

# North Dakota REV-E-NEWS

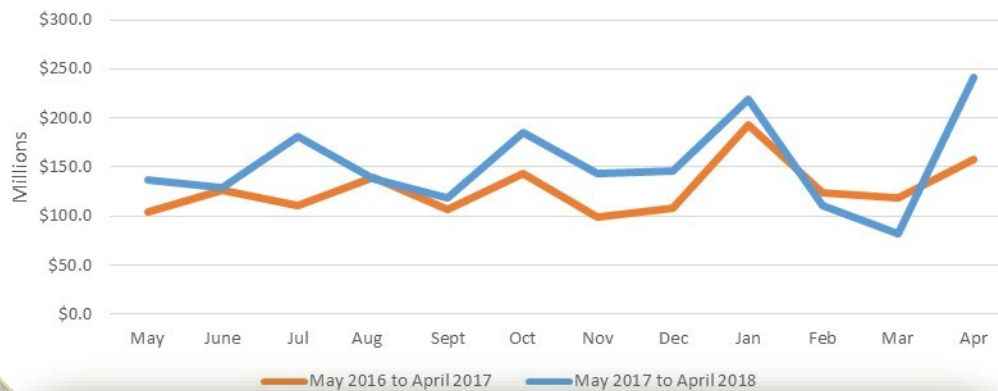


**Joe Morrisette, Director**

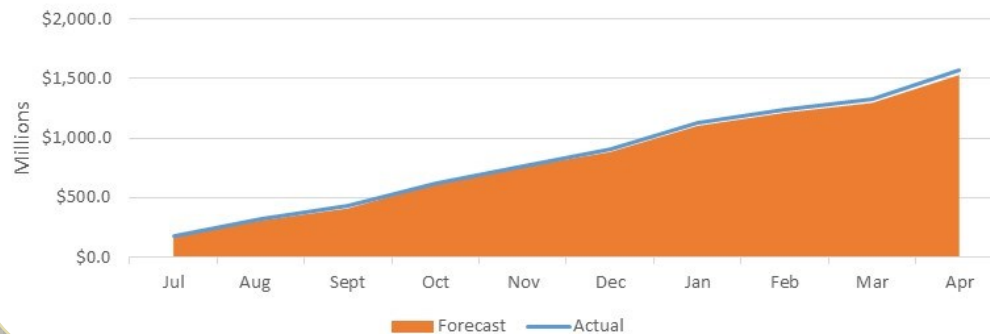
**May 2018**

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

**General Fund Monthly Revenue**  
 Excluding Major Transfers  
 Year over Year Comparison Ending April 2018



**Cumulative General Fund Revenue**  
 Excluding Major Transfers  
 Forecast vs. Actual  
 2017-19 Biennium Through April 30, 2018



**OIL ACTIVITY**  
 Statistical Information



	Mar 2018	Feb 2018	Jan 2018
Actual average price per barrel	\$57.52	\$57.25	\$59.67
Production (barrels/day)	1,162,071	1,175,316	1,179,564
Drilling permits	108	96	106
Producing wells	14,457	14,350	14,323
Rig count	59	57	56

**Tax Allocations (in Millions)**

	Biennium to Date Apr 30, 2018		
	Forecast	Actual	Incr (Dcr)
Political Subs	\$ 193.5	\$ 226.9	\$ 33.4
Tribes	86.3	135.1	48.8
Legacy Fnd	319.5	383.7	64.2
General Fnd	200.0	200.0	(0.0)
Education Fnds	96.6	108.1	11.5
Resources Trust Fnd	93.5	104.9	11.4
Oil & Gas Impact Fnd	29.1	28.4	(0.8)
Tax Relief Fnd	109.4	197.7	88.3
Other Allocations	23.4	29.3	6.1
<b>Total</b>	<b>\$1,151.3</b>	<b>\$1,414.1</b>	<b>\$262.9</b>

## STATEMENT OF GENERAL FUND REVENUES AND FORECASTS Compared to the Legislative Forecast 2017-19 Biennium April 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	101,265,000	86,340,921	(14,924,079)	-14.7%	713,183,000	696,073,702	(17,109,298)	-2.4%
Motor Vehicle Excise Tax	8,581,000	9,778,107	1,197,107	14.0%	88,993,000	92,422,824	3,429,824	3.9%
Individual Income Tax	97,158,000	107,787,905	10,629,905	10.9%	311,611,000	336,956,843	25,345,843	8.1%
Corporate Income Tax	15,767,000	26,420,771	10,653,771	67.6%	41,436,000	67,171,333	25,735,333	62.1%
Insurance Premium Tax	117,029	680,411	563,382	481.4%	46,155,094	40,769,136	(5,385,958)	-11.7%
Oil & Gas Production Tax*					93,885,665	93,885,665		
Oil Extraction Tax*					106,114,335	106,114,335		
Gaming Tax	239,654	352,578	112,924	47.1%	2,941,170	2,652,069	(289,101)	-9.8%
Lottery								
Cigarette & Tobacco Tax	2,156,000	2,038,167	(117,833)	-5.5%	22,370,000	21,976,713	(393,287)	-1.8%
Wholesale Liquor Tax	779,081	672,914	(106,167)	-13.6%	7,269,649	7,258,316	(11,333)	-0.2%
Coal Conversion Tax	1,594,000	1,671,475	77,475	4.9%	14,972,000	16,128,540	1,156,540	7.7%
Mineral Leasing Fees	586,373	1,463,220	876,847	149.5%	13,119,800	13,688,513	568,713	4.3%
Departmental Collections	6,167,913	3,660,135	(2,507,778)	-40.7%	34,535,481	35,626,272	1,090,791	3.2%
Interest Income	229,000	341,820	112,820	49.3%	1,853,000	2,093,512	240,512	13.0%
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	252,015	252,015			1,008,060	1,008,060		
Miscellaneous	265,625	265,626	1	0.0%	31,975,000	32,158,856	183,856	0.6%
<b>Total Revenues and Transfers</b>	<b>235,157,690</b>	<b>241,726,065</b>	<b>6,568,375</b>	<b>2.8%</b>	<b>1,908,422,254</b>	<b>1,942,984,689</b>	<b>34,562,435</b>	<b>1.8%</b>

\* The General Fund cap for oil and gas taxes contains two tiers. The first tier of \$200.0 million was reached in January 2018. Additional oil taxes will flow to the Tax Relief Fund until that fund receives \$200.0 million, and then 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.

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

Revenues and Transfers	Fiscal Month				Biennium To Date			
	April 2016	April 2018	Variance	Percent	2015-17	2017-19	Variance	Percent
Sales Tax	57,185,245	86,340,921	29,155,676	51.0%	790,416,582	696,073,702	(94,342,880)	-11.9%
Motor Vehicle Excise Tax	8,606,801	9,778,107	1,171,307	13.6%	91,217,254	92,422,824	1,205,571	1.3%
Individual Income Tax	111,032,487	107,787,905	(3,244,582)	-2.9%	338,779,032	336,956,843	(1,822,189)	-0.5%
Corporate Income Tax	27,278,791	26,420,771	(858,020)	-3.1%	77,546,748	67,171,333	(10,375,415)	-13.4%
Insurance Premium Tax	12,543	680,411	667,868	5324.5%	41,715,809	40,769,136	(946,673)	-2.3%
Financial Institutions Tax	(1,342)		1,342	-100.0%	323,933		(323,933)	-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	224,654	352,578	127,924	56.9%	2,712,169	2,652,069	(60,100)	-2.2%
Lottery								
Cigarette & Tobacco Tax	2,345,336	2,038,167	(307,169)	-13.1%	24,427,236	21,976,713	(2,450,524)	-10.0%
Wholesale Liquor Tax	749,300	672,914	(76,386)	-10.2%	7,527,462	7,258,316	(269,146)	-3.6%
Coal Conversion Tax	1,660,247	1,671,475	11,228	0.7%	16,912,109	16,128,540	(783,569)	-4.6%
Mineral Leasing Fees	561,373	1,463,220	901,847	160.7%	12,010,056	13,688,513	1,678,458	14.0%
Departmental Collections	4,050,170	3,660,135	(390,035)	-9.6%	34,522,990	35,626,272	1,103,282	3.2%
Interest Income	230,771	341,820	111,048	48.1%	2,191,436	2,093,512	(97,924)	-4.5%
State Mill & Elevator-Transfer								
Major Special Fund Transfers					657,000,000	377,000,000	(280,000,000)	-42.6%
Other Transfers	253,812	517,641	263,829	103.9%	1,090,369	33,166,916	32,076,546	2941.8%
<b>Total Revenues and Transfers</b>	<b>214,190,188</b>	<b>241,726,065</b>	<b>27,535,877</b>	<b>12.9%</b>	<b>2,298,393,185</b>	<b>1,942,984,689</b>	<b>(355,408,496)</b>	<b>-15.5%</b>

## VARIANCES

### (Compared to 2017 Legislative Forecast)

April 2018 revenues totaled \$241.7 million, which is \$6.6 million, or 2.8 percent above forecast. Biennium-to-date revenues of \$1.94 billion are \$34.6 million, or 1.8 percent more than projected. When transfers from major special funds are excluded, 2017-19 revenues to date are tracking 4.6 percent behind the same time period in the 2015-17 biennium. Significant monthly variances are as follows:

- **Sales tax** collections of \$86.3 million were \$14.9 million, or 14.7 percent, lower than anticipated for the month. Biennium-to-date revenues are \$17.1 million, or 2.4 percent, lower than forecast. In a year over year comparison, year-to-date revenues are \$94.3 million, or 11.9 percent, less than the same time period in Fiscal Year 2016 but are \$45.5 million, or 7.0 percent, more than the same time period in Fiscal Year 2017.
- **Individual income tax** collections of \$107.8 million were \$10.6 million, or 10.9

percent above forecast, due to higher than expected estimated payments and withholding. Biennium-to-date collections of \$337.0 million are \$25.3 million, or 8.1 percent higher than forecast and \$1.8 million, or 0.5 percent, lower than the same time period in the 2015-17 biennium.

- **Corporate income tax** collections of \$26.4 million were \$10.7 million, or 67.6 percent above forecast due to higher than expected estimated payments. Biennium-to-date collections of \$67.2 million are \$25.7 million, or 62.1 percent higher than forecast and \$10.3 million, or 13.4 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.

OFFICE OF MANAGEMENT AND BUDGET  
600 EAST BOULEVARD AVE — DEPT. 110  
BISMARCK, ND 58505-0400  
<http://www.nd.gov/omb>