This memorandum provides information on the estimated allocation of oil and gas tax collections for the 2011-13 biennium as approved by the Legislative Assembly in 2011, actual oil and gas tax collections through August 2012 (June 2012 production), and the estimated allocation of oil and gas tax collections for the 2011-13 biennium based on actual collections through August 2012 and August 2012 collection levels continuing for the remainder of the biennium. A summary of the funds is included in Appendix A, and a summary of the distribution of the oil and gas gross production tax is included in Appendix B.

2011-13 BIENNIAL
2011 Legislative Session Estimates

Collected by Tax Department - $2,042 million

Distributed by State Treasurer

1. Oil and gas gross production tax (Chapter 57-51) - $1,043 million
   30%
   2. Legacy fund (Article X, Section 26) - $613 million
   30%
   3. Oil extraction tax (Chapter 57-51.1) - $999 million

Distributed by formula

4. Oil and gas impact fund (up to $100 million per biennium) - $100 million
5. Political subdivisions within producing counties - $247 million

State's share - $682 million

20% 10% 10%
6. Resources trust fund - $200 million
7. Common schools trust fund - $100 million
8. Foundation aid stabilization fund - $100 million

Allocation of state's share

Shading represents constitutional allocations

9. Oil and gas research fund - $4 million
10. General fund - Next $200 million - Projection $200 million
11. Property tax relief sustainability fund - Next $341,790,000 - Projection $341,790,000
10-A. General fund - Next $100 million - Projection $100 million
12. Strategic investment and improvements fund - Next $100 million - Projection $36,210,000
13. State disaster relief fund - Next $22 million - Projection $0
12-A. Strategic investment and improvements fund - Any additional revenues - Projection $0
2-A. Transfer to legacy fund - 25% of revenues in strategic investment and improvements fund exceeding $300 million - Projection $0
2011-13 BIENNium
Actual Collections Through August 2012

Collected by Tax Department - $1,810.8 million

Distributed by State Treasurer

1 Oil and gas gross production tax (Chapter 57-51) - $867.3 million

3 Oil extraction tax (Chapter 57-51.1) - $943.5 million

Distributed by formula

2 Legacy fund (Article X, Section 26) - $489.8 million

State's share - $669.9 million

5 Political subdivisions within producing counties - $124.8 million and Fort Berthold Reservation - $77.9 million

6 Resources trust fund - $174.2 million

7 Common schools trust fund - $87.1 million

8 Foundation aid stabilization fund - $87.1 million

Allocation of state's share

4 Oil and gas impact fund (up to $100 million per biennium) - $100 million

9 Oil and gas research fund - $4 million

10 General fund - $200 million

11 Property tax relief - $341,790,000

10-A General fund - $100 million

12 Strategic investment and improvements fund - $24.1 million

13 State disaster relief fund - $0

12-A Strategic investment and improvements fund - Any additional revenues - $0

2-A Transfer to legacy fund - 25% of revenues in strategic investment and improvements fund exceeding $300 million - $0

Shading represents constitutional allocations
2011-13 BIENNIAL
Estimates Based on Actual Collections Through August 2012 and
August 2012 Collection Levels Continuing for the Remainder of the 2011-13 Biennium

Collected by Tax Department - $3,472.8 million
Distributed by State Treasurer

1 Oil and gas gross production tax (Chapter 57-51) - $1,655 million
   30% Oil and gas impact fund (up to $100 million per biennium) - $100 million
   Distributed by formula
   2 Legacy fund (Article X, Section 26) - $1,050.2 million
   3 Oil extraction tax (Chapter 57-51.1) - $1,917.8 million
   4 Oil and gas gross production tax (Chapter 57-51) - $1,655 million
      30%
   5 Political subdivisions within producing counties - $251.5 million and Fort Berthold Reservation - $148.3 million
   6 Resources trust fund - $336.1 million
   7 Common schools trust fund - $168.1 million
   8 Foundation aid stabilization fund - $168.1 million
   State's share - $1,332.8 million

Allocation of state's share

9 Oil and gas research fund - $4 million
10 General fund - Next $200 million - Projection $200 million
11 Property tax relief sustainability fund - Next $341,790,000 - Projection $341,790,000
10-A General fund - Next $100 million - Projection $100 million
12 Strategic investment and improvements fund - Next $100 million - Projection $100 million
13 State disaster relief fund - Next $22 million - Projection $22 million
12-A Strategic investment and improvements fund - Any additional revenues - Projection $482.7 million (after projected $82.3 million transfer to legacy fund)
2-A Transfer to legacy fund - 25% of revenues in strategic investment and improvements fund exceeding $300 million - Projection $82.3 million

Shading represents constitutional allocations

ATTACH:2