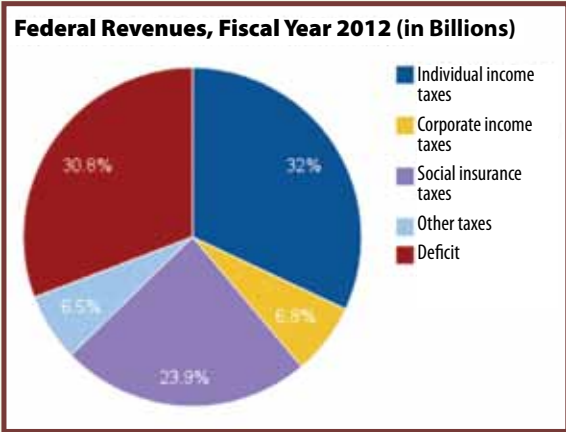




PETRO POLLY ..."thought for the day"

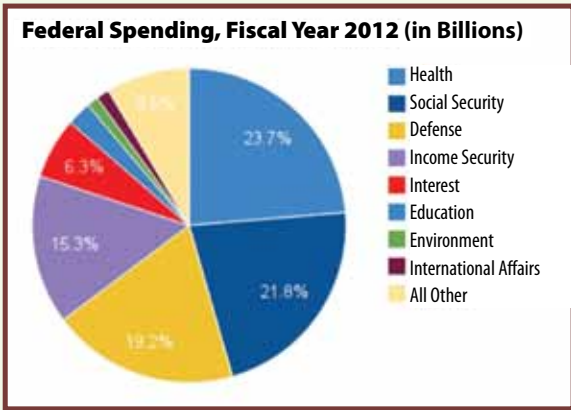
"A crisis is a shortcut to the future ... not the end of the world ..."



It's likely that as you are reading this issue of the WPMA News, we are kicking off our annual convention/trade show in Missoula. Coming in to the event, we are very optimistic that this year's meeting will be a big success both financially and in meeting the attendees' expectations with the **SCOOP!** If there's still time to join us, check out the agenda and registration info at www.wpma.com/montana/convention.

FEDERAL REVENUE & SPENDING

A recent newsletter from the Montana Taxpayers Association (of which the MPMCSA is a member) compared federal revenue and spending to the same information on the state level. We are all aware of the size and growth of the Federal budget over time. If spending growth continues, and revenues continue to lag behind, the cost of debt service will be an ever increasing portion of federal spending. The pie chart to the left shows the main sources of federal revenue.



As you can see, the amount of borrowed money in 2012 almost equaled the income tax revenue, and exceeded the Social Security and Medicare revenue.

The next chart shows the main areas of Federal spending. The amount of revenue available for discretionary spending is being squeezed by growth of spending in Social Security, Medicare, and interest on federal debt. As that portion of spending increases, it will put pressure on revenue available for spending in other areas such as defense and social welfare programs.

MONTANA REVENUE & SPENDING

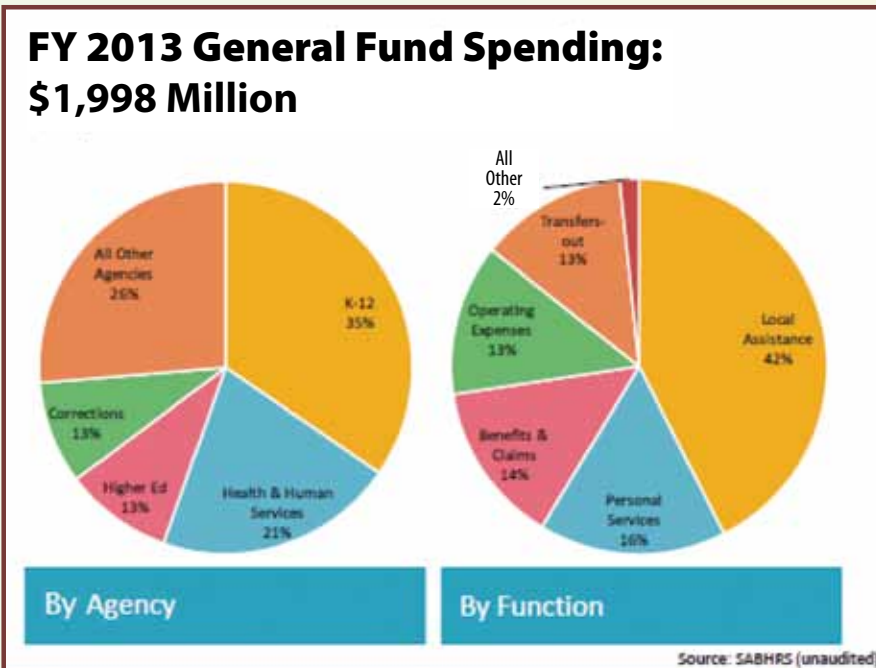
Montana receives income from four main sources for general revenue. It also receives considerable money from the Federal government that is used for specific purposes. Those monies are not included in the

attached charts. The main sources of income for the state are individual income tax, corporate income tax, property taxes, and natural resource taxes. Those revenues are illustrated in the attached chart. Motor fuel taxes go to highway programs, and motor vehicle license fees are returned to local governments.

Montana also spends most of its general fund money in four categories. They are K-12 education, university funding, health and human services, and the Department of Corrections. The attached chart shows the portion of the general fund spent on the various programs.

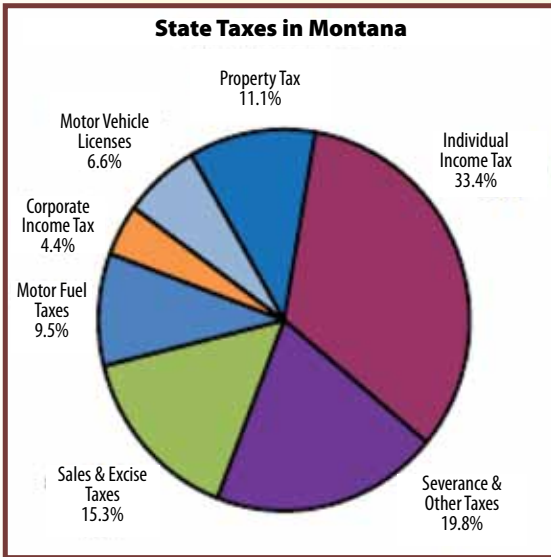
MONTANA INCOME TAX – WHO PAYS IT?

As Tax Day has come and gone – you may find it interesting to see who pays income tax in Montana and the proportion of taxes paid by individuals at various income levels. The attached chart divides





Ronna Alexander
Executive Director,
Montana Petroleum
Marketers &
Convenience Store
Association



enue's Biennial report and covers the years of 2010 and 2011. A new report will come out in 2015 that will have more recent information, but the relative numbers do not change much over the years.

If you look at the bottom five groups in 2010, or one half of the filers, they pay about 5% of the income taxes. They also have an average taxable income below \$12,009.

In contrast, the top two groups, 20% of the taxpayers, pay 71% of the income taxes. Montana has a very progressive tax system. The other bit of information the chart indicates, is the number of taxpayers in Montana who earn fairly low wages. This is why Montana ranks near the bottom of income earned, nationally.

the individual income tax payers in ten equal groups by income level. One tenth of the payers are in each group and the average income of each group is shown. The chart is from the Department of Rev-

Taxable Income and Tax Full Year Residents 2010 and 2011												
Decile Group	2010			2011			2010			2011		
	\$ million	Average	% of Total	\$ million	Average	% of Total	\$ million	Average	% of Total	\$ million	Average	% of Total
1	\$0.2	\$4	0%	\$0.0	\$0	0%	\$0.2	\$4	0%	\$0.0	\$0	0%
2	\$64.0	\$1,202	0%	\$0.7	\$14	0%	\$70.0	\$1,306	0%	\$0.8	\$15	0%
3	\$220.6	\$4,142	2%	\$4.0	\$76	1%	\$234.7	\$4,378	2%	\$4.3	\$81	1%
4	\$405.6	\$7,617	3%	\$10.5	\$197	1%	\$425.9	\$7,944	3%	\$11.0	\$206	1%
5	\$639.5	\$12,009	5%	\$21.8	\$410	3%	\$664.7	\$12,397	5%	\$22.6	\$422	3%
6	\$917.3	\$17,225	7%	\$38.6	\$725	5%	\$953.1	\$17,775	7%	\$40.0	\$747	5%
7	\$1,199.2	\$22,519	9%	\$57.2	\$1,074	8%	\$1,258.6	\$23,474	9%	\$60.2	\$1,122	8%
8	\$1,570.7	\$29,494	11%	\$82.3	\$1,546	11%	\$1,656.7	\$30,897	12%	\$87.2	\$1,626	11%
9	\$2,173.2	\$40,808	16%	\$123.7	\$2,323	16%	\$2,302.8	\$42,948	16%	\$131.6	\$2,455	17%
10	\$6,475.5	\$121,597	47%	\$420.5	\$7,896	55%	\$6,748.9	\$125,867	47%	\$438.3	\$8,174	55%
ALL	\$13,665.8	\$25,662		\$759.5	\$1,426		\$14,315.6	\$26,699		\$796.1	\$1,485	

Look for MPMCSA Convention highlights
in the 2014 Fall Issue!

NEW MEMBERS

We would like to welcome the following new members to the MPMCSA: Regular member **Dave Williams** with Agland Cooperative in Wolf Point, and Associate member **Todd Besel** of Mountain States Trailer-Billings.

MPMCSA
CONVENTION and TRADE SHOW
JUNE 3 - 5, 2014 Hilton Garden Inn
in Missoula, MT
"Come for the SCOOP!
- Stay for the PARTY!"