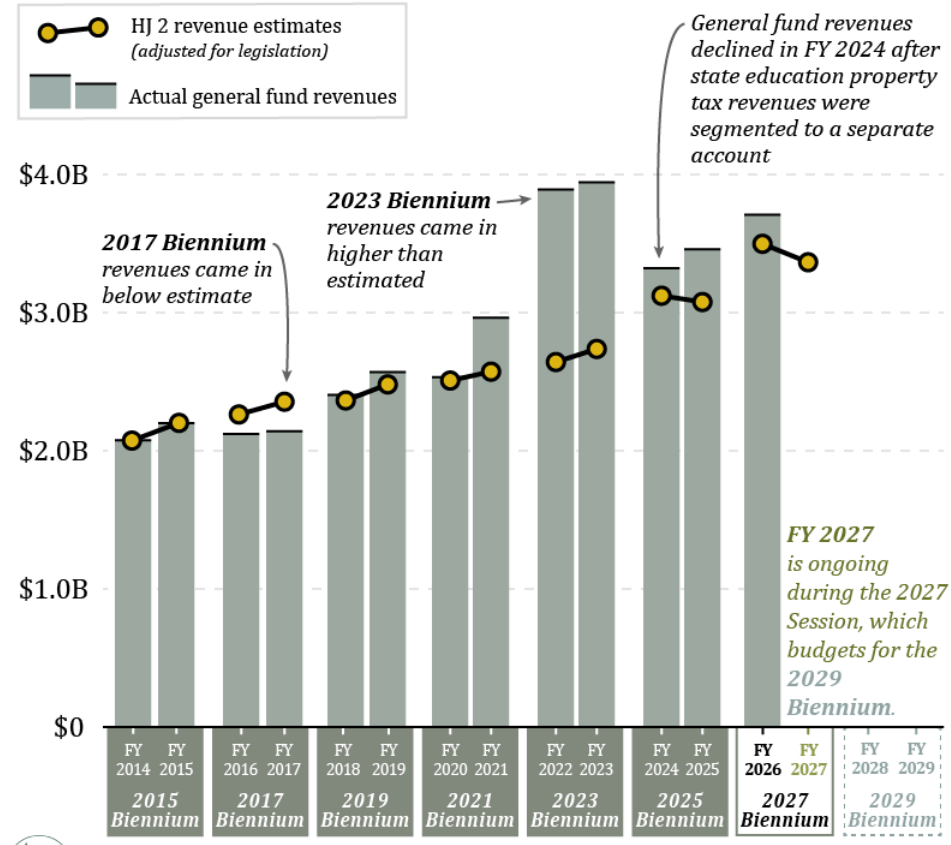
Past HJ 2 Revenue Estimates vs. Actual Revenues

The state budget is passed on projected revenues. The Legislature must estimate future revenues when developing the two-year budget.



Source: Legislative Fiscal Divison

The two-year state budgets passed by the Montana Legislature rely on revenue estimates to determine how much funding is available to spend while maintaining the balanced budget requirement established in the Montana Constitution. Revenue estimates are based on analyses from the Governor's Office of Budget and Program Planning (OBPP) and the Legislative Fiscal Division. They are formally adopted by the Legislature's Revenue Interim Committee in the form of House Joint Resolution 2 (HJ 2).

Over the past six budget cycles, HJ 2 estimates have often aligned with actual general fund revenues, although some estimates were higher or lower than the actual revenues collected. For example, in the 2017 biennium, FY 2016 and FY 2017 revenue collections came in below HJ 2 estimates, contributing to a budget deficit that required a special session in November 2017. In contrast, HJ 2 estimates for the 2023 Biennium underestimated a surge in income tax collections for FY 2022 and FY 2023.

The HJ 2 estimates shown in the chart are post-session figures that have been adjusted by LFD to account for revenue bills that either increased or decreased in expected collections. For example, the 2023 Legislature redirected statewide property tax collections from school equalization funding to a designated state special revenue account, reducing general fund revenues in Fiscal Year 2024.

As the Legislature prepares for the 2027 session, the Revenue Interim Committee is scheduled to meet on November 16 to adopt an initial version of HJ 2 for the 2029 Biennium. Once the 2027 Session begins, the adopted version of HJ 2 will be introduced into the legislative process, where legislators may choose to make revisions.

More information on the 2029 Biennium HJ 2 Revenue Estimates will be available on the Revenue Interim Committee website in the coming days.