory Reference: Various

Applicable Tax Rate(s): Various

Distribution: “All Other Revenue” is deposited in the general fund.

Distribution Chart:



Summary of Legislative Action:

House Bill 81 – This legislation requires 4.5% of total fees collected annually under 30-10-209 (1)(a), MCA, to be deposited into the securities restitution fund instead of the general fund. This will reduce the transfer to all other revenue.

House Bill 89 – The legislation provides for a refund of unclaimed property of \$2,000 or less on a closed estate, regardless of the value of the estate, without having to reopen it. The legislation is effective October 1, 2013.

House Bill 498 – The legislation changes the expiration or term of a state-issued identification card based upon the age of an applicant which increases general fund revenue. It also changes the fees charged for an identification card to a per year fee based on the expiration date of the card.

House Bill 605 – The legislation provides a process for annexation of property into a resort area district, requires a proposal for annexation and a \$250 review fee to be submitted to the Department of Commerce for designation as a resort area, and requires an election in the area proposed to be annexed.

Senate Bill 162 – The legislation transfers the administrative responsibilities of collecting hail insurance fees, previously administered by the Department of Revenue, to the Department of Agriculture. The legislation caps the Department of Agriculture’s transfer to the general fund at \$100,000. The legislation is effective January 1, 2014.

Senate Bill 275 – The legislation provides for Montana residents who have a veteran status, upon providing documentation of such status, to be provided a driver’s license or identification card that shall include the word “veteran” on the face of the card. The legislation is effective January 1, 2014.

Senate Bill 280 – The legislation allows owners of property to enter into mediation with the Department of Revenue. The mediation is non-binding and the cost must be split between the taxpayer and the Department of Revenue. The taxpayer must pay a

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\$100 fee for a request for mediation. The legislation is effective on passage and approval with the section containing the mediation and \$100 fee effective January 1, 2015.

House Bill 355 – This legislation changes the look-back window currently used to determine if a person is subject to enhanced criminal penalties and driver licensing sanctions for a second or subsequent driving under the influence or excessive blood alcohol (DUI/BAC) conviction from 5 years to 20 years. The change will increase the number of offenders subject to enhanced penalties.

Senate Bill 392 – The legislation provides for an expedited process to resolve formal complaints alleging violations of 13-35-225(1) and (2), MCA (election materials not to be anonymous). Potential fines are up to \$500 or three times the amount of the unlawful contributions or expenditures, whichever is greater. The legislation applies to proceedings begun on or after October 1, 2013.

Senate Bill 410 – By July 1, 2013, the legislation requires the state treasurer to transfer \$500,000 from the central stores account within the internal service fund to the general fund. The legislation is effective on passage and approval and terminates June 30, 2015.

All Other Revenue – Legislation Passed by 63rd Legislature			
General Fund Impact (\$ Millions)			
Bill Number and Short Title	FY 2013	FY 2014	FY 2015
HB0081 Revise securities restitution assistance fund laws	(\$0.272)	(\$0.272)	(\$0.272)
HB0089 Allow de minimus refund of abandoned property or closed estates	0.000	(0.005)	(0.005)
HB0498 Generally revise state issued id requirements	0.000	0.092	0.100
HB0605 Generally revise resort district laws	0.000	0.000	0.000
SB0162 Transfer hail insurance program from D of Revenue to the D of Agriculture	0.000	(0.007)	(0.007)
SB0275 Revise driver license laws related to veteran status	0.000	0.002	0.002
SB0280 Allow mediation for dispute of property valuation	0.000	0.002	0.017
HB0355 Eliminate the 5-year look back for alcohol and drug driving offenses	0.042	0.246	0.246
SB0392 Increase authority of commissioner of political practices for noncompliance	0.000	0.002	0.002
SB0410 Authorizing transfers to implement provisions of House Bill 2	0.500	0.000	0.000
Total General Fund Impact	\$0.269	\$0.060	\$0.083

Collection Frequency: The various revenue sources are generally collected on a monthly basis.

% of Total General Fund Revenue:

FY 2004 – 2.19%	FY 2007 – 1.04%	FY 2010 – 2.17%
FY 2005 – 2.27%	FY 2008 – 1.96%	FY 2011 – 2.83%
FY 2006 – 1.87%	FY 2009 – 1.77%	FY 2012 – 2.53%

Revenue Estimate Methodology:

There are numerous smaller sources of revenue deposited to the general fund that are treated as a single source termed “All Other.” Fifteen of these revenue sources are estimated individually with the remainder estimated as a group.

Data

Numerous data sources are consulted for each of the applicable fifteen revenue sources that are estimated individually.

Analysis

1. Abandoned property is assumed to grow at 0% per year for the forecast period.
2. District court fees are assumed to grow at 0% per year for the forecast period.
3. Investment license fee transfer is the net between non-general fund investment fee revenue collected by the State Auditor and its expenses. These amounts are determined in the “Investment License Fee” revenue source.
4. Statewide Cost Allocation Plan: amounts budgeted for agencies in HB 2 for the SWCAP are used for the forecast amounts from this source.

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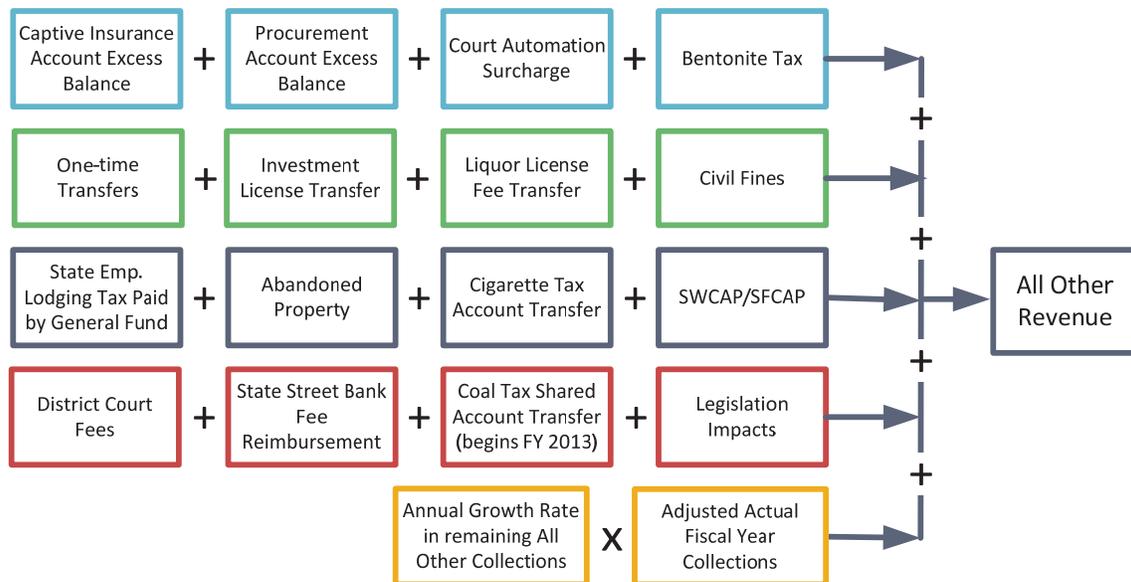
All Other Revenue

5. Court surcharge is assumed to grow at 0% per year for the forecast period.
6. Veteran’s cigarette account transfer: money in the account at the end of a fiscal year in excess of \$2.0 million is transferred to the general fund. To estimate the excess amounts, distributions of cigarette tax revenue to the account (as determined in the “Cigarette Tax” revenue source) is reduced by budgeted present law amounts from the account for each fiscal year obtained from MBARS. Included are expenditure estimates from long range building appropriations. The \$2.0 million limit is then subtracted from the net revenue.
7. Banking charges: the rate the Board of Investments charges funds for its services is determined by a contract with a financial institution. Board personnel state that the current contract is \$1,550,000, but may be more if additional accounts are established.
8. Civil fines are assumed to grow at 0% per year for the forecast period.
9. Liquor License Fee Transfer: money collected from liquor license fees, net of operating costs of the Department of Revenue and Department of Justice, is transferred to the general fund. License fee revenue and operating costs (obtained from MBARS budgets) are estimated and shown in the “Liquor Profits” revenue source.
10. Coal Shared Account (beginning FY 2013): any excess fund balance in the account is transferred to the general fund. To estimate the excess amount, distributions of coal severance tax revenue to the account (as determined in the “Coal Severance Tax” revenue source) and revenues estimated by the Governor’s budget office are reduced by budgeted present law amounts for each fiscal year from the account obtained from MBARS.
11. Captive Insurance Account: any excess fund balance in the account is transferred to the general fund. To estimate the excess amounts, distributions of insurance tax revenue to the account (as determined in the “Insurance Tax” revenue source) and revenues estimated by the Governor’s budget office are reduced by budgeted present law amounts for each fiscal year from the account obtained from MBARS.
12. Procurement Account transfers: any excess fund balance in the account is transferred to the general fund. To estimate the excess amounts, revenues estimated by the Governor’s budget office are reduced by budgeted present law amounts for each fiscal year from the account obtained from MBARS.
13. Bentonite tax is assumed to grow at 0% per year for the forecast period.
14. State Employees Lodging Facility Use Tax: revenue from this tax paid by state employees is returned to the funds from which they were paid, including the general fund. The general fund estimate is calculated by multiplying the estimate for non-general fund (estimated in the “Lodging Taxes” revenue source) by the ratio of the previous lodging facility use tax general fund portion to the total non-general fund portion.
15. One-time transfers are assumed to be \$0 for the forecast period.
16. The remainder of “All Other” revenue, after the fifteen revenue sources have been estimated individually, is estimated by increasing the amount received in the last known fiscal year and each subsequent forecast year by 2%.

Adjustments and Distribution

Once total revenue for each fiscal year is determined 100% of the revenue is distributed to the general fund.

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	Base	Annual	Adjustments	Vet. Account	One-Time
	<u>Fiscal</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Growth</u>	<u>Millions</u>	<u>Transfer</u>	<u>Transfer</u>
							<u>Millions</u>	<u>Millions</u>
Actual	2002	43.216	43.216	6.401	-30.9%	1.162		
Actual	2003	42.440	42.440	7.120	11.2%	21.282		
Actual	2004	30.242	30.242	6.201	-12.9%	8.190	1.055	
Actual	2005	34.724	34.724	6.434	3.8%	0.000	2.893	4.767
Actual	2006	31.867	31.867	7.114	10.6%	0.000	2.653	0.781
Actual	2007	19.091	19.091	7.520	5.7%	0.000	-4.116	0.000
Actual	2008	38.434	38.434	7.494	-0.3%	0.000	2.636	7.821
Actual	2009	31.922	31.922	7.446	-0.6%	0.000	2.650	3.350
Actual	2010	35.360	35.360	5.634	-24.3%	0.000	1.590	8.509
Actual	2011	50.393	50.393	9.274	64.6%	1.315	3.905	15.973
Actual	2012	47.258	47.258	8.799	-5.1%	0.000	3.676	15.052
Forecast	2013	32.595	32.595	8.975	2.0%	0.000	2.511	0.000
Forecast	2014	32.488	32.488	9.154	2.0%	0.000	3.323	0.000
Forecast	2015	32.773	32.773	9.337	2.0%	0.000	3.152	0.000

	t	Investment	Land Grant	Civil Fines	GVW Fees	Accom. Tax	MSU&EMC	SABHRS
	<u>Fiscal</u>	<u>Transfer</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Debt</u>	<u>Debt</u>
							<u>Millions</u>	<u>Millions</u>
Actual	2002	2.179	0.000	0.749	1.045	0.039	0.840	2.469
Actual	2003	2.036	0.000	0.481	1.071	0.033	0.838	2.051
Actual	2004	2.113	0.000	0.856	1.067	0.040	0.838	0.000
Actual	2005	2.110	0.000	0.443	1.100	0.049	0.833	0.000
Actual	2006	2.234	0.000	1.238	1.304	0.061	0.832	0.000
Actual	2007	2.977	0.000	0.873	0.079	0.071	0.252	0.000
Actual	2008	3.309	0.000	0.762	-0.035	0.080	0.694	0.000
Actual	2009	2.636	0.000	1.406	0.001	0.070	0.697	0.000
Actual	2010	2.969	0.000	1.695	0.019	0.043	0.466	0.000
Actual	2011	3.278	0.000	0.982	0.000	0.045	0.000	0.000
Actual	2012	4.970	0.000	0.864	0.000	0.061	0.000	0.000
Forecast	2013	5.147	0.000	0.864	0.000	0.000	0.000	0.000
Forecast	2014	5.205	0.000	0.864	0.000	0.000	0.000	0.000
Forecast	2015	5.466	0.000	0.864	0.000	0.000	0.000	0.000

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	<u>t</u>	<u>FEMA</u>	<u>Coal</u>	<u>SFCAP</u>	<u>Liquor License</u>	<u>District</u>	<u>Bank</u>
	<u>Fiscal</u>	<u>Millions</u>	<u>Transfer</u>	<u>SWCAP</u>	<u>Transfer</u>	<u>Court</u>	<u>Charges</u>
			<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2002	23.246	0.623	1.024	1.036	0.000	0.778
Actual	2003	0.000	0.000	1.179	0.558	2.665	0.771
Actual	2004	0.146	0.000	2.215	0.734	2.839	0.766
Actual	2005	5.540	0.684	2.514	0.431	3.009	0.737
Actual	2006	3.535	0.550	1.844	0.306	3.108	0.903
Actual	2007	0.302	0.536	1.723	0.436	3.135	0.867
Actual	2008	0.088	0.000	2.399	1.407	3.349	1.334
Actual	2009	0.291	0.608	1.715	0.399	3.450	1.556
Actual	2010	0.028	0.000	3.938	0.323	3.481	1.554
Actual	2011	0.000	0.000	3.931	0.363	3.596	1.538
Actual	2012	0.000	0.000	3.974	0.059	3.434	1.595
Forecast	2013	0.000	0.366	4.368	0.160	3.434	2.141
Forecast	2014	0.000	0.244	3.001	0.304	3.434	2.236
Forecast	2015	0.000	0.000	3.152	0.289	3.434	2.346

	<u>t</u>	<u>Abandoned</u>	<u>Court</u>	<u>Bentonite</u>	<u>Captive</u>	<u>Procurement</u>
	<u>Fiscal</u>	<u>Property</u>	<u>Surcharge</u>	<u>Millions</u>	<u>Account</u>	<u>Account</u>
		<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>	<u>Millions</u>
Actual	2002					
Actual	2003					
Actual	2004					
Actual	2005					
Actual	2006	3.310	1.589	0.504		
Actual	2007	2.359	1.660	0.417		
Actual	2008	4.253	1.616	0.564	0.023	
Actual	2009	2.470	1.686	0.483	0.000	0.451
Actual	2010	2.778	1.692	0.244	0.026	0.371
Actual	2011	3.756	1.663	0.376	0.021	0.376
Actual	2012	2.234	1.585	0.456	0.051	0.450
Forecast	2013	2.234	1.585	0.456	0.020	0.334
Forecast	2014	2.234	1.585	0.456	0.000	0.448
Forecast	2015	2.234	1.585	0.456	0.000	0.458

Total Rev. = Base × (1+ Annual Growth) + Vet. Account Transfer + Investment Transfer + Civil Fines +
 GVW Fees + Accom. Tax + MSU/EMC Debt + Coal Transfer + SFCAP/SWCAP +
 Liquor License Transfer + District Court + Bank Charges + Court Automation +
 Abandoned Property + Bentonite + Captive Account + Procurement Account
 Total Rev. = GF Rev.

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Revenue Projection:

