1. Coal Severance Tax (two taxes)

	Gross Receipts Tax	Workers Comp Tax
a. Annual collection:	$460.1 million in FY2012	$71.1 million in FY2012
Tax Declining with Industry:	-17.4% YTD in FY2013	-12.8% YTD in FY2013
b. Rate per ton or $	5.0% (1% to 2% for Thin-Seam)	56 cents per ton
	FY2012	FY2012
c. How is the tax distributed (Varies by Year)	8.5% to local governments 4.4% to Infrastructure Bond Fund 87% to General Revenue Fund	100% to Old Fund

d. Outlook for future income.

Coal is in long-term state of decline with production down nearly 15% over past three years. Additional decline of similar magnitude expected over next five years. Local share of coal revenues set to rise by another 5% over the next five years per current Law.

2. Gas Severance Tax (two taxes)

	Gross Receipts Tax	Workers Comp Tax
a. Annual collection	$70.3 million in FY2012	$20.8 million
Tax Declining with Prices:	- 27% YTD in FY2013	+ 30% YTD in FY2013
b. Rate per ton or $	5.0% (5-Yr Shut-in Well Exclusion)	4.7 cents per Mcf
	FY2012	FY2012
c. How is the tax distributed (Varies by Year)	13.5% to local governments 4.4% to Infrastructure Bond Fund 82.1% to General Revenue Fund	100% to Old Fund

d. Outlook for future income.

Natural gas revenue trends are much more volatile than coal. Collections are expected to decrease in FY2013 and then increase over time in the future. Increase revenues may potentially offset a significant portion of forecast decline in coal severance tax collections. Overall State General Revenue Fund severance tax collections expected to decrease by an average of 1.1% per year over next 5 years.

3. Timber Severance Tax

	Workers Comp Tax	
a. Annual collection	$1.85 million in FY2012	
b. Rate per ton or $	2.78% gross receipts tax	
c. How is the tax distributed?	100% to Old Fund	Tax goes to Division of Forestry when Old Fund fully paid
d. Outlook for future income.	No significant change:	Tax rate goes to 1.22% when Old Fund fully paid

All forward looking statements are based on Tax Department projections associated with available information as of January 2013. Results will vary according to results of actual dynamic market changes and externalities that may not necessarily be adequately reflected in the forecast.