

# 2019-2020 Study Options

## SJ 24 – Study of Distribution/Uses of Montana's Lodging Facility Use Tax

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## Differences Between Audit & SJ 24

### Audit

- Looks at Grant-Making Process and Followup
- Looks at Marketing Contract Award Process

### SJ 24

- Looks at Grant-Making Process to Determine if Grants are Duplicated, New, or Enhance Previous Grants
- Looks at Marketing to Determine if There's Duplication or a Continuum
- Considers Changes in Law

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## Broad Options for SJ 24

- Should the lodging and accommodation tax be combined (at 8%), with distributions maintained or altered?
- Should the legislature adopt policies:
  - Delineating Department of Commerce interactions with regional tourism to either spread the wealth or build on one another's grant-making goals?
  - Prohibiting the Department of Commerce from making grants to for-profit entities?
  - Requiring biennial reports from the Department of Commerce on grant distributions?
  - Setting clear guidelines for awarding grants to avoid appearance of favoritism and provide rationale for grants?



## Narrow Options for SJ 24

- Are Legislative Changes needed for Percentage Distributions under the Lodging Facility Use Tax?
- Should the Legislature Require Periodic Review of the Lodging Facility Use Tax to Determine if a Reduction/Increase is Appropriate?
- Should the Legislature Provide An Exemption from the Lodging Facility Use Tax for People Who Need Lodging Related To Medical Stays?

