

1 \_\_\_\_\_ BILL NO. \_\_\_\_\_

2 INTRODUCED BY \_\_\_\_\_  
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE TOBACCO TAX ALLOCATION FOR OPERATION  
5 AND MAINTENANCE OF STATE VETERANS' NURSING HOMES; PROVIDING AN APPROPRIATION;  
6 AMENDING SECTION 16-11-119, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY  
7 DATE."

8  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10  
11 **Section 1.** Section 16-11-119, MCA, is amended to read:

12 **"16-11-119. Disposition of taxes -- statutory appropriation.** (1) A sum equal to the amount  
13 necessary to purchase cigarette tax stamps must be deposited to or allocated from the state special revenue  
14 fund to the credit of the department from cigarette taxes collected under the provisions of 16-11-111, as  
15 provided in subsection (5) of this section.

16 (2) After the deposit or allocation in subsection (1), cigarette taxes collected under the provisions of  
17 16-11-111 must, in accordance with the provisions of 17-2-124, be deposited as follows:

18 (a) 8.3% or ~~\$2~~ \$4 million, whichever is greater, in the state special revenue fund to the credit of the  
19 department of public health and human services for the operation and maintenance of state veterans' nursing  
20 homes;

21 (b) 2.6% in the major repair long-range building program account provided for in 17-7-221;

22 (c) 44% in the state special revenue fund to the credit of the health and medicaid initiatives account  
23 provided for in 53-6-1201; and

24 (d) the remainder to the state general fund.

25 (3) If money in the state special revenue fund for the operation and maintenance of state veterans'  
26 nursing homes exceeds \$2 million at the end of the fiscal year, the excess must be transferred to the state  
27 general fund.

28 (4) The taxes collected on tobacco products other than cigarettes must in accordance with the

1 provisions of 17-2-124 be deposited as follows:

2 (a) one-half in the state general fund; and

3 (b) one-half in the state special revenue fund account for health and medicaid initiatives provided for  
4 in 53-6-1201.

5 (5) Each fiscal year, a sum equal to the amount of money necessary to purchase cigarette tax stamps  
6 is statutorily appropriated, as provided in 17-7-502, from the state special revenue fund allocation in subsection  
7 (1) to the department for tax administration responsibilities."

8  
9 NEW SECTION. Section 2. Appropriation. There is appropriated \$100 from the general fund to the  
10 department of revenue for the fiscal year beginning July 1, 2021, for the purpose of complying with  
11 administrative and computer programming expenses associated with implementation of [this act].

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13 NEW SECTION. Section 3. Effective date. [This act] is effective July 1, 2021.

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15 NEW SECTION. Section 4. Applicability. [This act] applies to fiscal years beginning after June 30,  
16 2021.

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