

**MAJOR GENERAL FUND REVENUE CHANGES - 2009-11 EXECUTIVE BUDGET REVENUE FORECAST  
COMPARED TO 2007-09 ORIGINAL AND REVISED REVENUE FORECASTS**

General Fund Revenue Sources and Beginning Balance	2007-09 Original Legislative Revenue Forecast	Increase (Decrease) 2007-09 Revised Forecast Compared to 2007-09 Original Forecast	2007-09 Revised Revenue Forecast	Increase (Decrease) 2009-11 Executive Budget Forecast Compared to 2007-09 Revised Forecast	2009-11 Percentage Increase (Decrease) Compared 2007-09 Revised Forecast	2009-11 Executive Budget Revenue Forecast	Total Increase (Decrease) 2009-11 Executive Budget Forecast Compared to 2007-09 Original Forecast	2009-11 Percentage Increase (Decrease) Compared 2007-09 Original Forecast
<b>Beginning balance</b>	\$218,350,170 <sup>1</sup>	\$77,191,006	\$295,541,176 <sup>2</sup>	\$96,299,766	32.6%	<b>\$391,840,942 <sup>3</sup></b>	\$173,490,772	79.5%
<b>Revenues</b>								
Sales and use tax	916,540,678	166,138,105	1,082,678,783	63,381,217	5.9%	<b>1,146,060,000</b>	229,519,322	25.0%
Motor vehicle excise tax	113,558,900 <sup>4</sup>	14,774,156	128,333,056 <sup>4</sup>	1,194,944	0.9%	<b>129,528,000</b>	15,969,100	14.1%
Individual income tax	497,816,000 <sup>5</sup>	116,722,328	614,538,328 <sup>5</sup>	60,968,672	9.9%	<b>675,507,000 <sup>5</sup></b>	177,691,000	35.7%
Corporate income tax	148,569,848 <sup>6</sup>	104,333,850	252,903,698 <sup>6</sup>	9,938,302	3.9%	<b>262,842,000</b>	114,272,152	76.9%
Insurance premium tax	55,470,000	11,120,545	66,590,545	909,455	1.4%	<b>67,500,000</b>	12,030,000	21.7%
Cigarette and tobacco tax	47,366,000	(2,460,313)	44,905,687	(2,876,687)	(6.4%)	<b>42,029,000</b>	(5,337,000)	(11.3%)
Oil and gas production tax	39,839,000	(529,685)	39,309,315	20,090,685	51.1%	<b>59,400,000 <sup>7</sup></b>	19,561,000	49.1%
Oil extraction tax	31,161,000	529,685	31,690,685	18,909,315	59.7%	<b>50,600,000</b>	19,439,000	62.4%
Coal conversion tax	47,447,000	18,410	47,465,410	(5,220,410)	(11.0%)	<b>42,245,000</b>	(5,202,000)	(11.0%)
Departmental collections	56,729,639	3,039,594	59,769,233	3,030,767	5.1%	<b>62,800,000</b>	6,070,361	10.7%
Other revenues	103,407,844	15,932,155	119,339,999	18,734,001	15.7%	<b>138,074,000</b>	34,666,156	33.5%
<b>Total revenues</b>	<b>\$2,057,905,909</b>	<b>\$429,618,830</b>	<b>\$2,487,524,739</b>	<b>\$189,060,261</b>	<b>7.6%</b>	<b>\$2,676,585,000</b>	<b>\$618,679,091</b>	<b>30.1%</b>
<b>Total transfers and other sources</b>								
Transfer - Bank of North Dakota	\$60,000,000	\$0	\$60,000,000	\$0	0.0%	<b>\$60,000,000</b>	\$0	0.0%
Transfer - Mill and Elevator	5,000,000	(5,000,000) <sup>8</sup>	0 <sup>8</sup>	2,500,000	N/A	<b>2,500,000</b>	(2,500,000)	(50.0%)
Transfer - Lands and minerals	15,000,000	0	15,000,000	28,500,000	190.0%	<b>43,500,000</b>	28,500,000	190.0%
Transfer - Permanent oil tax trust fund	115,000,000	0	115,000,000	(115,000,000)	(100.0%)	<b>0</b>	(115,000,000)	(100.0%)
Other transfers	4,374,056	0	4,374,056	(3,086,056)	(70.6%)	<b>1,288,000</b>	(3,086,056)	(70.6%)
<b>Total transfers and other sources</b>	<b>\$199,374,056</b>	<b>(\$5,000,000)</b>	<b>\$194,374,056</b>	<b>(\$87,086,056)</b>	<b>(44.8%)</b>	<b>\$107,288,000</b>	<b>(\$92,086,056)</b>	<b>(46.2%)</b>
<b>Total general fund revenues, transfers, and beginning balance</b>	<b>\$2,475,630,135</b>	<b>\$501,809,836</b>	<b>\$2,977,439,971</b>	<b>\$198,273,971</b>	<b>6.7%</b>	<b>\$3,175,713,942</b>	<b>\$700,083,807</b>	<b>28.3%</b>

<sup>1</sup> Original estimate for the July 1, 2007, balance.

<sup>2</sup> Actual July 1, 2007, balance.

<sup>3</sup> Estimated July 1, 2009, balance - The executive budget recommendation projects a July 1, 2009, general fund balance of \$391,840,942, based on 2007-09 revised general fund revenue forecast of \$2,681,898,795 and appropriation authority of \$2,474,506,863 (general fund appropriations of \$2,461,973,956 plus proposed deficiency appropriations of \$22,532,907 and less estimated general fund turnback of \$10,000,000). In addition, it is estimated that \$111,092,167 will be transferred to the budget stabilization fund. Pursuant to NDCC Section 54-27.2-02 any amount in the state general fund at the end of a biennium in excess of \$65 million must be transferred to the budget stabilization fund. Pursuant to Section 54-27.2-01, the budget stabilization fund is limited to no more than 5 percent of the current biennial general fund appropriations. House Bill No. 1429 (2007) allowed a \$200 million balance during the 2007-09 biennium and increased the maximum balance in the fund from 5 percent to 10 percent of

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> The 2009-11 executive budget recommends increasing the general fund share of oil and gas taxes from the current level of \$71 million to \$110 million.

<sup>8</sup> The 2009-11 executive budget recommends repealing the \$5 million transfer from the Mill and Elevator for the 2007-09 biennium.