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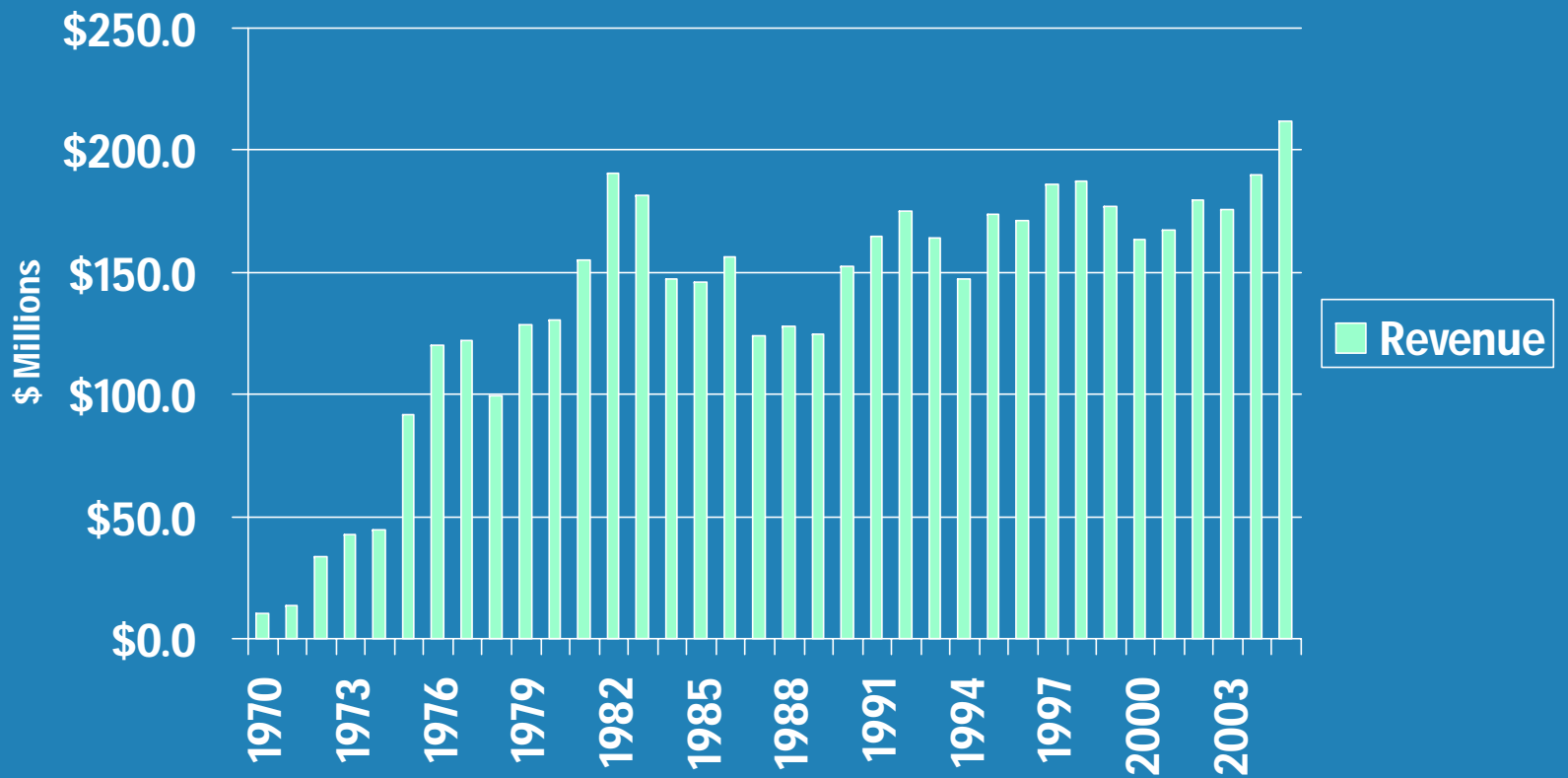
⌚ Presented by Mark Muchow, Director of Fiscal Policy, West Virginia Division of Tax & Revenue. This talk was presented at the West Virginia Energy Roadmap Workshop on National Coal Issues held in Charleston, WV on November 10, 2004. The meeting was a part of the Energy Roadmap Workshop Series commissioned by West Virginia Governor Bob Wise.



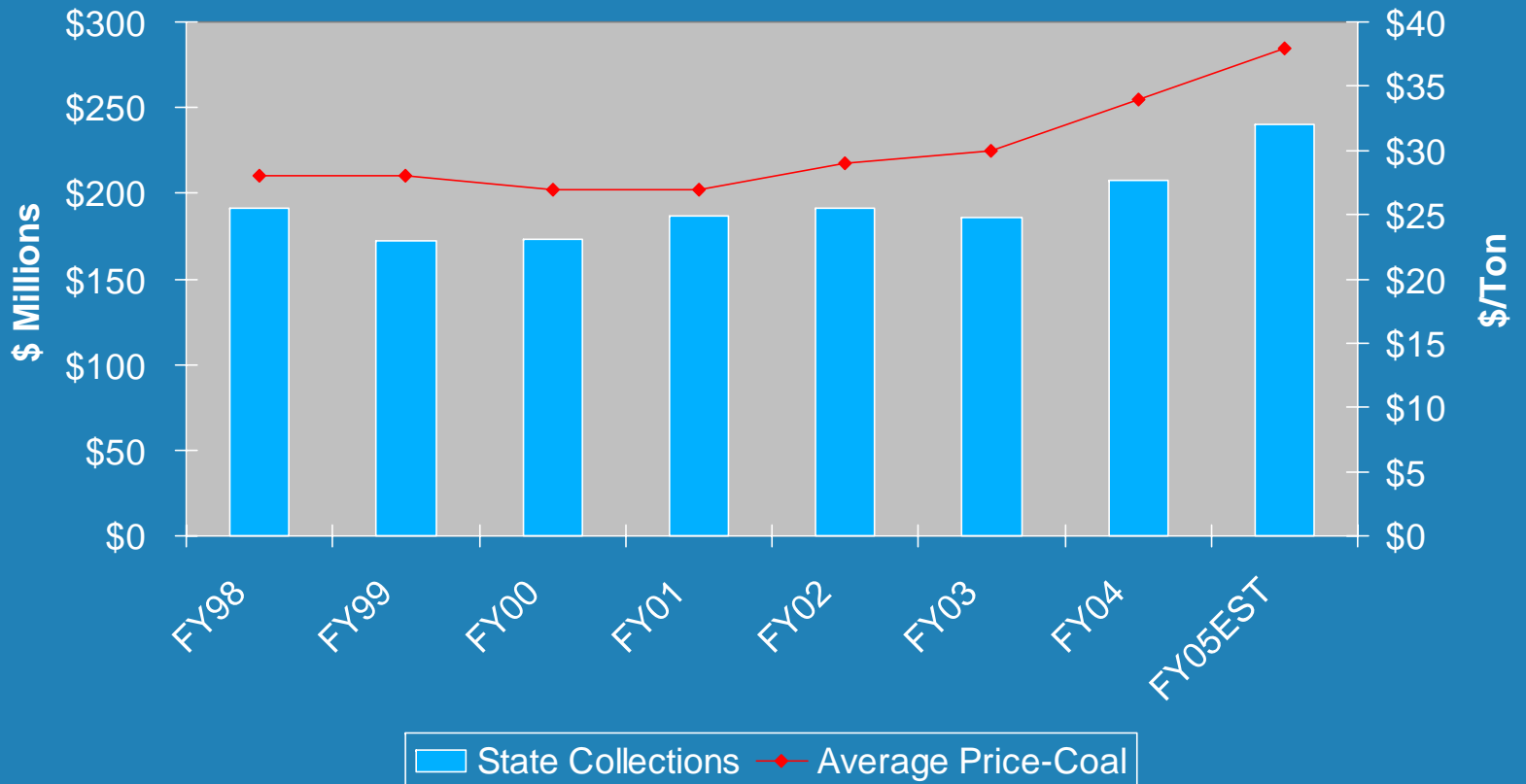
Fiscal Impact of Coal Industry

**Energy Roadmap Workshop
Charleston, West Virginia
November 10, 2004**

Coal Severance Tax Revenue

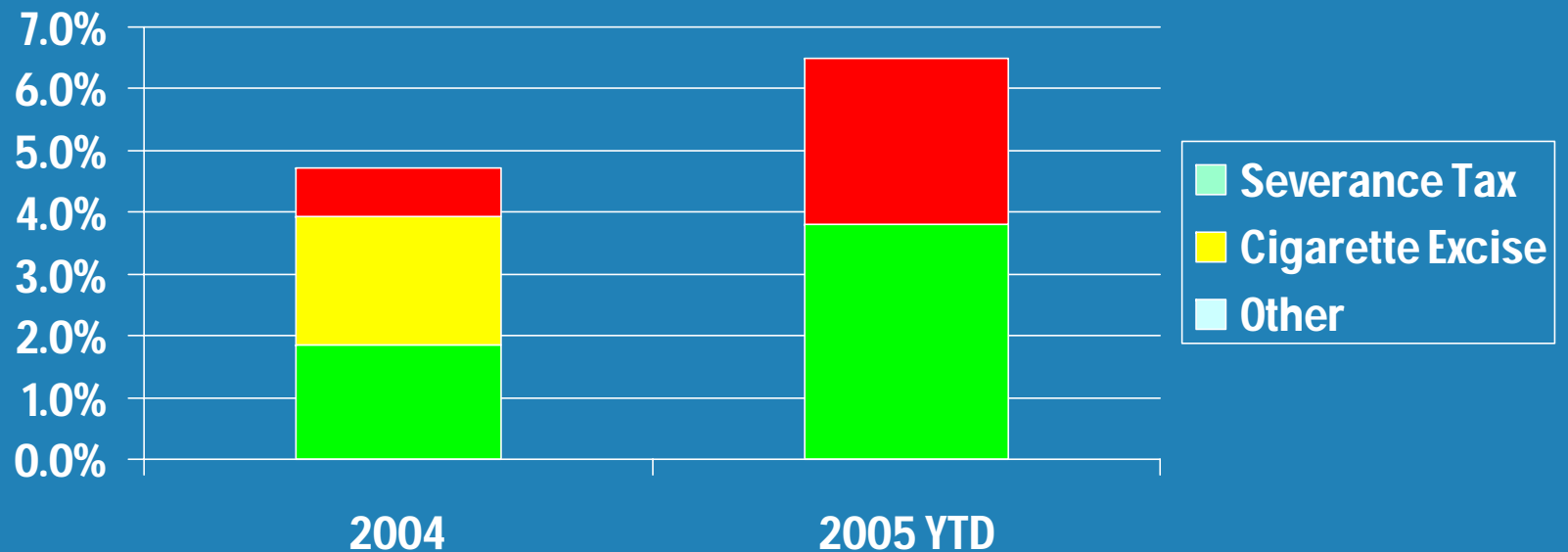


Severance Tax Collections & Price of Coal



General Revenue Fund Growth

Year Over Year Growth Absent Lottery & One-Time Funds



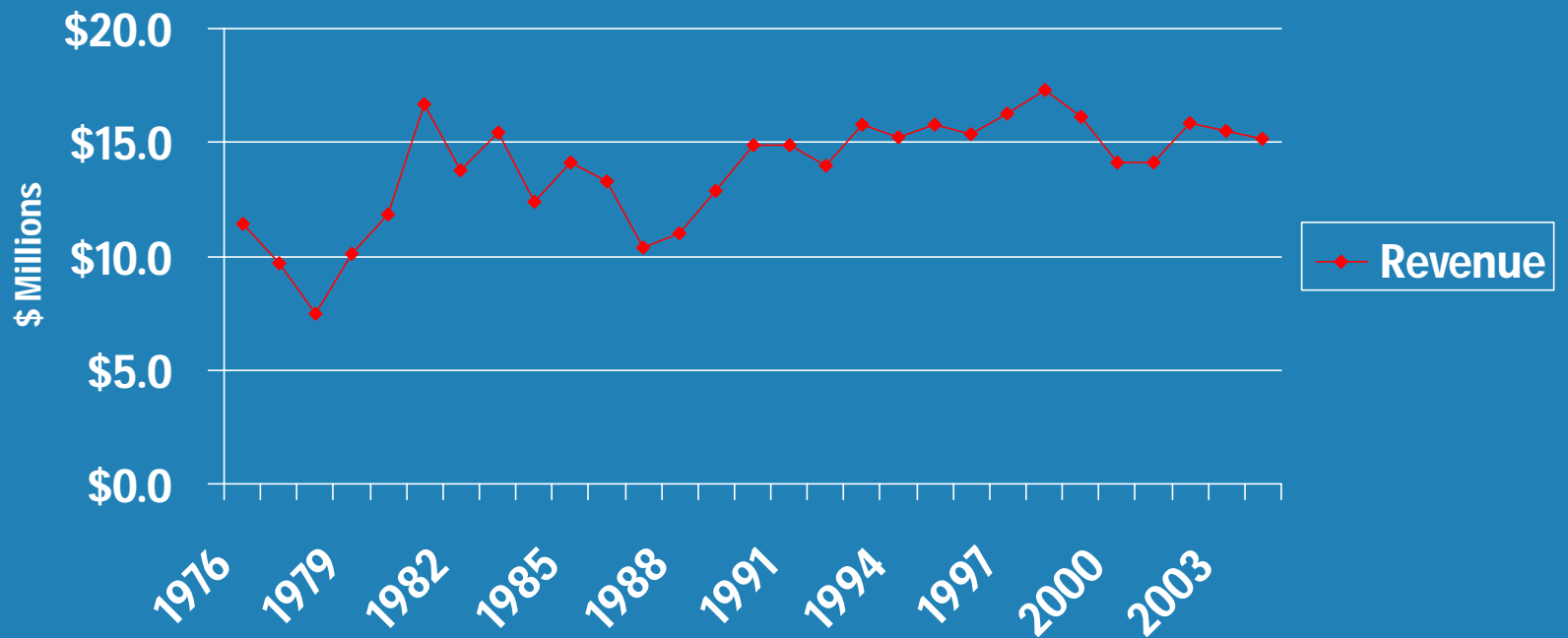
Coal Severance Tax Use

Coal Severance Tax Expenditures

- Local Finance: \$15.5 million
- General Revenue: \$155.0 million – 5.0%+
- Infrastructure: \$ 21.5 million

Local Coal Severance Tax

All WV Counties & Municipalities

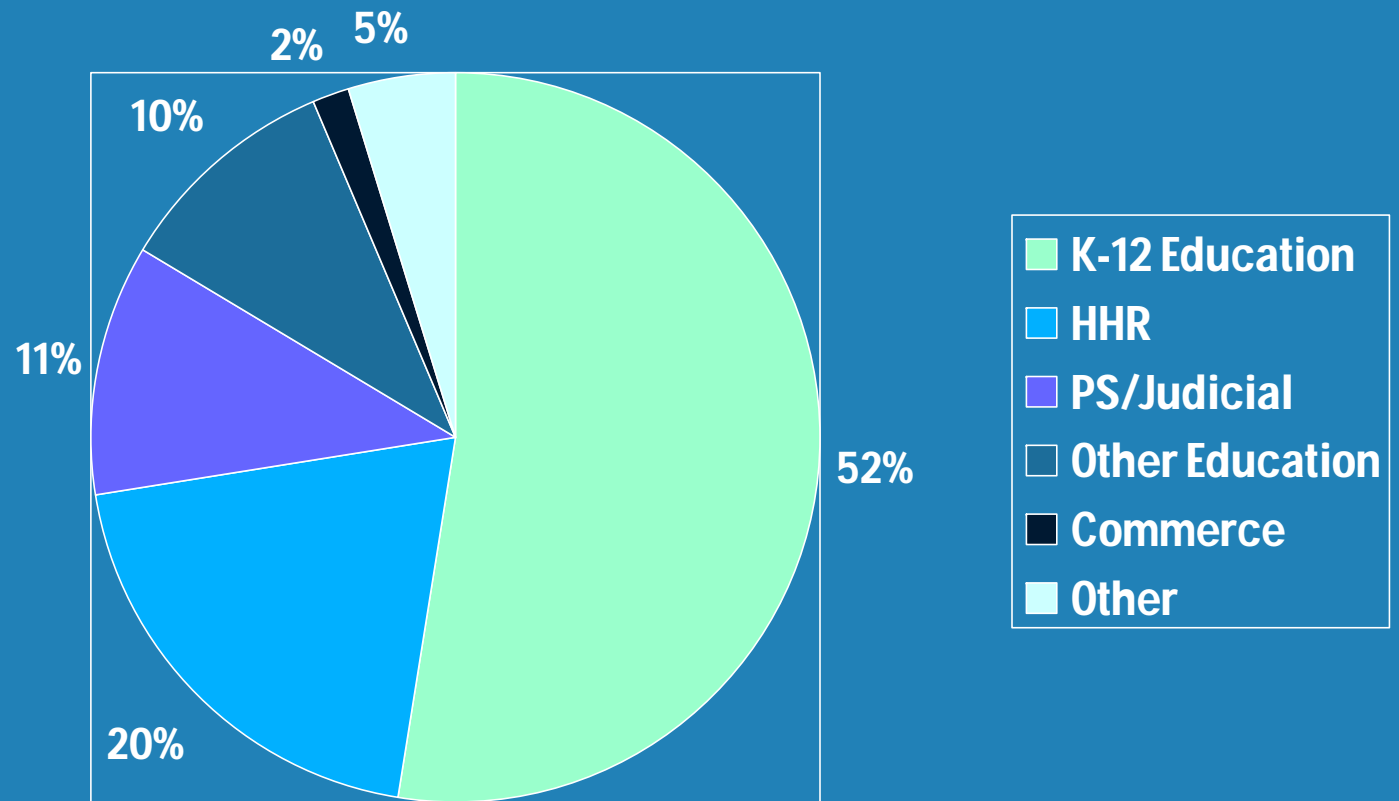


Local Government Revenue-FY04

Ω Kanawha County:	\$1,155,858
• Charleston:	\$ 111,869
Ω Putnam County:	\$ 82,618
• Hurricane:	\$ 10,935
Ω Cabell County:	\$ 92,220
• Huntington:	\$ 107,794

Coal Severance Tax Benefits GRF

FY2005 General Revenue Fund Appropriations





Coal Funds Infrastructure Bonds

- ∞ **\$300 million bond issue : Water & Sewer Projects 80% & Economic Development 20%**
- ∞ **Finance Source: \$24 million in annual severance tax collections – 90% coal**
- ∞ **\$216 million between FY1996 and FY2005**