

# North Dakota REV-E-NEWS

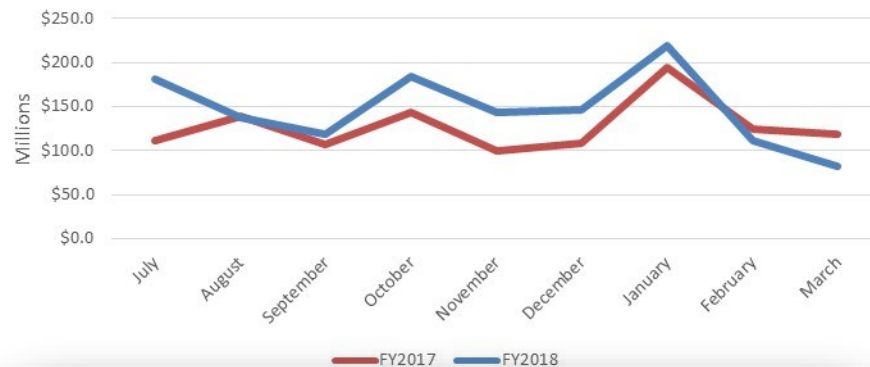


**Joe Morrisette, Director**

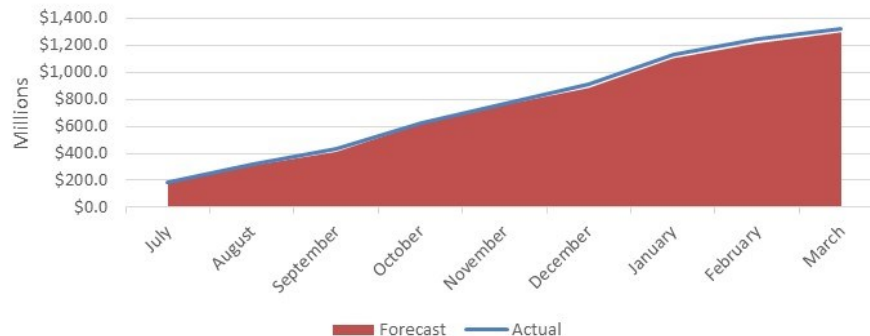
**April 2018**

**OFFICE OF MANAGEMENT AND BUDGET**  
**600 EAST BOULEVARD AVE — DEPT. 110 BISMARCK, ND 58505-0400**

**General Fund Monthly Revenue**  
**Excluding Major Transfers**  
**Fiscal Year Comparison—2017 and 2018**



**Cumulative General Fund Revenue**  
**Excluding Major Transfers**  
**Forecast vs. Actual**  
**2017-19 Biennium through March 31, 2018**



**OIL ACTIVITY**  
**Statistical Information**



	Feb 2018	Jan 2018	Dec 2017
Actual average price per barrel	\$57.25	\$59.67	\$54.41
Production (barrels/day)	1,174,769	1,179,564	1,182,836
Drilling permits	96	106	86
Producing wells	14,327	14,323	14,313
Rig count	57	56	52

**Tax Allocations (in Millions)**

	Biennium to Date Mar 31, 2018		
	Forecast	Actual	Incr (Dcr)
Political Subs	\$ 175.8	\$ 203.3	\$ 27.5
Tribes	77.5	119.8	42.4
Legacy Fnd	286.7	338.0	51.3
General Fnd	200.0	200.0	
Education Fnds	86.7	95.0	8.3
Resources Trust Fnd	83.9	92.0	8.0
Oil & Gas Impact Fnd	29.1	28.4	(0.8)
Tax Relief Fnd	72.4	142.4	70.1
Other Allocations	21.0	27.6	6.6
<b>Total</b>	<b>\$1,033.2</b>	<b>\$1,246.5</b>	<b>\$213.4</b>

## STATEMENT OF GENERAL FUND REVENUES AND FORECASTS Compared to the Legislative Forecast 2017-19 Biennium March 2018

Revenues and Transfers	Fiscal Month				Biennium To Date			
	May 2017 Leg. Forecast	Actual	Variance	Percent	May 2017 Leg. Forecast	Actual	Variance	Percent
Sales Tax	39,843,000	38,749,110.66	(1,093,889)	-2.7%	611,918,000	609,732,781	(2,185,219)	-0.4%
Motor Vehicle Excise Tax	8,990,000	9,065,809.19	75,809	0.8%	80,412,000	82,644,717	2,232,717	2.8%
Individual Income Tax	9,534,000	10,588,872.97	1,054,873	11.1%	214,453,000	229,168,938	14,715,938	6.9%
Corporate Income Tax	7,568,000	9,866,927.90	2,298,928	30.4%	25,669,000	40,750,561	15,081,561	58.8%
Insurance Premium Tax	8,530,134	5,065,796.20	(3,464,338)	-40.6%	46,038,065	40,088,725	(5,949,340)	-12.9%
Oil & Gas Production Tax*					93,885,665	93,885,665		
Oil Extraction Tax*					106,114,335	106,114,335		
Gaming Tax	36,907	17,493.58	(19,413)	-52.6%	2,701,516	2,299,491	(402,025)	-14.9%
Lottery								
Cigarette & Tobacco Tax	1,807,000	1,806,092.92	(907)	-0.1%	20,214,000	19,938,545	(275,455)	-1.4%
Wholesale Liquor Tax	724,269	619,248.15	(105,021)	-14.5%	6,490,568	6,585,402	94,834	1.5%
Coal Conversion Tax	1,665,000	1,896,474.21	231,474	13.9%	13,378,000	14,457,064	1,079,064	8.1%
Mineral Leasing Fees	793,093	1,668,557.57	875,465	110.4%	12,533,427	12,225,293	(308,134)	-2.5%
Departmental Collections	2,063,698	2,167,119.32	103,421	5.0%	28,367,568	31,966,137	3,598,569	12.7%
Interest Income	150,000	284,801.98	134,802	89.9%	1,624,000	1,751,693	127,693	7.9%
State Mill & Elevator-Transfer								
Bank of North Dakota - Transfer					70,000,000	70,000,000		
Legacy Fund - Transfer								
Tax Relief Fund - Transfer					183,000,000	183,000,000		
SIIF - Transfer					124,000,000	124,000,000		
Gas Tax administration					756,045	756,045		
Miscellaneous	265,625	265,671.81	47	0.0%	31,709,375	31,893,230	183,855	0.6%
<b>Total Revenues and Transfers</b>	<b>81,970,726</b>	<b>82,061,976</b>	<b>91,250</b>	<b>0.1%</b>	<b>1,673,264,564</b>	<b>1,701,258,624</b>	<b>27,994,060</b>	<b>1.7%</b>

\* The general fund cap for oil and gas taxes contains two tiers. The first tier of \$200.0 million was reached in January 2016. Additional oil taxes will flow to the Tax Relief Fund until that fund receives \$300.0 million, after which time the general fund will receive an additional \$100.0 million.

## STATEMENT OF GENERAL FUND REVENUES AND FORECASTS Compared to the Previous Biennium Revenues 2017-19 Biennium March 2018

Revenues and Transfers	Fiscal Month				Biennium To Date			
	March 2016	March 2018	Variance	Percent	2015-17	2017-19	Variance	Percent
Sales Tax	52,041,771	38,749,111	(13,292,661)	-25.5%	733,231,336	609,732,781	(123,498,556)	-16.8%
Motor Vehicle Excise Tax	8,611,318	9,065,809	454,491	5.3%	82,610,453	82,644,717	34,264	0.0%
Individual Income Tax	12,657,890	10,588,873	(2,069,017)	-16.3%	227,746,545	229,168,938	1,422,393	0.6%
Corporate Income Tax	12,034,627	9,866,928	(2,167,699)	-18.0%	50,267,956	40,750,561	(9,517,395)	-18.9%
Insurance Premium Tax	5,533,457	5,065,796	(467,661)	-8.5%	41,703,266	40,088,725	(1,614,540)	-3.9%
Financial Institutions Tax	71,912		(71,912)	-100.0%	325,275		(325,275)	-100.0%
Oil & Gas Production Tax*					83,379,177	93,885,665	10,506,489	12.6%
Oil Extraction Tax*					116,620,823	106,114,335	(10,506,489)	-9.0%
Gaming Tax	29,907	17,494	(12,413)	-41.5%	2,487,515	2,299,491	(188,024)	-7.6%
Lottery								
Cigarette & Tobacco Tax	2,105,785	1,806,093	(299,692)	-14.2%	22,081,900	19,938,545	(2,143,355)	-9.7%
Wholesale Liquor Tax	653,336	619,248	(34,088)	-5.2%	6,778,162	6,585,402	(192,760)	-2.8%
Coal Conversion Tax	1,847,811	1,896,474	48,663	2.6%	15,251,862	14,457,064	(794,798)	-5.2%
Mineral Leasing Fees	743,093	1,668,558	925,464	124.5%	11,448,683	12,225,293	776,610	6.8%
Departmental Collections	2,208,160	2,167,119	(41,041)	-1.9%	30,472,820	31,966,137	1,493,317	4.9%
Interest Income	240,303	284,802	44,499	18.5%	1,960,665	1,751,693	(208,972)	-10.7%
State Mill & Elevator-Transfer								
Major Special Fund Transfers					657,000,000	377,000,000	(280,000,000)	-42.6%
Other Transfers		265,672	265,672	100.0%	836,557	32,649,275	31,812,717	3802.8%
<b>Total Revenues and Transfers</b>	<b>98,779,370</b>	<b>82,061,976</b>	<b>(16,717,394)</b>	<b>-16.9%</b>	<b>2,084,202,996</b>	<b>1,701,258,624</b>	<b>(382,944,373)</b>	<b>-18.4%</b>

## VARIANCES

### (Compared to 2017 Legislative Forecast)

March 2018 revenues totaled \$82.1 million, which is \$91,250, or 0.1 percent above forecast. Biennium-to-date revenues of \$1.70 billion are \$28.0 million, or 1.7 percent more than projected. When transfers from major special funds are excluded, 2017-19 revenues to date are tracking 7.2 percent behind the same time period in the 2015-17 biennium. Significant monthly variances are as follows:

- **Sales tax** collections of \$38.7 million were \$1.1 million, or 2.7 percent, lower than anticipated for the month. Biennium-to-date revenues are \$2.2 million, or 0.4 percent, lower than forecast. In a year over year comparison, year-to-date revenues are \$123.5 million, or 16.8 percent, less than the same time period in Fiscal Year 2016 but are \$12.8 million, or 2.1 percent, more than the same time period in Fiscal Year 2017.
- **Individual income tax** collections of \$10.6 million were \$1.1 million, or 11.1

percent above forecast, due to higher than expected estimated payments and withholding. Biennium-to-date collections of \$229.2 million are \$14.7 million, or 6.9 percent higher than forecast and \$1.4 million, or 0.6 percent, more than the same time period in the 2015-17 biennium.

- **Corporate income tax** collections of \$9.9 million were \$2.3 million, or 30.4 percent above forecast due to higher than expected estimated payments. Biennium-to-date collections of \$40.8 million are \$15.1 million, or 58.8 percent higher than forecast and \$9.5 million, or 18.9 percent less than the same time period in the 2015-17 biennium.
- **Oil and gas taxes** reached \$200.0 million in January – the first tier of the biennial cap. The state share will be deposited in the tax relief fund until that fund reaches its cap of \$200.0 million and then deposits will be made to the budget stabilization fund until that fund reaches its cap of \$75.0 million. After this, the general fund will receive an additional \$200.0 million.

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