

**GENERAL FUND REVENUE ESTIMATES FOR THE 2005-07 AND 2007-09 BIENNIUMS
AND ACTUAL COLLECTIONS FOR PRIOR BIENNIUMS**

	Actual		Estimated		2007-09 Increase (Decrease) Compared to 2005-07	2007-09 Percentage Increase (Decrease) Compared to 2005-07
	2001-03 Biennium	2003-05 Biennium	2005-07 Biennium¹	2007-09 Biennium²		
Beginning balance	\$62,240,652	\$14,790,311	\$68,015,056	\$218,350,170	\$150,335,114	221.0%
Revenue source						
Sales and use tax	\$640,618,364	\$717,758,293	\$849,739,753	\$916,540,678	\$66,800,925	7.9%
Motor vehicle excise tax	119,592,232	128,010,103	121,605,559	113,558,900	(8,046,659)	(6.6%)
Individual income tax	396,153,000	452,547,326	553,446,952	497,816,000	(55,630,952)	(10.1%)
Corporate income tax	88,417,166	102,926,972	188,974,587	148,569,848	(40,404,739)	(21.4%)
Insurance premium tax	48,990,027	56,284,535	53,884,876	55,470,000	1,585,124	2.9%
Business privilege tax	6,257,389	4,958,673	8,372,320	9,400,000	1,027,680	12.3%
Cigarette and tobacco tax	39,313,360	39,476,712	45,991,081	47,366,000	1,374,919	3.0%
Oil and gas production tax	39,159,000 ³	45,534,044 ³	45,774,119 ³	39,839,000 ³	(5,935,119)	(13.0%)
Oil extraction tax	22,841,000 ³	25,465,956 ³	25,225,881 ³	31,161,000 ³	5,935,119	23.5%
Coal conversion tax	46,878,511	47,196,831	48,522,047	47,447,000	(1,075,047)	(2.2%)
Gaming tax	27,612,652	20,850,911	18,427,165	20,753,844	2,326,679	12.6%
Lottery	0	7,269,005	12,600,000	11,155,000	(1,445,000)	(11.5%)
Wholesale liquor tax	11,155,834	11,889,465	12,646,589	12,679,000	32,411	0.3%
Mineral leasing fees	6,440,513	11,024,583	14,871,893	13,000,000	(1,871,893)	(12.6%)
Interest income	8,509,483	6,935,015	32,125,070	36,420,000	4,294,930	13.4%
Departmental collections	57,506,019	61,004,537	54,458,514	56,729,639	2,271,125	4.2%
Total revenues	\$1,559,444,550	\$1,739,132,961	\$2,086,666,406	\$2,057,905,909	(\$28,760,497)	(1.4%)
Transfers and other sources						
Sale of DD loans	\$2,004,257 ⁴	\$0	\$0	\$0	\$0	0.0%
Transfer - Bank of North Dakota	60,000,000	60,000,000	60,000,000	60,000,000	0	0.0%
Transfer - Bank of North Dakota (contingent)	18,699,787 ⁵	0	0	0	0	0.0%
Transfer - Student loan trust	9,000,000	26,258,969	9,000,000	3,100,000	(5,900,000)	(65.6%)
Transfer - Mill and Elevator	6,000,000	5,000,000	5,000,000	5,000,000	0	0.0%
Transfer - Gas tax administration	1,363,392	1,396,200	1,400,000	1,274,056	(125,944)	(9.0%)
Transfer - Lands and minerals trust fund	3,545,102	2,000,000	6,800,000	15,000,000	8,200,000	120.6%
Transfer - Permanent oil tax trust fund	0	11,910,000	55,300,000	115,000,000	59,700,000	108.0%
Transfer - State bonding fund	0	2,800,000	0	0	0	0.0%
Transfer - Water development trust fund	9,733,820	10,070,373	0	0	0	0.0%
Transfer - Health care trust fund	0	35,911,035	16,900,000	0	(16,900,000)	(100.0%)
Transfers - Other	87,332	2,461,911	323,928	0	(323,928)	(100.0%)
Total transfers and other sources	\$110,433,690	\$157,808,488	\$154,723,928	\$199,374,056	\$44,650,128	28.9%
Total beginning balance, revenues, and transfers	\$1,732,118,892	\$1,911,731,760	\$2,309,405,390	\$2,475,630,135	\$166,224,745	7.2%
Federal fiscal relief payments	\$0	\$56,456,581 ⁶	\$0	\$0	\$0	0.0%
Total revenues, including federal fiscal relief payments	\$1,732,118,892	\$1,968,188,341	\$2,309,405,390	\$2,475,630,135	\$166,224,745	7.2%

¹ Revised 2005-07 revenue forecast (February 2007).

² Legislative amounts for the 2007-09 biennium.

³ From 1999 through 2003, North Dakota Century Code (NDCC) Section 57-51.1-07.2 provided that if, at the end of any biennium, oil and gas production and extraction tax collections during the biennium exceed \$62 million, the excess amount must be transferred from the general fund to the permanent oil tax trust fund. Interest on money in the fund is transferred to the general fund.

Section 26 of 2003 Senate Bill No. 2015 amended NDCC Section 57-51.1-07.2 so that all revenues deposited in the general fund during a biennium that are derived from the oil and gas gross production tax which exceed \$71 million are to be transferred into the permanent oil tax trust fund instead of the prior \$62 million limit.

Total oil and gas collections are estimated to be \$237.9 million for the 2005-07 biennium, resulting in \$166.9 million being transferred to the permanent oil tax trust fund at the end of the biennium.

Based on the February 2007 revised revenue forecast for the 2007-09 biennium, total oil and gas collections are estimated to exceed \$71 million by \$158.6 million; however, the 2007 Legislative Assembly approved bills that increase the county share of taxes (House Bill No. 1044 and Senate Bill No. 2178), increase transfers to the oil and gas research fund (House Bill No. 1128), decrease shallow gas gross production taxes (House Bill No. 1279) and change oil extraction tax rates (Senate Bill No. 2397); which are anticipated to reduce oil and gas gross production and oil extraction tax collections by \$12.6 million.

⁴ The 2001 Legislative Assembly authorized that, at the request of the director of the Office of Management and Budget, the Department of Human Services sell the outstanding loans of the developmental disabilities revolving loan fund No. 1 to the Bank of North Dakota and deposit the proceeds in the general fund.

⁵ In addition to the \$60 million transfer from the Bank of North Dakota, the 2001 Legislative Assembly provided for a contingent Bank of North Dakota transfer if actual general fund revenues are less than projected for the 2001-03 biennium. The amount transferred was limited to the lesser of \$25 million or the actual revenue shortfall and the Bank's capital structure may not be reduced below \$140 million.

⁶ This amount relates to \$56,456,581 of federal fiscal relief funding received by the state, \$50 million in direct payments and \$6,456,581 received as enhanced federal medical assistance percentage (FMAP) reimbursements relating to 2001-03 biennium expenditures but which were not received until the 2003-05 biennium.