

FISCAL NOTE

Bill #: SB0268

Title: Resort area districts to receive lodging facility tax income

Primary

Sponsor: Don Hargrove

Status: As Introduced

Sponsor signature

Date

Chuck Swysgood, Budget Director

Date

Fiscal Summary

	<u>FY2002</u>	<u>FY2003</u>
	<u>Difference</u>	<u>Difference</u>
Expenditures:	0	0
Revenue:	0	0
Net Impact on General Fund Balance:	0	0

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department Of Revenue

1. Under current law, 22.5% of accommodations tax receipts are distributed to regional non-profit tourism corporations and local convention and visitors bureaus. If 22.5% of collections in a city or consolidated city-county is greater than \$35,000, 12.5% of collections in that city or consolidated city-county are distributed to the regional non-profit tourism corporation and 12.5% are distributed to the local convention and visitors bureau. Otherwise, 22.5% of collections are distributed to the regional tourism corporation and none are distributed to the local convention and visitors bureau.

2. This bill would use the same formula to allocate funds to the convention and visitors bureau of any resort area or resort area district where 22.5% of accommodations tax collections are greater than \$35,000.
3. This bill would not affect state revenue. It would not affect accommodations tax collections or the state's share of those collections.
4. This bill would not have significant administrative impacts on the Department of Revenue.

Department of Commerce

5. In FY 2000 Travel Montana disbursed \$2,380,832 to regional non-profit tourism corporations and non-profit convention and visitors bureaus in cities or consolidated city-county areas. Assuming enactment of SB 268, existing recipients, in this case Yellowstone Country, the region in which Big Sky is located, would see its allocation of lodging tax proceeds reduced by approximately \$76,600, while Big Sky would be increased by a like amount.
6. There is no fiscal impact to Travel Montana or the Department of Commerce.

EFFECT ON COUNTY OR OTHER LOCAL REVENUES OR EXPENDITURES:

This bill could reallocate funding from one or more regional tourism corporations to resort area convention and visitors bureaus.