

Revenue Streams in Montana

Commodity	State & County Assessed Taxes <i>On Federal, State, and Private Land</i>		Rents, Bonuses, & Royalties <i>On State Land</i>			Federal Revenue Streams			
	Revenue Category	Severance & License Taxes	Ad Valorem Taxes	Securing a Lease or Claim	Pre or Postponed Production	During or Post Production	Abandoned Mine Land (AML) Fees	U.S. Mineral Royalties	
Oil & Gas	<p>Oil Production Tax: 15.06% of the gross value of production for royalty owner; working interest tax rates vary depending on a number of factors including when the well was first drilled, how long its been producing, and its level of production. For more detail, see the section on the oil & natural gas tax in the Department of Revenue's biennial report</p> <p>Natural Gas Production Tax: 15.06% of the gross value of production for royalty owners; working interest tax rates vary depending on a number of factors including when the well was first drilled, how long its been producing, and its level of production. For more detail, see the section on the oil & natural gas tax in the Department of Revenue's biennial report</p>			<p>Bonus: amount paid by the highest bidder</p>	<p>Rents: at least \$1.50 per acre and no less than \$100 per annum</p> <p>Delay Drilling Penalties: an additional \$1.25 per acre in years 5-6 if no drilling has occurred and then \$2.50 per acre in years 7-10</p> <p>Seismic Permits: \$10 application fee</p>	<p>Oil Royalties: 16.67% of amount produced</p> <p>Gas Royalties: 16.67% of amount produced and \$400/well for gas not sold or used off premises</p> <p>Shut-In Oil Royalties: \$100 per lease per year or amount of annual lease rental (whichever is greater)</p> <p>Surface Damages: calculated on a lease by lease basis</p>			
Coal	<p>Severance Tax: Rates vary depending on quality and mining method range from 15% of value for surface-mined, >7,000 BTU/pound coal to 3% of value for underground mined, <7,000 BTU/pound coal. For more detail, see the section on the coal severance tax in the Department of Revenue's biennial report</p> <p>Resource Indemnity & Groundwater Assessment Tax (RIGWAT): 0.4% of gross value of taxable production</p>	<p>Coal Gross Proceeds Tax: 5% flat tax on the value of reported gross proceeds</p>		<p>Bonus: amount paid by the highest bidder</p>	<p>Rents: at least \$2.00 per acre, the current amount set by the Board of Land Commissioners is \$3.00</p>	<p>Royalties: at least 10% of fair market value of coal, current rates set by the Board of Land Commissioners at 12.5% for surface-mined coal and 10.0% for subsurface-mining</p>	<p>AML Fees: 50% of fees collected in state by OSMRE (per-ton fees of \$0.28 for surface-mined coal; \$0.12 for deep-mined coal; \$0.08 for lignite)</p>	49% of royalty revenue collected by ONRR from extraction on federal lands in Montana	
Non-Energy Minerals	<p>Metalliferous Mines License Tax: 1.6% of gross value of ore/bullion/matte and 1.81% of gross value of concentrates</p> <p>Resource Indemnity & Groundwater Assessment Tax (RIGWAT): 4.0% (talc), 2.0% (vermiculite), 10.0% (limestone), 1.0% (garnets), 0.5% (other, excluding oil, gas, and metal production subject to the metal mines license tax) of gross value</p> <p>Micaceous Mines: \$0.05/ton of concentrates mined, extracted, or produced</p>	<p>Metal Mines Gross Proceeds Tax (Class 2 Property): 101 state mills (1.01%) and an average of 407 county mills (4.1%) assessed on 3% of the merchantable value of severed gold, silver, copper, lead, or other metals</p> <p>Miscellaneous Mines Net Proceeds Tax (Class 1 Property): 101 state mills (1.01%) and an average of 319 county mills (3.2%) assessed on the net proceeds of talc, vermiculite, limestone, and industrial garnets and on the gross value for other mined products</p>		<p>Metalliferous Bonus: amount paid by the highest bidder</p>	<p>Metalliferous Rents: at least \$1.00 per acre for the first year, \$1.00 per acre for years 2-3, \$2.50 per acre for years 4-5, and \$3.00 per acre thereafter; at least \$100 per lease per year</p>	<p>Metalliferous Minerals or Gems Royalties: rate determined by Board of Land Commissioners, no more than 8% of returns and no less than 5% of fair market value</p>			
Renewables	<p>Electrical Energy Producers' License Tax: \$0.0002 tax per kilowatt hour of energy produced</p>	<p>Wind Generation Class 14 Property Tax: 101 state mills (1.01%) and an average of 424 county mills (4.2%) assessed on 3% of the market value of production</p> <p>Wind Generation New & Expanding Class 14 Property Tax: 101 state mills (1.01%) and an average of 177 local mills (1.8%) assessed on varying rates of the market value of production</p> <p>Wind Generation Facility Impact Fee for Local Government Units and School Districts: Rates vary but not to exceed 0.5% of the cost of construction</p>							