

**GENERAL FUND REVENUE ESTIMATES FOR THE 2007-09 AND 2009-11 BIENNIUMS
AND ACTUAL COLLECTIONS FOR PRIOR BIENNIUMS
(Excludes Beginning General Fund Balances)**

	Actual		Estimated		2009-11 Increase (Decrease) Compared to 2007-09	2009-11 Percentage Increase (Decrease) Compared to 2007-09
	2003-05 Biennium	2005-07 Biennium	2007-09 Biennium ¹	2009-11 Biennium ²		
Revenue source						
Sales and use tax	\$717,758,293	\$841,930,866	\$1,082,678,783	\$1,146,060,000	\$63,381,217	5.9%
Motor vehicle excise tax	128,010,103	125,722,268	128,333,056 ³	129,528,000	1,194,944	0.9%
Individual income tax	452,547,326	587,659,377	614,538,328 ⁴	675,507,000 ⁴	60,968,672	9.9%
Corporate income tax	102,926,972	232,294,310	252,903,698 ⁵	262,842,000	9,938,302	3.9%
Insurance premium tax	56,284,535	52,873,010	66,590,545	67,500,000	909,455	1.4%
Business privilege tax	4,958,673	9,702,362	10,261,402	9,500,000	(761,402)	(7.4%)
Cigarette and tobacco tax	39,476,712	44,683,370	44,905,687	42,029,000	(2,876,687)	(6.4%)
Oil and gas production tax	45,534,044 ⁶	45,970,447 ⁶	39,309,315 ⁶	59,400,000 ⁶	20,090,685	51.1%
Oil extraction tax	25,465,956 ⁶	25,029,553 ⁶	31,690,685 ⁶	50,600,000 ⁶	18,909,315	59.7%
Coal conversion tax	47,196,831	49,217,864	47,465,410	42,245,000	(5,220,410)	(11.0%)
Gaming tax	20,850,911	17,986,019	20,283,806	20,765,000	481,194	2.4%
Lottery	7,269,005	12,600,000	11,155,000	11,155,000	0	0.0%
Wholesale liquor tax	11,889,465	12,787,869	13,734,874	13,939,000	204,126	1.5%
Mineral leasing fees	11,024,583	13,960,279	21,537,674	22,715,000	1,177,326	5.5%
Interest income	6,935,015	36,507,217	42,367,243	60,000,000	17,632,757	41.6%
Departmental collections	61,004,537	53,781,397	59,769,233	62,800,000	3,030,767	5.1%
Total revenues	\$1,739,132,961	\$2,162,706,208	\$2,487,524,739	\$2,676,585,000	\$189,060,261	7.6%
Transfers and other sources						
Transfer - Bank of North Dakota	\$60,000,000	\$60,000,000	\$60,000,000	\$60,000,000	\$0	0.0%
Transfer - Student loan trust	26,258,969	9,000,000	3,100,000	0	(3,100,000)	(100.0%)
Transfer - Mill and Elevator Association	5,000,000	5,000,000	0 ⁷	2,500,000	2,500,000	N/A
Transfer - Gas tax administration	1,396,200	1,400,000	1,274,056	1,288,000	13,944	1.1%
Transfer - Lands and minerals trust fund	2,000,000	6,800,000	15,000,000	43,500,000	28,500,000	190.0%
Transfer - Permanent oil tax trust fund	11,910,000	55,300,000	115,000,000	0	(115,000,000)	(100.0%)
Transfer - State bonding fund	2,800,000	0	0	0	0	0.0%
Transfer - Water development trust fund	10,070,373	0	0	0	0	0.0%
Transfer - Health care trust fund	35,911,035	16,900,000	0	0	0	0.0%
Transfers - Other	2,461,911	310,132	0	0	0	0.0%
Total transfers and other sources	\$157,808,488	\$154,710,132	\$194,374,056	\$107,288,000	(\$87,086,056)	(44.8%)
Total general fund revenues and transfers	\$1,896,941,449	\$2,317,416,340	\$2,681,898,795	\$2,783,873,000	\$101,974,205	3.8%
Federal fiscal relief payments	\$56,456,581 ⁸	\$0	\$0	\$0	\$0	0.0%
Total revenues, including federal fiscal relief payments	\$1,953,398,030	\$2,317,416,340	\$2,681,898,795	\$2,783,873,000	\$101,974,205	3.8%

¹ Revised 2007-09 revenue forecast (December 2008).

² Executive budget revenue forecast for the 2009-11 biennium.

³ Sections 13 and 15 of House Bill No. 1012 (2007) provides for 10 percent of motor vehicle excise taxes to be deposited in the highway fund rather than the general fund during the 2007-09 biennium. Originally, this bill was anticipated to reduce general fund motor vehicle excise tax collections by \$12.6 million for the 2007-09 biennium. Based on the 2007-09 revised forecast, it is now anticipated that \$14.3 million will be deposited in the highway fund rather than the general fund during the 2007-09 biennium.

⁴ The amounts shown for the 2007-09 biennium reflect a revenue reduction of \$101 million relating to property tax income tax credits during the 2007-09 biennium as approved by the 2007 Legislative Assembly. The amount shown for the 2009-11 biennium reflects a revenue reduction of \$100 million relating to income tax relief as recommended by the Governor.

⁵ The amounts shown for the 2007-09 biennium reflect a revenue reduction of \$11 million relating to property tax income tax credits during the 2007-09 biennium as approved by the 2007 Legislative Assembly.

⁶ From 1999 through 2003, NDCC Section 57-51.1-07.2 provided that if, at the end of any biennium, oil and gas gross 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. In August 2003, \$11.91 million was transferred from the permanent oil tax trust fund to the general fund, pursuant to Section 6 of 2003 Senate Bill No. 2015.

Total oil and gas tax collections were \$120.5 million during the 2003-05 biennium, resulting in \$49.5 million being transferred to the permanent oil tax trust fund at the end of that biennium. The July 1, 2005, balance in the permanent oil tax trust fund was \$50.4 million.

Total oil and gas tax collections were \$240.8 million during the 2005-07 biennium, resulting in \$169.8 million being transferred to the permanent oil tax trust fund at the end of that biennium. The July 1, 2007, balance in the permanent oil tax trust fund was \$143.3 million.

Total oil and gas collections are estimated to be \$636 million for the 2007-09 biennium, resulting in \$565 million being transferred to the permanent oil tax trust fund. The 2007 Legislative Assembly authorized transfers from the permanent oil tax trust fund for funding centers of excellence (\$15 million), higher education capital projects and programs (\$7,783,315), a new Veterans Home facility (\$6,483,226), an agricultural research and extension services operating pool (\$750,000), grants to tribal colleges (\$700,000), and for a transfer to the general fund (\$115 million). The estimated June 30, 2009, balance in the permanent oil tax trust fund is \$562.5 million.

Total oil and gas collections are estimated to be \$676.5 million for the 2009-11 biennium. The executive budget recommends an increase in the general fund share of oil and gas taxes from \$71 million to \$110 million, resulting in \$566.5 million being transferred to the permanent oil tax trust fund. The executive budget also recommends that \$300 million be appropriated for the property tax relief initiative. The estimated June 30, 2011, balance in the permanent oil tax trust fund is \$829 million.

⁷ The 2009-11 executive budget recommends repealing the \$5 million transfer from the Mill and Elevator Association for the 2007-09 biennium.

⁸ 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.