



AN ACT REVISING DISTRIBUTION DATES FOR THE SALES TAX ON LODGING; AND AMENDING SECTIONS 15-68-820 AND 22-3-1303, MCA.

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

**Section 1.** Section 15-68-820, MCA, is amended to read:

**"15-68-820. Sales tax and use tax proceeds.** (1) Except as provided in subsections (2) through (6), all money collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by the department into the general fund.

(2) Twenty-five percent of the revenue collected on the base rental charge for rental vehicles under 15-68-102(1)(b) and 15-68-102(3)(a)(ii) must be deposited in the state special revenue fund to the credit of the senior citizen and persons with disabilities transportation services account provided for in 7-14-112.

(3) Until December ~~30~~ 31, 2024, a portion of the revenue collected on the sale or use of accommodations and campgrounds under 15-68-102 (1)(a) and (3)(a)(i) must be deposited as follows:

- (a) 20% in the account established in 22-3-1303 for construction of the Montana heritage center; and
- (b) 5% in the account established in 22-3-1307 for historic preservation grants.

(4) Starting January 1, 2025, a portion of the revenue collected on the sale or use of accommodations and campgrounds under 15-68-102(1)(a) and (3)(a)(i) must be deposited or distributed as follows:

(a) 6% in the account established in 22-3-1304 for operation and maintenance of the Montana heritage center;

- (b) 6% distributed as provided in subsection (5);
- (c) 6% in the account established in 22-3-1307 for historic preservation grants; and
- (d) 7% in the account established in 17-7-209.

(5) (a) Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-

124 and as provided in subsection (5)(b) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 1% of that amount from the tax proceeds received each reporting period. The department shall distribute the portion of the 1% that was paid with federal funds to the agency that made the in-state lodging expenditure and deposit 30% of the amount deducted less the portion paid with federal funds in the state general fund.

(b) The balance of the tax proceeds received each reporting period and not distributed to agencies that paid the tax with federal funds must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the department of fish, wildlife, and parks, and to the state-tribal economic development commission as follows:

(i) 7% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(ii) 68.5% to be used directly by the department of commerce;

(iii) (A) except as provided in subsection (5)(b)(iii)(B), 24% to be distributed by the department of commerce to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(B) if 24% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district; and

(iv) 0.5% to the state special revenue account provided for in 90-1-135 for use by the state-tribal economic development commission established in 90-1-131 for activities in the Indian tourism region.

(6) The tax proceeds received that are transferred to a state special revenue account pursuant to subsection (5)(b) are allocated to the entities."

**Section 2.** Section 22-3-1303, MCA, is amended to read:

**"22-3-1303. Account -- Montana heritage center construction.** There is an account in the capital

projects fund established in 17-2-102 known as the Montana heritage center construction account. The tax collections allocated in 15-68-820(3)(a) must be deposited in the account until December ~~30~~ 31, 2024. The money in the account is authorized to the department of administration and may be used only for capital construction of the Montana heritage center."

- END -

I hereby certify that the within bill,  
SB 6, originated in the Senate.

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Secretary of the Senate

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2021.

SENATE BILL NO. 6

INTRODUCED BY J. COHENOUR

BY REQUEST OF THE REVENUE INTERIM COMMITTEE

AN ACT REVISING DISTRIBUTION DATES FOR THE SALES TAX ON LODGING; AND AMENDING  
SECTIONS 15-68-820 AND 22-3-1303, MCA.