

1 \*\*\*\* BILL NO. \*\*\*\*  
2 INTRODUCED BY \*\*\*\*  
3 BY REQUEST OF THE \*\*\*\*  
4

5 A BILL FOR AN ACT ENTITLED: "AN ACT COMBINING THE LODGING FACILITY USE TAX AND THE  
6 SALES TAX ON LODGING; ESTABLISHING THE TAX FOR THE SALE OF ACCOMMODATIONS AND  
7 VEHICLE RENTALS; CLARIFYING THE TAX AS A SELECTIVE SALES TAX FOR ALL ACCOMMODATIONS  
8 AND VEHICLE RENTALS INCLUDING SALES FACILITATED BY ONLINE HOSTING PLATFORMS;  
9 PROVIDING A STATUTORY APPROPRIATION; AMENDING SECTIONS 2-15-1816, 7-12-1121, 7-12-1132,  
10 15-1-216, 15-68-101, 15-68-102, 15-68-103, 15-68-106, 15-68-110, 15-68-206, 15-68-402, 15-68-405, 15-68-  
11 501, 15-68-502, 15-68-505, 15-68-510, 15-68-513, 15-68-514, 15-68-516, 15-68-520, 15-68-525, 15-68-805,  
12 15-68-808, 15-68-811, 15-68-815, 15-68-820, 17-7-502, 22-3-115, 22-3-1303, 22-3-1304, 22-3-1307, 76-8-103,  
13 80-7-1004, AND 90-1-135, MCA; REPEALING SECTIONS 15-65-101, 15-65-102, 15-65-111, 15-65-112, 15-  
14 65-113, 15-65-114, 15-65-115, 15-65-116, 15-65-121, 15-65-122, 15-65-131, 15-68-107, 15-68-201, 15-68-  
15 202, 15-68-207, 15-68-208, 15-68-209, 15-68-210, 15-68-211, 15-68-212, 15-68-401, 15-68-410, 15-68-411,  
16 15-68-506, 15-68-512, AND 15-68-517, MCA."

17  
18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:  
19

20 **Section 1.** Section 2-15-1816, MCA, is amended to read:

21 **"2-15-1816. Tourism advisory council.** (1) There is created a tourism advisory council.

22 (2) The council is composed of not less than 12 members appointed by the governor from Montana's  
23 private sector travel industry and includes at least one member from Indian tribal governments and one tribal  
24 member from the private sector, with representation from each tourism region initially established by executive  
25 order of the governor and as may be modified by the council under subsection (5).

26 (3) Members of the council shall serve staggered 3-year terms, subject to replacement at the  
27 discretion of the governor.

28 (4) The council shall:

- 1 (a) oversee distribution of funds to regional nonprofit tourism corporations for tourism promotion,
- 2 nonprofit convention and visitors bureaus, and the state-tribal economic development commission established
- 3 in 90-1-131 on behalf of an Indian tourism region in accordance with Title 15, ~~chapter 65, part 4~~ chapter 68, and
- 4 this section;
- 5 (b) advise the department of commerce relative to tourism promotion;
- 6 (c) advise the governor on significant matters relative to Montana's travel industry;
- 7 (d) prescribe allowable administrative expenses for which accommodation tax proceeds may be used
- 8 by regional nonprofit tourism corporations and nonprofit convention and visitors bureaus;
- 9 (e) direct the university system regarding Montana travel research;
- 10 (f) approve all travel research programs prior to their being undertaken;
- 11 (g) encourage the state-tribal economic development commission and regional nonprofit tourism
- 12 corporations to promote tourist activities on Indian reservations in their regions;
- 13 (h) encourage regional nonprofit tourism corporations and nonprofit convention and visitors bureaus
- 14 receiving money under subsection (4)(a) to promote public and nonprofit history museums in their regions; and
- 15 (i) urge the department of transportation to include museums recognized by the museums association
- 16 of Montana when it updates and publishes the state maps.
- 17 (5) The council may modify the tourism regions established by executive order of the governor.
- 18 (6) The department of commerce shall adopt rules to implement and administer Title 15, ~~chapter 65,~~
- 19 ~~part 4~~ chapter 68, and this section."

20  
21 **Section 2.** Section 7-12-1121, MCA, is amended to read:

22 **"7-12-1121. Board of trustees -- appointment -- number -- term of office.** (1) When the governing

23 body of a local government adopts an ordinance creating a business improvement district, the appointing

24 authority, with the approval of the governing body, shall appoint not less than five or more than seven owners of

25 property within the district or their assignees to compose the board of trustees of the district. The director for a

26 business improvement district created for the purpose of 7-12-1102(4) must be the executive director of a

27 nonprofit convention and visitors bureau, as defined in ~~15-65-101~~ 15-68-101, if a nonprofit convention and

28 visitors bureau is operating within the governing body's jurisdiction.

1 (2) The number of members of the board, once established, may be changed within these limits from  
2 time to time by subsequent resolutions of the governing body of the local government. A resolution to reduce  
3 board membership may not require resignation of any member prior to completion of the member's appointed  
4 term.

5 (3) Three of the members who are first appointed must be designated to serve for terms of 1, 2, and 3  
6 years, respectively, from the date of their appointments, and two must be designated to serve for terms of 4  
7 years from the date of their appointments. For a seven-member commission, there must be two additional  
8 appointments for terms of 2 years and 3 years, respectively.

9 (4) After initial appointment, members must be appointed for a term of office of 4 years, except that a  
10 vacancy occurring during a term must be filled for the unexpired term. A member holds office until a successor  
11 has been appointed and qualified."

12

13 **Section 3.** Section 7-12-1132, MCA, is amended to read:

14 **"7-12-1132. Annual budget and work plan -- approval -- procedure -- tax.** (1) At a time determined  
15 by the governing body, the board shall submit to the governing body for approval a work plan and budget for  
16 the ensuing fiscal year.

17 (2) A board created for the purpose of 7-12-1102(4) in a municipality or county where a nonprofit  
18 convention and visitors bureau, as defined in ~~15-65-101~~ 15-68-101, is operating shall consult with the nonprofit  
19 convention and visitors bureau in developing a work plan and budget for the ensuing fiscal year.

20 (3) Following public notice that a work plan and budget have been submitted and that the governing  
21 body will levy an assessment to defray the cost of the work plan and budget, the governing body shall hold a  
22 public hearing on objections to the work plan and budget. After the hearing, the governing body may modify the  
23 work plan and budget as it considers necessary and appropriate.

24 (4) After approval of the work plan and budget and to defray the cost of the work plan and budget for  
25 the next fiscal year, the governing body shall by resolution levy an assessment upon all of the property in the  
26 district using as a basis one of the methods prescribed in 7-12-1133.

27 (5) A copy of the resolution must be delivered to the treasurer of the local government to be placed on  
28 the tax roll and collected in the same manner as other taxes."

1

2           **Section 4.** Section 15-1-216, MCA, is amended to read:

3           **"15-1-216. Uniform penalty and interest assessments for violation of tax provisions --**

4 **applicability -- exceptions -- uniform provision for interest on overpayments.** (1) A person who fails to file  
5 a required tax return or other report with the department by the due date of the return or report, including any  
6 extension of time allowed for in Title 15, chapter 30 or 31, must be assessed a late filing penalty. The penalty is  
7 the greater of \$50 or 5% of the tax due for each month during which there is a failure to file the return or report,  
8 not to exceed an amount up to 25% of the tax due. The late filing penalty is calculated from the due date or  
9 extended due date until the department actually receives the late return or report. The penalty is computed only  
10 on the net amount of tax due, if any, as of the original due date or extended due date provided for in Title 15,  
11 chapter 30 or 31, after credit has been given for amounts paid through withholding, estimated tax payments, or  
12 other credits claimed on the return.

13           (2) (a) (i) Except as provided in subsections (2)(a)(ii), (2)(b), and (2)(d), a person who fails to pay a  
14 tax when due must be assessed a late payment penalty of 0.5% a month on the unpaid tax. The penalty may  
15 not exceed 12% of the tax due.

16           (ii) A penalty imposed under subsection (2)(a)(i) may be waived if:

17           (A) the taxpayer pays the tax and interest due with the tax return or report within 30 days following the  
18 first notice from the department to the taxpayer of the amount due; or

19           (B) subject to the conditions of 15-30-2512(1)(a)(i), the taxpayer pays at least 90% of the tax, when  
20 due, for the current year.

21           (b) (i) Except as provided in subsections (2)(b)(ii) and (2)(d), a person who fails to pay a tax when  
22 due under Title 15, chapter 30, part 25, chapter 53, ~~chapter 65,~~ or chapter 68, or Title 53, chapter 19, part 3,  
23 must be assessed a late payment penalty of 1.5% a month on the unpaid tax. The penalty may not exceed 15%  
24 of the tax due.

25           (ii) A penalty imposed under subsection (2)(b)(i) may be waived if the taxpayer pays the tax and  
26 interest due with the tax return or report within 30 days following the first notice from the department to the  
27 taxpayer of the amount due.

28           (c) The penalty imposed under subsection (2)(a) or (2)(b) accrues daily on the unpaid tax from the

1 original due date of the return regardless of whether the taxpayer has received an extension of time for filing a  
2 return.

3 (d) A penalty may not be imposed under subsection (2)(a) or (2)(b) on the amount of unpaid tax if the  
4 taxpayer demonstrates there is reasonable cause for the failure to pay the tax.

5 (3) (a) Subject to subsection (3)(b), a person who makes a substantial understatement of tax  
6 imposed under Title 15, Title 16, chapter 11, or Title 53, chapter 19, part 3, must be assessed a substantial  
7 understatement penalty in an amount equal to 20% of the understatement. As used in this subsection (3),  
8 "understatement" means the amount of the tax required to be shown on the return for the tax year less the  
9 amount of tax that the taxpayer reported on the return. For purposes of this subsection (3):

10 (i) there is a substantial understatement of tax penalty imposed under Title 15, chapter 30, except for  
11 Title 15, chapter 30, part 33, if the understatement exceeds the greater of 10% of the amount of tax required to  
12 be shown on the return or \$3,000; and

13 (ii) there is a substantial understatement of tax penalty imposed for all other chapters under Title 15,  
14 including Title 15, chapter 30, part 33, and for Title 16, chapter 11, and Title 53, chapter 19, part 3, if the  
15 understatement exceeds the lesser of:

16 (A) 10% of the amount of tax required to be shown on the return if the understatement is greater than  
17 \$10,000; or

18 (B) \$500,000.

19 (b) The amount of substantial understatement of tax penalty must be reduced by the amount of the  
20 understatement that is attributable to:

21 (i) the tax treatment of any item by the taxpayer if there is or was substantial authority for the  
22 treatment; or

23 (ii) any item if the relevant facts affecting the tax treatment of the item are adequately disclosed in the  
24 return or in a statement attached to the return and there is a reasonable basis for the tax treatment of the item  
25 by the taxpayer.

26 (4) (a) Except as provided in subsection (4)(b), a person who purposely or knowingly, as those terms  
27 are defined in 45-2-101, fails to file a return or report as required under Title 15 when due or fails to file a return  
28 or report within 60 days after receiving written notice from the department that a return or report must be filed is

1 liable for an additional penalty of 15% of the tax due for each month or fraction of a month during which the  
2 person purposely or knowingly fails to file a return or report, but not to exceed 75% of the tax due as  
3 determined by the department. The department may bring an action in the name of the state to recover the  
4 penalty and any delinquent taxes.

5 (b) A person who purposely or knowingly, as those terms are defined in 45-2-101, fails to file a return  
6 or report as required under Title 15, chapter 30, part 33, when due or fails to file a return or report within 60  
7 days after receiving written notice from the department that a return or report must be filed is liable for an  
8 additional penalty of \$1,000. The department may bring an action in the name of the state to recover the  
9 penalty and any delinquent taxes.

10 (5) (a) A person who files a fraudulent return or report under Title 15 is liable for an additional penalty  
11 of 75% of the tax due on the underpayment of tax attributable to the fraudulent amount reported on the return or  
12 report. The department may bring an action in the name of the state to recover the penalty, interest, and any  
13 delinquent taxes.

14 (b) A person who has no tax liability for the tax year and who files a fraudulent claim for a credit under  
15 Title 15 is liable for an additional penalty of 75% of the amount attributable to the fraudulent amount of the  
16 credit claimed. The department may bring an action in the name of the state to recover the penalty, interest,  
17 and amount paid.

18 (6) A person who files a frivolous return or report under Title 15 is liable, in addition to any other  
19 penalty imposed, for a penalty of \$2,500. A frivolous return or report is one that is filed by a person and that  
20 omits information necessary to determine the taxpayer's tax liability, shows a substantially incorrect tax, is  
21 based on a frivolous position, or is based on the taxpayer's action to impede collection of taxes. Frivolous  
22 positions are those identified in 26 U.S.C. 6702 as those provisions may apply to provisions of Title 15. The  
23 department may bring an action in the name of the state to recover the penalty, interest, and any delinquent  
24 taxes.

25 (7) (a) Interest on taxes not paid when due must be assessed by the department. The department  
26 shall determine the interest rate established under subsection (7)(a)(i) for each calendar year by rule subject to  
27 the conditions of this subsection (7)(a). Interest rates on taxes not paid when due for a calendar year are as  
28 follows:

1 (i) Beginning January 1, 2018, for individual income taxes not paid when due, including delinquent  
2 taxes and deficiency assessments, the interest rate is equal to the underpayment rate for individual taxpayers  
3 established by the secretary of the United States department of the treasury pursuant to section 6621 of the  
4 Internal Revenue Code, 26 U.S.C. 6621, for the third quarter of the preceding year.

5 (ii) (A) For all taxes other than individual income taxes not paid when due, including delinquent taxes  
6 and deficiency assessments, the interest rate is 12% a year.

7 (B) Beginning July 1, 2019, the interest rate is 3 percentage points above the prime rate published by  
8 the federal reserve system in its statistical release H.15 Selected Interest Rates for bank prime loans for the  
9 last business day of the third quarter of the preceding year.

10 (b) Interest on delinquent taxes and on deficiency assessments is computed from the original due  
11 date of the return until the tax is paid. Interest accrues daily on the unpaid tax from the original due date of the  
12 return regardless of whether the taxpayer has received an extension of time for filing the return.

13 (8) (a) Except as provided in subsection (8)(b), this section applies to taxes, fees, remittances, and  
14 other assessments imposed under Title 15, Title 16, and Title 53, chapter 19, part 3.

15 (b) This section does not apply to:

16 (i) property taxes; or

17 (ii) gasoline and vehicle fuel taxes collected by the department of transportation pursuant to Title 15,  
18 chapter 70.

19 (9) Any changes to interest rates apply to any current outstanding tax balance, regardless of the rate  
20 in effect at the time the tax accrued.

21 (10) Penalty and interest must be calculated and assessed commencing with the due date of the  
22 return.

23 (11) Deficiency assessments are due and payable 30 days from the date of the deficiency  
24 assessment.

25 (12) Interest allowed for the overpayment of taxes or fees is the same rate as is charged for unpaid or  
26 delinquent taxes. For the purposes of this subsection, interest charged for unpaid or delinquent taxes is the  
27 interest rate determined in subsection (7)(a)(i)."  
28

1           **Section 5.** Section 15-68-101, MCA, is amended to read:

2           "**15-68-101. Definitions.** For purposes of this chapter, unless the context requires otherwise, the  
3 following definitions apply:

4           (1) (a) "Accommodations" means a building or structure containing individual sleeping rooms or  
5 suites that provides overnight lodging facilities for periods of less than 30 days to the general public for  
6 compensation.

7           (b) Accommodations includes but is not limited to a facility or property represented to the public as a  
8 hotel, motel, campground, resort, dormitory, condominium inn, dude ranch, guest ranch, hostel, public  
9 lodginghouse, ~~or bed and breakfast facility, or vacation home, home, apartment, timeshare, room or rooms~~  
10 rented by or on behalf of the owner or seller.

11           (c) The term does not include:

12           (i) a health care facility, as defined in 50-5-101;

13           (ii) any facility owned by a corporation organized under Title 35, chapter 2 or 3; or

14           (iii) a facility that is used primarily by persons under 18 years of age for camping purposes, any hotel,  
15 motel, hostel, public lodginghouse, or bed and breakfast facility whose average daily accommodation charge for  
16 single occupancy does not exceed 60% of the amount authorized under 2-18-501 for the actual cost of lodging  
17 for travel within the state of Montana, or any other facility that is rented solely on a monthly basis or for a period  
18 of 30 days or more.

19           ~~(2) (a) "Admission" means payment made for the privilege of being admitted to a facility, place, or~~  
20 ~~event.~~

21           ~~(b) The term does not include payment for admittance to a movie theater or to a sporting event~~  
22 ~~sanctioned by a school district, college, or university.~~

23           ~~(3)~~(2) (a) "Base rental charge" means the following:

24           (i) charges for time of use of the rental vehicle and mileage, if applicable;

25           (ii) charges accepted by the renter for ~~personal accident~~ insurance;

26           (iii) charges for additional drivers or underage drivers; ~~and~~ or

27           (iv) charges for child safety restraints, luggage racks, ski racks, or other accessory equipment for the  
28 rental vehicle.



1 (b) The term does not include:

2 (i) ~~rental vehicle price discounts allowed and taken;~~

3 ~~(ii) rental charges or other charges or fees imposed on the rental vehicle owner or operator for the~~

4 ~~privilege of operating as a concessionaire at an airport terminal building;~~

5 ~~(iii)(ii) motor fuel;~~

6 ~~(iv)(iii) intercity rental vehicle drop charges; or~~

7 ~~(v)(iv) taxes imposed by the federal government or by state or local governments.~~

8 ~~(4) (a) (3) "Campground" means a place used for public camping where persons may camp, secure~~

9 ~~tents, or park individual recreational vehicles for camping and sleeping purposes.~~

10 ~~(b) The term does not include that portion of a trailer court, trailer park, or mobile home park intended~~

11 ~~for occupancy by trailers or mobile homes for resident dwelling purposes for periods of 30 consecutive days or~~

12 ~~more.~~

13 ~~(4) "Council" means the tourism advisory council established in 2-15-1816.~~

14 (5) "Engaging in business" means carrying on or causing to be carried on any activity with the

15 purpose of receiving direct or indirect benefit.

16 ~~(6) "Indian tourism region" includes the area recognized as being historically associated with the~~

17 ~~reservations of the eight federally recognized Montana tribes.~~

18 ~~(6) (a) "Lease", "leasing", or "rental" means any transfer of possession or control of tangible personal~~

19 ~~property for a fixed or indeterminate term for consideration. A lease or rental may include future options to~~

20 ~~purchase or extend.~~

21 ~~(b) Lease or rental includes agreements covering motor vehicles and trailers when the amount of~~

22 ~~consideration may be increased or decreased by reference to the amount realized upon sale or disposition of~~

23 ~~the property, as defined in 26 U.S.C. 7701(h)(1).~~

24 ~~(c) The term does not include:~~

25 ~~(i) a transfer of possession or control of property under a security agreement or deferred payment~~

26 ~~plan that requires the transfer of title upon completion of the required payments;~~

27 ~~(ii) a transfer of possession or control of property under an agreement that requires the transfer of title~~

28 ~~upon completion of required payments and payment of an option price that does not exceed the greater of \$100~~

1 ~~or 1% of the total required payments; or~~

2 ~~(iii) providing tangible personal property with an operator if an operator is necessary for the equipment~~  
3 ~~to perform as designed and not just to maintain, inspect, or set up the tangible personal property.~~

4 ~~(d) This definition must be used for sales tax and use tax purposes regardless of whether a~~  
5 ~~transaction is characterized as a lease or rental under generally accepted accounting principles, the Internal~~  
6 ~~Revenue Code, the Montana Uniform Commercial Code, or other provisions of federal, state, or local law.~~

7 ~~(e) This definition must be applied only prospectively from the date of adoption and has no retroactive~~  
8 ~~impact on existing leases or rentals.~~

9 (7) (a) "Motor vehicle" means a vehicle that is rented for a period of not more than 30 days, is rented  
10 without a driver, pilot, or operator, is designed to transport 15 or fewer passengers, and is:

11 (i) a light vehicle as defined in 61-1-101;

12 (ii) a motorcycle as defined in 61-1-101;

13 (iii) a motor-driven cycle as defined in 61-1-101;

14 (iv) a quadricycle as defined in 61-1-101;

15 (v) a motorboat or a sailboat as defined in 23-2-502;

16 (vi) a snowmobile as defined in 61-1-101;

17 (vii) a recreational vehicle as defined in 61-1-101; or

18 (viii) an off-highway vehicle as defined in 23-2-801; that:

19 ~~(i) is rented for a period of not more than 30 days;~~

20 ~~(ii) is rented without a driver, pilot, or operator; and~~

21 ~~(iii) is designed to transport 15 or fewer passengers.~~

22 ~~(b) Motor vehicle includes:~~

23 ~~(i) (ix) a rental vehicle rented pursuant to a contract for insurance; and or~~

24 ~~(ii) (x) a truck, trailer, or semitrailer that has a gross vehicle weight of less than 22,000 pounds, that is~~  
25 ~~rented without a driver, and that is used in the transportation of personal property.~~

26 ~~(e)(b) The term does not include farm vehicles, machinery, or equipment.~~

27 (8) "Nonprofit convention and visitors bureau" means a nonprofit corporation organized under Montana  
28 law and recognized by a majority of the governing body in the city, consolidated city-county, resort area, or

1 resort area district in which the bureau is located.

2 (9) "Online hosting platform" means any person that provides an online application, software, website,  
3 or system through which a seller may advertise, rent, or furnish accommodations and rental vehicles, and  
4 through which a purchaser may arrange for the use of the accommodations or use or lease of a rental vehicle.  
5 The term includes any online travel company or third-party reservation intermediary that facilitates the sale or  
6 use of accommodations or rental vehicles.

7 ~~\_(8) "Permit" or "seller's permit" means a seller's permit as described in 15-68-401.~~

8 ~~(9)(10)~~ "Person" means an individual, estate, trust, fiduciary, corporation, partnership, limited liability  
9 company, limited liability partnership, online hosting platform, or any other legal entity.

10 ~~(10)(11)~~ "Purchaser" means a person to whom a sale of ~~personal property~~ accommodations or rental  
11 vehicles is made or to whom a service is furnished.

12 (12) "Regional nonprofit tourism corporation" means a nonprofit corporation organized under Montana  
13 law and recognized by the council as the entity for promoting tourism within one of the several regions  
14 established by executive order of the governor.

15 ~~(14)(13)~~ "Rental vehicle" means a motor vehicle that is used for or by a person other than the owner of  
16 the motor vehicle through an arrangement and for consideration.

17 (14) "Resort area" means an area established pursuant to 7-6-1508.

18 (15) "Resort area district" has the meaning provided in 7-6-1501.

19 ~~(12)(16)~~ "Retail sale" means any sale, lease, or rental for any purpose other than for resale, sublease,  
20 or subrent.

21 ~~(13)(17)~~ "Sale" or "selling" means the ~~transfer~~ rental or use of ~~property~~ accommodations or rental  
22 vehicles for consideration or the performance of a service for consideration.

23 ~~(14)(18)~~ (a) "Sales price" applies to the measure subject to sales tax and means the total amount ~~or~~  
24 paid by the purchaser in the form of consideration, including cash, credit, property, ~~and or~~ services, for which  
25 ~~personal property sales of accommodations, rental vehicles,~~ or services are ~~sold provided~~, leased, or rented or  
26 valued in money, whether received in money or otherwise, without any deduction for the following:

27 (i) the seller's cost of the property sold;

28 (ii) the cost of materials used, labor or service costs, interest, losses, all costs of transportation to the

1 seller, all taxes imposed on the seller, and any other expense of the seller;

2 (iii) charges by the seller for any services necessary to complete the sale, ~~other than delivery and~~  
 3 ~~installation charges;~~

4 (iv) delivery charges; or

5 (v) installation charges;

6 ~~(vi) the value of exempt personal property given to the purchaser when taxable and exempt personal~~  
 7 ~~property have been bundled together and sold by the seller as a single product or piece of merchandise; and~~

8 ~~(vii) credit for any trade-in.~~

9 (b) The amount received for charges listed in subsections ~~(14)(a)(iii) through (14)(a)(vii)~~ (18)(a)(iii)  
 10 through (18)(a)(v) are excluded from the sales price if they are separately stated on the invoice, billing, or  
 11 similar document given to the purchaser and the charge is not subject to this subsection (18)(c).

12 ~~(c) The term does not include:~~

13 ~~(i) discounts, including cash, term, or coupons that are not reimbursed by a third party that are~~  
 14 ~~allowed by a seller and taken by a purchaser on a sale;~~

15 ~~(ii) interest, financing, and carrying charges from credit extended on the sale of personal property or~~  
 16 ~~services if the amount is separately stated on the invoice, bill of sale, or similar document given to the~~  
 17 ~~purchaser; or~~

18 ~~(iii) any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of~~  
 19 ~~sale, or similar document given to the purchaser.~~

20 ~~(d) In an exchange in which the money or other consideration received does not represent the value~~  
 21 ~~of the property or service exchanged, sales price means the reasonable value of the property or service~~  
 22 ~~exchanged.~~

23 ~~(e) When the sale of property or services is made under any type of charge or conditional or time-~~  
 24 ~~sales contract or the leasing of property is made under a leasing contract, the seller or lessor shall treat the~~  
 25 ~~sales price, excluding any type of time-price differential, under the contract as the sales price at the time of the~~  
 26 ~~sale.~~

27 (c) Unless specifically excluded, sales price includes any mandatory charge or fee that a purchaser  
 28 must pay to use the accommodations or rental vehicle.

1 ~~(15)~~(19) "Sales tax" ~~and "use tax" mean~~ means the applicable tax imposed by 15-68-102.

2 ~~(16)~~(20) "Seller" means a person that ~~makes sales, leases, or rentals of personal property or services~~  
 3 sells accommodations or rental vehicles.

4 ~~(17)~~(21) (a) "Service" means an activity that is engaged in for another person for consideration and  
 5 that is distinguished from the sale or lease of ~~property accommodations or rental vehicles.~~ Service includes  
 6 activities ~~performed by a person for its members or shareholders provided by an online hosting platform.~~

7 (b) In determining what a service is, the intended use, principal objective, or ultimate objective of the  
 8 contracting parties is irrelevant.

9 (22) "Third-party reservation intermediary" means a person who sells an accommodation or leases a  
 10 rental vehicle, including facilitation of accommodations or rental vehicle sales, leases, or rentals, or acts as an  
 11 intermediary between the seller and the purchaser for short-term sales, rentals, or leases of accommodations  
 12 or rental vehicles through any platform available to a prospective purchaser.

13 ~~(18) "Use" or "using" includes use, consumption, or storage, other than storage for resale or for use~~  
 14 ~~solely outside this state, in the ordinary course of business."~~

15

16 **Section 6.** Section 15-68-102, MCA, is amended to read:

17 **"15-68-102. Imposition and rate of sales tax ~~and use tax~~ ~~exceptions.~~** (1) A sales tax of the  
 18 following percentages is imposed on the sales price of the following ~~property accommodations, rental vehicles,~~  
 19 or services:

20 (a) ~~4%~~ 8% on accommodations ~~and campgrounds;~~

21 (b) 4% on the base rental charge for rental vehicles.

22 (2) (a) The sales tax is imposed on the purchaser and must be collected by the seller and paid to the  
 23 department by the seller. The seller holds all sales taxes collected in trust for the state. The sales tax must be  
 24 applied to the sales price.

25 (b) An online hosting platform shall collect and remit the sales tax on behalf of the owner when the  
 26 online hosting platform facilitates a booking transaction for the accommodations or rental vehicle.

27 (c) A fee, service charge, commission, or other charge that an online hosting platform receives to  
 28 facilitate the sale of accommodations or rental vehicles is subject to the sales tax.

1           ~~(3) (a) For the privilege of using property or services within this state, there is imposed on the person~~  
 2 ~~using the following property or services a use tax equal to the following percentages of the value of the property~~  
 3 ~~or services:~~

4           ~~(i) 4% on accommodations and campgrounds;~~

5           ~~(ii) 4% on the base rental charge for rental vehicles.~~

6           ~~(b) The use tax is imposed on property or services that were:~~

7           ~~(i) acquired outside this state as the result of a transaction that would have been subject to the sales~~  
 8 ~~tax had it occurred within this state;~~

9           ~~(ii) acquired within the exterior boundaries of an Indian reservation within this state as a result of a~~  
 10 ~~transaction that would have been subject to the sales tax had it occurred outside the exterior boundaries of an~~  
 11 ~~Indian reservation within this state;~~

12           ~~(iii) acquired as the result of a transaction that was not initially subject to the sales tax imposed by~~  
 13 ~~subsection (1) or the use tax imposed by subsection (3)(a) but which transaction, because of the buyer's~~  
 14 ~~subsequent use of the property, is subject to the sales tax or use tax; or~~

15           ~~(iv) rendered as the result of a transaction that was not initially subject to the sales tax or use tax but~~  
 16 ~~that because of the buyer's subsequent use of the services is subject to the sales tax or use tax.~~

17           ~~(4) For purposes of this section, the value of property must be determined as of the time of~~  
 18 ~~acquisition, introduction into this state, or conversion to use, whichever is latest.~~

19           ~~(5) The sale of property or services exempt or nontaxable under this chapter is exempt from the tax~~  
 20 ~~imposed in subsections (1) and (3).~~

21           ~~(6) Lodging facilities and campgrounds are exempt from the tax imposed in subsections (1)(a) and~~  
 22 ~~(3)(a)(i) until October 1, 2003, for contracts entered into prior to April 30, 2003, that provide for a guaranteed~~  
 23 ~~charge for accommodations or campgrounds."~~

24  
 25           **Section 7.** Section 15-68-103, MCA, is amended to read:

26           **"15-68-103. Presumption of taxability -- value -- rules.** (1) In order to prevent evasion of the sales  
 27 tax ~~or use tax~~ and to aid in its administration, it is presumed that:

28           ~~(a) all sales by a person engaging in business of accommodations or rental vehicles~~ are subject to the

1 sales tax ~~or use tax~~; and

2 ~~(b) all property bought or sold by any person for delivery into this state is bought or sold for a taxable~~  
 3 ~~use within this state.~~

4 (2) In determining the amount of ~~use sales~~ tax due on the ~~use of property accommodations, rental~~  
 5 ~~vehicles~~, or services, it is presumed, in the absence of preponderant evidence of another value, that value  
 6 means the ~~total amount of property or service or the reasonable value of other consideration paid for the use of~~  
 7 ~~the property or service, exclusive of any type of time price differential sales price or base rental charge and the~~  
 8 ~~total amount paid by the purchaser~~. However, in an exchange in which the amount of money paid does not  
 9 represent the value of the ~~property accommodations, rental vehicles~~, or service purchased, the ~~use sales~~ tax  
 10 must be imposed on the reasonable value of the ~~property sales of accommodations, rental vehicles~~, or service  
 11 purchased, ~~as determined by the department~~.

12 ~~(3) The department shall adopt rules providing for the payment of the sales tax and use tax based on~~  
 13 ~~a rounding method."~~

14

15 **Section 8.** Section 15-68-106, MCA, is amended to read:

16 **"15-68-106. Separate statement of tax -- no advertising to absorb or refund tax -- rules.** (1) If a  
 17 ~~person-seller~~ collects a tax in excess of the tax imposed by 15-68-102, both the tax and the excess tax must be  
 18 remitted to the department.

19 (2) ~~Except as provided in subsection (4), the~~ The sales tax must be stated separately for all sales,  
 20 ~~except for sales from coin-operated or currency-operated machines.~~

21 (3) A ~~person-seller~~ may not advertise, hold out, or state to the public or to any customer that the tax  
 22 imposed by this chapter will be absorbed or refunded.

23 ~~(4) The department may adopt rules permitting sellers the option of stating sales tax based upon a~~  
 24 ~~percentage of taxable sales.~~

25 ~~(4) (a) If a seller collects the sales price or base rental charge, that seller must also collect and remit to~~  
 26 ~~the department the sales tax on the sales price or base rental charge regardless of whether the purchaser~~  
 27 ~~cancels the reservation or fails to appear for the reservation.~~

28 ~~(b) If a seller who has remitted the tax, reimburses or partially reimburses the purchaser who cancels~~



1 the reservation or fails to appear for the reservation, the seller may request from the department a refund of the  
2 tax or partial tax remitted for a return of that tax to the purchaser."

3  
4 **Section 9.** Section 15-68-110, MCA, is amended to read:

5 **"15-68-110. Collection of sales tax ~~and use tax~~-- listing of business locations and agents --**  
6 **severability.** (1) A person-seller engaging in the business of selling property accommodations, rental vehicles,  
7 or services subject to taxation under this chapter shall collect the sales tax from the purchaser and pay the  
8 sales tax collected to the department.

9 (2) A person-seller engaging in business within this state shall, before making any sales subject to  
10 this chapter, obtain a seller's permit, as provided in ~~15-68-401~~ 15-68-402, and at the time of making a sale,  
11 whether within or outside the state, collect the sales tax imposed by 15-68-102 from the purchaser and give to  
12 the purchaser a receipt, ~~in the manner and form prescribed by rule,~~ for the sales tax paid.

13 (3) The department may authorize the collection of the sales tax imposed by 15-68-102 by any retailer  
14 seller who does not maintain a place of business within this state but who, to the satisfaction of the department,  
15 is in compliance with the law. When authorized, the person-seller shall collect the use-tax upon all property  
16 sales and services that, to the person's seller's knowledge, are for use within this state and subject to taxation  
17 under this chapter.

18 (4) All sales tax ~~and use tax~~ required to be collected and all sales tax ~~and use tax~~ collected by any  
19 person-seller under this chapter constitute a debt owed to this state by the person-seller required to collect the  
20 sales tax ~~and use tax~~.

21 (5) A person-seller engaging in business within this state that is subject to this chapter shall, upon  
22 request, provide to the department:

23 ~~(a) the names, and addresses, tax identification numbers, and property locations of all of the person's~~  
24 ~~seller's property owners, hosts, or agents operating within this state; and~~

25 ~~(b) the location of each of the person's distribution houses or offices, sales houses or offices, and~~  
26 ~~other places of business within this state.~~

27 ~~(6) If any application of this section is held invalid, the application to other situations or persons is not~~  
28 ~~affected."~~



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Section 10.** Section 15-68-206, MCA, is amended to read:

**"15-68-206. Exemption -- government agencies.** All sales by or uses by the United States or an agency or instrumentality of the United States are exempt from the sales tax ~~and use tax.~~"

**Section 11.** Section 15-68-402, MCA, is amended to read:

**"15-68-402. Permit application -- requirements -- place of business -- form.** (1) (a) A ~~person~~ seller that wishes to engage in the business of ~~making retail sales or providing services selling accommodations or rental vehicles~~ in ~~Montana that are subject to this chapter~~ this state shall file with the department an application for a permit. ~~If the person has more than one location in which the person maintains an office or other place of business, an application may include multiple locations.~~

~~(b) An applicant who does not maintain an office or other place of business and who moves from place to place is considered to have only one place of business and shall attach the permit to the applicant's cart, stand, truck, or other merchandising device. A seller with multiple locations need only apply for one permit listing all locations.~~

(2) Each ~~person or class of persons~~ seller required to file a return under this chapter is required to file an application for a permit.

(3) Each application for a permit must be on a form prescribed by the department ~~and must set forth the name under which the applicant intends to transact business, the location of the applicant's place or places of business, and other information that the department may require. The application must be filed by the owner if the owner is a natural person or by a person authorized to sign the application if the owner is a corporation, partnership, limited liability company, or some other business entity.~~

**Section 12.** Section 15-68-405, MCA, is amended to read:

**"15-68-405. Revocation or suspension of permit -- appeal.** (1) Subject to the provisions of subsection (2), the department may, for reasonable cause, revoke or suspend any permit held by a ~~person~~ seller that fails to comply with the provisions of this chapter.

(2) The department shall provide dispute resolution on a proposed revocation or suspension pursuant

1 to 15-1-211.

2 (3) If a permit is revoked, the department may not issue a new permit except upon application  
3 accompanied by reasonable evidence of the intention of the applicant to comply with the provisions of this  
4 chapter. ~~The department may require security in addition to that authorized by 15-68-512 in an amount~~  
5 ~~reasonably necessary to ensure compliance with this chapter as a condition for the issuance of a new permit to~~  
6 ~~the applicant.~~

7 (4) A person-seller aggrieved by the department's final decision to revoke a permit, as provided in  
8 subsection (1), may appeal the decision to the state tax appeal board within 30 days after the date on which the  
9 department issued its final decision."

10

11 **Section 13.** Section 15-68-501, MCA, is amended to read:

12 **"15-68-501. Liability for payment of tax -- security for retailer-seller without place of business --**  
13 **penalty.** (1) Liability for the payment of the sales tax ~~and use tax~~ is not extinguished until the taxes have been  
14 paid to the department.

15 (2) A retailer-seller that does not maintain an office or other place of business within this state is liable  
16 for the sales tax ~~or use tax~~ in accordance with this chapter and ~~may be required to furnish adequate security, as~~  
17 ~~provided in 15-68-512, to shall~~ ensure collection and payment of the taxes. ~~When authorized and except~~  
18 Except as otherwise provided in this chapter, the retailer-seller is liable for the taxes ~~upon all property sold and~~  
19 ~~services provided in this state~~ in the same manner as a retailer-seller who maintains an office or other place of  
20 business within this state. ~~The seller's permit provided for in 15-68-401 may be canceled at any time if the~~  
21 ~~department considers the security inadequate or believes that the taxes can be collected more effectively in~~  
22 ~~another manner.~~

23 ~~(3) An agent, canvasser, or employee of a retailer doing business within this state may not sell, solicit~~  
24 ~~orders for, or deliver any property or services within Montana unless the principal, employer, or retailer~~  
25 ~~possesses a seller's permit issued by the department. If an agent, canvasser, or employee violates the~~  
26 ~~provisions of this chapter, the person is subject to a fine of not more than \$100 for each separate transaction or~~  
27 ~~event."~~

28

1           **Section 14.** Section 15-68-502, MCA, is amended to read:

2           "**15-68-502. Returns -- payment -- authority of department.** (1) Except as provided in subsection  
3 (2), on or before the last day of the month following the calendar quarter in which the transaction subject to the  
4 tax imposed by this chapter occurred, a return, on a form provided by the department, and payment of the tax  
5 for the preceding quarter must be filed with the department. Each ~~person- seller~~ engaged in business within this  
6 state or using property or services within this state that are subject to tax under this chapter shall file a return  
7 as determined by the department. A person making retail sales at two or more places of business shall file a  
8 separate return for each separate place of business. Unless approved to do otherwise by the department, a  
9 seller of accommodations at two or more places of business shall file a separate return for each separate place  
10 of business if each separate place of business is in a different city, county, or nonprofit convention and visitors  
11 bureau.

12           (2) A ~~person-seller~~ who has been issued a seasonal seller's permit shall file a return and pay the tax  
13 on the date or dates set by the department.

14           ~~(3) (a) For the purposes of the sales tax or use tax, a return must be filed by:~~

15           ~~(i) a retailer required to collect the tax; and~~

16           ~~(ii) a person that:~~

17           ~~(A) purchases any items the storage, use, or other consumption of which is subject to the sales tax or~~  
18 ~~use tax; and~~

19           ~~(B) has not paid the tax to a retailer required to pay the tax.~~

20           ~~(b) Each return must be authenticated by the person filing the return or by the person's agent~~  
21 ~~authorized in writing to file the return.~~

22           ~~(4) (a) A person required to collect and pay to the department the taxes imposed by this chapter shall~~  
23 ~~keep records, render statements, make returns, and comply with the provisions of this chapter and the rules~~  
24 ~~prescribed by the department. Each return or statement must include the information required by the rules of~~  
25 ~~the department.~~

26           ~~(b) For the purpose of determining compliance with the provisions of this chapter, the department is~~  
27 ~~authorized to examine or cause to be examined any books, papers, records, or memoranda relevant to making~~  
28 ~~a determination of the amount of tax due, whether the books, papers, records, or memoranda are the property~~

1 ~~of or in the possession of the person filing the return or another person. In determining compliance, the~~  
 2 ~~department may use statistical sampling and other sampling techniques consistent with generally accepted~~  
 3 ~~auditing standards. The department may also:~~  
 4 ~~(i) require the attendance of a person having knowledge or information relevant to a return;~~  
 5 ~~(ii) compel the production of books, papers, records, or memoranda by the person required to attend;~~  
 6 ~~(iii) implement the provisions of 15-1-703 if the department determines that the collection of the tax is~~  
 7 ~~or may be jeopardized because of delay;~~  
 8 ~~(iv) take testimony on matters material to the determination; and~~  
 9 ~~(v) administer oaths or affirmations.~~  
 10 ~~(5) Pursuant to rules established by the department, returns may be computer generated and~~  
 11 ~~electronically filed."~~

12  
 13 **Section 15.** Section 15-68-505, MCA, is amended to read:

14 **"15-68-505. Credit for taxes paid on worthless accounts -- taxes paid if account collected. (1)**

15 Sales taxes paid by a ~~person- seller~~ filing a return under 15-68-502 on sales found to be worthless and actually  
 16 deducted by the ~~person- seller~~ as a bad debt for federal income tax purposes may be credited on a subsequent  
 17 payment of the tax.

18 (2) Bad debts may be deducted within 12 months after the month in which the bad debt has been  
 19 charged off for federal income tax purposes. "Charged off for federal income tax purposes" includes the  
 20 charging off of unpaid balances due on accounts as uncollectible or declaring as uncollectible such unpaid  
 21 balance due on accounts in the case of a seller who is not required to file federal income tax returns.

22 (3) If an account is subsequently collected, the sales tax must be paid on the amount collected.

23 (4) A seller may obtain a refund of tax on any amount of bad debt that exceeds the amount of taxable  
 24 sales within a 12-month period defined by that bad debt.

25 (5) For purposes of computing a bad debt deduction or reporting a payment received on a previously  
 26 claimed bad debt, any payments made on a debt or account are applied first to interest, service charges, and  
 27 any other charges and second to the price of the property or service and sales tax on the property or service,  
 28 proportionally."

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

**Section 16.** Section 15-68-510, MCA, is amended to read:

**"15-68-510. Vendor allowance.** (1) A person-seller filing a timely return under 15-68-502 may claim a quarterly vendor allowance for each permitted location in the amount of ~~5%~~ 2.5% of the tax determined to be payable to the ~~state department~~.

(2) The allowance may be deducted on the return.

(3) A person-seller that files a return or payment after the due date for the return or payment may not claim a vendor allowance."

**Section 17.** Section 15-68-513, MCA, is amended to read:

**"15-68-513. Examination of return -- adjustments -- penalty and interest -- delivery of notices and demands.** (1) The department may audit the books and records of any seller to ensure that the proper amount of tax imposed by 15-68-102 has been collected. An audit may be done on the premises of the seller, at any other convenient location, or by other methods agreed to by the seller and the department.

(2) The department may request the seller to provide the department with books, ledgers, registers, or other documents necessary to verify the correct amount of tax.

(3) The seller shall maintain and have available for inspection by the department books, ledgers, registers, or other documents showing the collection of accommodation charges for the preceding 5 years.

(4) Except in the case of a seller who, with intent to evade the tax, purposely or knowingly files a false or fraudulent return violating the provisions of this part, the amount of tax due under any return must be determined by the department within 5 years of the due date of the return on which the tax is due. No proceeding in court for the collection of the tax may be instituted unless notice of any additional tax is provided within the period.

(5) An application for revision may be filed with the department by a seller within 5 years from the original due date of the return.

(6) If the department determines that the amount of tax due is different from the amount reported, the amount of tax computed on the basis of the examination conducted pursuant to ~~15-68-502~~ this subsection (1) constitutes the tax to be paid.

1           ~~(2)(7)~~ (a) If the tax due exceeds the amount of tax reported as due on the taxpayer's seller's return,  
2 the excess must be paid to the department unless the taxpayer-seller files a timely objection as provided in 15-  
3 1-211.

4           (b) Penalty and interest must be added to any deficiency assessment as provided in 15-1-216.

5           ~~(3)(8)~~ If the amount of the tax found due by the department is less than that reported as due on the  
6 return and has been paid, the excess must be credited or, ~~if no tax liability exists or is likely to exist,~~ refunded to  
7 the person-seller making the return.

8           ~~(4)(9)~~ The notice and demand provided for in this section must contain a statement of the  
9 computation of the tax, penalty, and interest and must be sent by mail provided to the taxpayer-seller at the  
10 address given in the taxpayer's seller's return, if any, ~~or~~ to the taxpayer's seller's last-known address, or by  
11 using other available contact information.

12           ~~(5)(10)~~ A taxpayer-seller filing an objection to the demand for payment is subject to and governed by  
13 the uniform dispute review procedure provided in 15-1-211."  
14

15           **Section 18.** Section 15-68-514, MCA, is amended to read:

16           **"15-68-514. Penalties and interest for violation.** If a person-seller fails to file a return on or before  
17 the due date or fails to pay a tax on or before a due date, the person-seller must be assessed penalty and  
18 interest as provided in 15-1-216."  
19

20           **Section 19.** Section 15-68-516, MCA, is amended to read:

21           **"15-68-516. Authority to collect delinquent taxes.** (1) (a) The department shall collect taxes that  
22 are delinquent as determined under this chapter.

23           (b) If a tax imposed by this chapter or any portion of the tax is not paid when due, the department may  
24 issue a warrant for distraint as provided in Title 15, chapter 1, part 7.

25           (2) In addition to any other remedy, in order to collect delinquent taxes after the time for appeal has  
26 expired, the department may direct the offset of tax refunds or other funds due the taxpayer from the state,  
27 except wages subject to the provisions of 25-13-614 and retirement benefits.

28           (3) As provided in 15-1-705, the taxpayer-seller has the right to a review of the tax liability prior to any

1 offset by the department.

2 (4) The department may file a claim for state funds on behalf of the taxpayer-seller if a claim is  
3 required before funds are available for offset."  
4

5 **Section 20.** Section 15-68-520, MCA, is amended to read:

6 **"15-68-520. Limitations.** (1) Except in the case of a person-seller that purposely or knowingly, as  
7 those terms are defined in 45-2-101, files a false or fraudulent return violating the provisions of this chapter, a  
8 deficiency may not be assessed or collected with respect to a quarter for which a return is filed unless the  
9 notice of additional tax proposed to be assessed is mailed to or personally served upon the taxpayer-seller  
10 within 5 years from the date that the return was filed. For purposes of this section, a return filed before the last  
11 day prescribed for filing is considered to be filed on the last day.

12 (2) If, before the expiration of the 5-year period prescribed in subsection (1) for assessment of the tax,  
13 the taxpayer-seller consents in writing to an assessment after expiration of the 5-year period, a deficiency may  
14 be assessed at any time prior to the expiration of the period to which consent was given."  
15

16 **Section 21.** Section 15-68-525, MCA, is amended to read:

17 **"15-68-525. Refunds -- interest -- limitations.** (1) A claim for a refund or credit as a result of  
18 overpayment of taxes collected under this chapter must be filed within 5 years of the date that the return was  
19 due, without regard to any extension of time for filing.

20 (2) (a) Interest paid by the department on an overpayment must be paid or credited at the same rate  
21 as the rate charged on delinquent taxes under 15-1-216.

22 (b) Except as provided in subsection (2)(c), interest must be paid from the date that the return was  
23 due or the date of overpayment, whichever is later. Interest does not accrue during any period in which the  
24 processing of a claim is delayed more than 30 days because the taxpayer-seller has not furnished necessary  
25 information.

26 (c) The department is not required to pay interest if:

27 (i) the overpayment is refunded or credited within 6 months of the date that a claim was filed; or

28 (ii) the amount of overpayment and interest does not exceed \$1."



1

2           **Section 22.** Section 15-68-805, MCA, is amended to read:

3           **"15-68-805. Revocation of ~~corporate~~ license -- appeal.** (1) If a ~~corporation~~ seller authorized to do  
4 business within this state and required to pay or remit the taxes imposed under this chapter fails to comply with  
5 any of the provisions of this chapter or any rule of the department, the department may, for reasonable cause,  
6 revoke the seller's permit. The department may certify to the secretary of state a copy of an order finding that  
7 the ~~corporation~~ seller has failed to comply with specific statutory provisions or rules.

8           (2) The secretary of state shall, upon receipt of the certification, revoke the certificate authorizing the  
9 ~~corporation~~ seller to do business within this state and may issue a new certificate only when the ~~corporation~~  
10 seller has obtained from the department an order finding that the ~~corporation~~ seller has complied with its  
11 obligations under this chapter.

12           (3) An order authorized in this section may not be made until the ~~corporation~~ seller is given an  
13 opportunity for dispute resolution as provided in 15-1-211.

14           (4) A final decision of the department may be appealed to the state tax appeal board."

15

16           **Section 23.** Section 15-68-808, MCA, is amended to read:

17           **"15-68-808. Taxpayer Seller quitting business -- liability of successor.** (1) (a) All taxes payable  
18 under this chapter are due and payable immediately whenever a ~~taxpayer~~ seller quits business, sells,  
19 exchanges, or otherwise disposes of the business ~~or disposes of the stock of goods.~~

20           (b) The ~~taxpayer~~ seller shall make a return and pay the taxes due within 10 days after the ~~taxpayer~~  
21 seller quits business, sells, exchanges, or otherwise disposes of the business or disposes of the stock of goods.

22           (2) Except as provided in subsection (4), a ~~person~~ seller that becomes a successor is liable for the full  
23 amount of the tax and shall withhold from the sales price payable to the ~~taxpayer~~ seller a sum sufficient to pay  
24 any tax due until the ~~taxpayer~~ seller produces either a receipt from the department showing payment in full of  
25 any tax due or a statement from the department that tax is not due.

26           (3) If a tax is due but has not been paid as provided in subsection (1)(b), the successor is liable for  
27 the payment of the full amount of tax. The payment of the tax by the successor is considered to be a payment  
28 upon the sales price, and if the payment is greater in amount than the sales price, the amount of the difference



1 becomes a debt due to the successor from the ~~taxpayer-seller~~ owing the tax under subsection (1).

2 (4) (a) A successor is not liable for any tax due from the ~~person-seller~~ that the successor acquired a  
3 business or stock of goods from if:

4 (i) the successor gives written notice to the department of the acquisition; and

5 (ii) an assessment is not issued by the department against the ~~former operator of the business-seller~~  
6 within 6 months of receipt of the notice from the successor.

7 (b) If an assessment is issued by the department, a copy of the assessment must also be ~~mailed~~  
8 ~~provided~~ to the successor, or if an assessment is not ~~mailed-provided~~ to the successor, the successor is not  
9 liable for the tax due."

10

11 **Section 24.** Section 15-68-811, MCA, is amended to read:

12 "**15-68-811. Tax as debt.** (1) The tax imposed by this chapter and related interest and penalties  
13 become a personal debt of the ~~person-seller~~ required to file a return from the time that the liability arises,  
14 regardless of when the time for payment of the liability occurs.

15 (2) (a) This section applies to those corporate officers, directors, or shareholders required by the  
16 department to personally guarantee the payment of the taxes for their corporations.

17 (b) The officer or employee of a corporation whose duty it is to collect, truthfully account for, and pay  
18 to the state the amounts imposed by this chapter and who fails to pay the tax is liable to the state for the  
19 amounts imposed by this chapter and the penalty and interest due on the amounts."

20

21 **Section 25.** Section 15-68-815, MCA, is amended to read:

22 "**15-68-815. Information -- confidentiality -- agreements with another state.** (1) (a) Except as  
23 provided in subsections (2) through (4), it is unlawful for an employee of the department or any other public  
24 official or public employee to divulge or otherwise make known information that is disclosed in a report or return  
25 required to be filed under this chapter or information that concerns the affairs of the ~~person-seller~~ making the  
26 return and that is acquired from the ~~person's seller's~~ records, officers, or employees in an examination or audit.

27 (b) This section may not be construed to prohibit the department from publishing statistics if they are  
28 classified in a way that does not disclose the identity and content of any particular report or return. A ~~person~~

1 seller violating the provisions of this section is subject to the penalty provided in 15-30-2618 or 15-31-511 for  
 2 violating the confidentiality of individual income tax or corporate income tax information.

3 (2) (a) The department may enter into an agreement with the taxing officials of another state for the  
 4 interpretation and administration of the laws of their state that provide for the collection of a sales tax or use tax  
 5 in order to promote fair and equitable administration of the laws and to eliminate double taxation.

6 (b) In order to implement the provisions of this chapter, the department may furnish information on a  
 7 reciprocal basis to the taxing officials of another state if the information remains confidential under statutes  
 8 within the state receiving the information that are similar to this section.

9 (3) In order to facilitate processing of returns and payment of taxes required by this chapter, the  
 10 department may contract with vendors and may disclose data to the vendors. The data disclosed must be  
 11 administered by the vendor in a manner consistent with this section.

12 (4) This section may not be construed to limit the investigative authority of the legislative branch, as  
 13 provided in 5-11-106, 5-12-303, or 5-13-309."  
 14

15 **Section 26.** Section 15-68-820, MCA, is amended to read:

16 **"15-68-820. Sales tax and use tax proceeds.** (1) ~~Except as provided in subsections (2) through (6),~~  
 17 ~~all~~ All money collected under this chapter must, in accordance with the provisions of 17-2-124, be deposited by  
 18 the department ~~into the general fund as provided in subsections (2) through (7).~~

19 (2) ~~Twenty five percent of the~~ The revenue collected on the base rental charge for rental vehicles  
 20 under 15-68-102 ~~(1)(b) and 15-68-102(3)(a)(ii)~~ must be deposited as follows:

21 (a) 75% in the general fund; and

22 (b) 25% in the state special revenue fund to the credit of the senior citizen and persons with disabilities  
 23 transportation services account provided for in 7-14-112.

24 (3) ~~Until December 30, 2024, a portion of the~~ The revenue collected on the sale ~~or use~~ of  
 25 accommodations ~~and campgrounds~~ under 15-68-102 ~~(1)(a) and (3)(a)(i)~~ must be deposited as ~~follows:~~ provided  
 26 in subsections (4) through (7).

27 (4) (a) Through December 31, 2024, 50% of the revenue must be deposited as follows:

28 (i) 75% in the general fund;

1 ~~(a)(ii)~~ 20% in the account established in 22-3-1303 for construction of the Montana heritage center;

2 and

3 ~~(b)(iii)~~ 5% in the account established in 22-3-1307 for historic preservation grants.

4 ~~(4)(b)~~ Starting January 1, 2025, ~~a portion 50%~~ of the revenue ~~collected on the sale or use of~~  
 5 ~~accommodations and campgrounds under 15-68-102(1)(a) and (3)(a)(i)~~ must be deposited ~~or distributed~~ as  
 6 follows:

7 (i) 75% in the general fund;

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

10 ~~(b)(iii)~~ 6% distributed as provided in subsection ~~(5)(4)(c)~~;

11 ~~(c)(iv)~~ 6% in the account established in 22-3-1307 for historic preservation grants; and

12 ~~(d)(v)~~ 7% in the capital developments long-range building program account established in 17-7-209.

13 ~~(5) (a)(c)(i)~~ Before allocating the ~~balance of the~~ tax proceeds in accordance with the provisions of 17-  
 14 2-124 and as provided in subsection ~~(5)(b) (4)(c)(ii)~~ of this section, the department shall determine the  
 15 expenditures by state agencies for in-state lodging for each reporting period and deduct 1% of that amount from  
 16 the tax proceeds received each reporting period. The department shall distribute the portion of the 1% that was  
 17 paid with federal funds to ~~the agency that made the in-state lodging expenditure and deposit 30% of the amount~~  
 18 ~~deducted less the portion paid with federal funds in the state general fund~~ department of administration for  
 19 return to the federal government.

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

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

28 ~~(i)(B)~~ 68.5% to be used directly by the department of commerce;

1 ~~(iii) (A) (C) (I)~~ except as provided in subsection ~~(5)(b)(iii)(B) (4)(c)(ii)(C)(II)~~, 24% to be distributed by  
2 the department of commerce to regional nonprofit tourism corporations in the ratio of the proceeds collected in  
3 each tourism region to the total proceeds collected statewide; and

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

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

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

13 ~~(5) (a) Fifty percent of the revenue must, in accordance with the provisions of 17-2-124, be deposited in~~  
14 ~~an account in the state special revenue fund to the credit of the department. The department may spend from~~  
15 ~~that account in accordance with an expenditure appropriation by the legislature based on an estimate of the~~  
16 ~~costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in~~  
17 ~~accordance with the provisions of 17-2-124 and as provided in subsection (5)(b) of this section, the department~~  
18 ~~shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4%~~  
19 ~~of that amount from the tax proceeds received each reporting period. The department shall distribute the~~  
20 ~~portion of the 4% that was paid with federal funds to the department of administration for return to the federal~~  
21 ~~government. The amount of \$400,000 each year must be deposited in the Montana heritage preservation and~~  
22 ~~development account provided for in 22-3-1004.~~

23 ~~(b) The balance of the tax proceeds received each reporting period and not deducted pursuant to the~~  
24 ~~expenditure appropriation, deposited in the state general fund, returned to the federal government, or deposited~~  
25 ~~in the heritage preservation and development account must be transferred to an account in the state special~~  
26 ~~revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a~~  
27 ~~location for the production of motion pictures and television commercials, to the Montana historical~~  
28 ~~interpretation state special revenue account, to the Montana historical society, to the university system, to the~~

1 state-tribal economic development commission, and to the department of fish, wildlife, and parks, as follows:

2 (i) 1% to the Montana historical society to be used for the installation or maintenance of roadside

3 historical signs and historic sites;

4 (ii) 2.5% to the university system for the establishment and maintenance of a Montana travel research

5 program;

6 (iii) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that

7 have both resident and nonresident use;

8 (iv) 1.4% to the invasive species state special revenue account established in 80-7-1004;

9 (v) 63% to be used directly by the department of commerce;

10 (vi) (A) except as provided in subsection (5)(b)(vi)(B), 22.5% to be distributed by the department to

11 regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total

12 proceeds collected statewide; and

13 (B) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort

14 area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional

15 nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area

16 district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-

17 county, resort area, or resort area district;

18 (vii) 0.5% to the state special revenue account provided for in 90-1-135 for use by the state-tribal

19 economic development commission established in 90-1-131 for activities in the Indian tourism region; and

20 (viii) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-

21 115.

22 (c) If a city, consolidated city-county, resort area or resort area district qualifies under this subsection

23 (4)(c)(i)(C) or (5)(b)(vi) for funds but fails to either recognize a nonprofit convention and visitors bureau or

24 submit and gain approval for an annual marketing plan as required in [section 27], then those funds must be

25 allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county,

26 resort area, or resort area district is located.

27 (d) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing

28 plan as required in [section 27], then those funds otherwise allocated to the regional nonprofit tourism

1 corporation may be used by the department of commerce for tourism promotion and promotion of the state as a  
2 location for the production of motion pictures and television commercials.

3 (6) The tax proceeds received that are transferred to a state special revenue account pursuant to  
4 subsections (4)(c)(ii), (5)(b)(i) through (5)(b)(iii), and (5)(b)(v) through (5)(b)(vii) are statutorily appropriated to  
5 the entities as provided in 17-7-502.

6 (7) The tax proceeds received that are transferred to the invasive species state special revenue  
7 account pursuant to subsection (5)(b)(iv) and to the Montana historical interpretation state special revenue  
8 account pursuant to subsection (5)(b)(viii) are subject to appropriation by the legislature. "

9  
10 **NEW SECTION. Section 27. Qualification of nonprofit entities for receipt of funds -- limitations**

11 **on administrative costs.** (1) The department of revenue shall provide the council with quarterly reports of  
12 regional tax proceeds and tax proceeds of cities, consolidated city-county governments, resort areas, and  
13 resort area districts that qualify for distribution of funds under 15-68-820.

14 (2) Funds may not be distributed to a regional nonprofit tourism corporation or nonprofit convention  
15 and visitors bureau until that entity has submitted an annual marketing plan to the council and that plan has  
16 been approved by the council.

17 (3) A maximum of 20% of the funds received by a regional nonprofit tourism corporation or nonprofit  
18 convention and visitors bureau may be used for administrative purposes as defined by the council.

19  
20 **NEW SECTION. Section 28. State agencies to account for in-state lodging expenditures.** Each

21 state agency shall account for in-state lodging expenditures in a manner that will enable the department to  
22 determine total expenditures for in-state lodging by state agencies in order to make a deposit of a portion of the  
23 tax proceeds imposed by 15-68-820 in the state general fund and distribute the portion of taxes paid with  
24 federal funds to the department of administration for return to the federal government.

25  
26 **Section 29.** Section 17-7-502, MCA, is amended to read:

27 **"17-7-502. Statutory appropriations -- definition -- requisites for validity.** (1) A statutory  
28 appropriation is an appropriation made by permanent law that authorizes spending by a state agency without



1 the need for a biennial legislative appropriation or budget amendment.

2 (2) Except as provided in subsection (4), to be effective, a statutory appropriation must comply with

3 both of the following provisions:

4 (a) The law containing the statutory authority must be listed in subsection (3).

5 (b) The law or portion of the law making a statutory appropriation must specifically state that a  
6 statutory appropriation is made as provided in this section.

7 (3) The following laws are the only laws containing statutory appropriations: 2-17-105; 5-11-120; 5-11-  
8 407; 5-13-403; 5-13-404; 7-4-2502; 10-1-108; 10-1-1202; 10-1-1303; 10-2-603; 10-2-807; 10-3-203; 10-3-310;  
9 10-3-312; 10-3-314; 10-3-802; 10-3-1304; 10-4-304; 15-1-121; 15-1-218; 15-31-1004; 15-31-1005; 15-35-108;  
10 15-36-332; 15-37-117; 15-39-110; ~~15-65-124~~; 15-68-820; 15-70-101; 15-70-130; 15-70-433; 16-11-119; 16-11-  
11 509; 17-3-106; 17-3-212; 17-3-222; 17-3-241; 17-6-101; 17-7-215; 18-11-112; 19-3-319; 19-3-320; 19-6-404;  
12 19-6-410; 19-9-702; 19-13-604; 19-17-301; 19-18-512; 19-19-305; 19-19-506; 19-20-604; 19-20-607; 19-21-  
13 203; 20-8-107; 20-9-534; 20-9-622; 20-9-905; 20-26-617; 20-26-1503; 22-1-327; 22-3-116; 22-3-117; 22-3-  
14 1004; 23-4-105; 23-5-306; 23-5-409; 23-5-612; 23-7-301; 23-7-402; 30-10-1004; 37-43-204; 37-50-209; 37-54-  
15 113; 39-71-503; 41-5-2011; 42-2-105; 44-4-1101; 44-12-213; 44-13-102; 50-1-115; 53-1-109; 53-6-148; 53-9-  
16 113; 53-24-108; 53-24-206; 60-11-115; 61-3-321; 61-3-415; 67-1-309; 69-3-870; 69-4-527; 75-1-1101; 75-5-  
17 1108; 75-6-214; 75-11-313; 75-26-308; 76-13-151; 76-13-150; 76-17-103; 76-22-109; 77-1-108; 77-2-362; 80-  
18 2-222; 80-4-416; 80-11-518; 80-11-1006; 81-1-112; 81-1-113; 81-7-106; 87-7-123; 81-10-103; 82-11-161; 85-2-  
19 526; 85-20-1504; 85-20-1505; [ 85-25-102]; 87-1-603; 90-1-115; 90-1-205; 90-1-504; 90-6-331; and 90-9-306.

20 (4) There is a statutory appropriation to pay the principal, interest, premiums, and costs of issuing,  
21 paying, and securing all bonds, notes, or other obligations, as due, that have been authorized and issued  
22 pursuant to the laws of Montana. Agencies that have entered into agreements authorized by the laws of  
23 Montana to pay the state treasurer, for deposit in accordance with 17-2-101 through 17-2-107, as determined  
24 by the state treasurer, an amount sufficient to pay the principal and interest as due on the bonds or notes have  
25 statutory appropriation authority for the payments. (In subsection (3): pursuant to sec. 10, Ch. 360, L. 1999, the  
26 inclusion of 19-20-604 terminates contingently when the amortization period for the teachers' retirement  
27 system's unfunded liability is 10 years or less; pursuant to sec. 73, Ch. 44, L. 2007, the inclusion of 19-6-410  
28 terminates contingently upon the death of the last recipient eligible under 19-6-709(2) for the supplemental

1 benefit provided by 19-6-709; pursuant to sec. 27, Ch. 285, L. 2015, and sec. 1, Ch. 292, L. 2015, the inclusion  
2 of 53-9-113 terminates June 30, 2021; pursuant to sec. 6, Ch. 291, L. 2015, the inclusion of 50-1-115  
3 terminates June 30, 2021; pursuant to sec. 5, Ch. 383, L. 2015, the inclusion of 85-25-102 is effective on  
4 occurrence of contingency; pursuant to sec. 6, Ch. 423, L. 2015, the inclusion of 22-3-116 and 22-3-117  
5 terminates June 30, 2025; pursuant to sec. 33, Ch. 457, L. 2015, the inclusion of 20-9-905 terminates  
6 December 31, 2023; pursuant to sec. 12, Ch. 55, L. 2017, the inclusion of 37-54-113 terminates June 30, 2023;  
7 pursuant to sec. 4, Ch. 122, L. 2017, the inclusion of 10-3-1304 terminates September 30, 2025; pursuant to  
8 sec. 55, Ch. 151, L. 2017, the inclusion of 30-10-1004 terminates June 30, 2021; pursuant to sec. 1, Ch. 213, L.  
9 2017, the inclusion of 90-6-331 terminates June 30, 2027; pursuant to secs. 5, 8, Ch. 284, L. 2017, the  
10 inclusion of 81-1-112, 81-1-113, and 81-7-106 terminates June 30, 2023; pursuant to sec. 1, Ch. 340, L. 2017,  
11 the inclusion of 22-1-327 terminates July 1, 2023; pursuant to sec. 10, Ch. 374, L. 2017, the inclusion of 76-17-  
12 103 terminates June 30, 2027; pursuant to sec. 5, Ch. 50, L. 2019, the inclusion of 37-50-209 terminates  
13 September 30, 2023; pursuant to sec. 1, Ch. 408, L. 2019, the inclusion of 17-7-215 terminates June 30, 2029;  
14 pursuant to secs. 11, 12, and 14, Ch. 343, L. 2019, the inclusion of 15-35-108 terminates June 30, 2027;  
15 pursuant to sec. 7, Ch. 465, L. 2019, the inclusion of 85-2-526 terminates July 1, 2023; and pursuant to sec. 5,  
16 Ch. 477, L. 2019, the inclusion of 10-3-802 terminates June 30, 2023.)"

17

18 **Section 30.** Section 22-3-115, MCA, is amended to read:

19 **"22-3-115. Montana historical interpretation state special revenue account.** (1) There is a

20 Montana historical interpretation state special revenue account within the state special revenue fund

21 established in 17-2-102.

22 (2) There must be paid into the Montana historical interpretation state special revenue account money

23 allocated from the lodging ~~facility use~~ sales tax proceeds allocated by ~~15-65-124~~ 15-68-820.

24 (3) Money in the account is available to the Montana historical society by appropriation and must be

25 used to pay costs associated with historical interpretation and the Robert Scriver collection."

26

27 **Section 31.** Section 22-3-1303, MCA, is amended to read:

28 **"22-3-1303. Account -- Montana heritage center construction.** There is an account in the capital



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

5

6 **Section 32.** Section 22-3-1304, MCA, is amended to read:

7 **"22-3-1304. Account -- Montana heritage center operations.** There is an account in the state  
8 special revenue fund established in 17-2-102 known as the Montana heritage center operations account. The  
9 tax collections allocated in 15-68-820~~(4)(a)~~ must be deposited in the account. The money in the account may  
10 be used only for expenses incurred in the operation and maintenance of the Montana heritage center, which  
11 may include the veterans' and pioneer memorial building."

12

13 **Section 33.** Section 22-3-1307, MCA, is amended to read:

14 **"22-3-1307. Historic preservation grant program account.** (1) There is an account in the state  
15 special revenue fund established in 17-2-102 known as the historic preservation grant program account. The  
16 tax collections allocated in 15-68-820~~(3)(b) and (4)(e)~~ must be deposited in the account.

17 (2) Money deposited in the account is subject to appropriation by the legislature and may be used  
18 only for historic preservation grants to be administered by the department of commerce.

19 (3) The department shall allocate and disburse historic preservation account funds as appropriated by  
20 the legislature."

21

22 **Section 34.** Section 76-8-103, MCA, is amended to read:

23 **"76-8-103. Buildings for lease or rent -- exemptions.** (1) A building created for lease or rent on a  
24 single tract is exempt from the provisions of this part if:

25 (a) the building is in conformance with applicable zoning regulations adopted pursuant to Title 76,  
26 chapter 2, parts 1 through 3, provided that the zoning contains the elements of 76-8-107; or

27 (b) when applicable zoning regulations are not in effect:

28 (i) the building was in existence or under construction before September 1, 2013;

1 (ii) the building is a facility as defined in ~~15-65-104~~ 15-68-101 that is subject to the ~~lodging facility use~~  
2 ~~sales~~ tax under Title 15, chapter ~~65 68~~, except for recreational camping vehicles or mobile home parks;

3 (iii) the building is created for lease or rent for farming or agricultural purposes;

4 (iv) the building is not served by water and wastewater and will not be leased or rented;

5 (v) the building is served by water and wastewater and the landowner records a notarized declaration  
6 with the clerk and recorder of the county in which the property is located stating that the proposed building will  
7 not be leased or rented. The declaration recorded pursuant to this subsection (1)(b)(v) runs with the land and is  
8 binding on the landowner and all subsequent landowners and successors in interest to the property. The  
9 declaration must include but is not limited to:

10 (A) the name and address of the landowner;

11 (B) a legal description of the tract upon which the proposed building will be located; and

12 (C) a specific description of the building on the tract of record.

13 (2) Any building that is exempt under subsection (1) from the provisions of this part and that is or will  
14 be served by water or wastewater must be in compliance with the provisions of 76-8-106.

15 (3) The exemption provided in subsection (1)(b)(i) is limited to the first three buildings created for  
16 lease or rent on a single tract."  
17

18 **Section 35.** Section 80-7-1004, MCA, is amended to read:

19 **"80-7-1004. (Temporary) Invasive species account.** (1) There is an invasive species account in the  
20 state special revenue fund. The account is administered by the department of fish, wildlife, and parks.

21 (2) Money transferred from any lawful source, including but not limited to fees collected pursuant to  
22 ~~15-65-124~~ 15-68-820, 15-72-601, and 23-2-541, and gifts, grants, donations, securities, or other assets, public  
23 or private, may be deposited in the account.

24 (3) Subject to subsection (4), money deposited in the account must be used for projects that prevent  
25 or control any nonnative, aquatic invasive species pursuant to this part.

26 (4) Any private contribution deposited in the account for a particular purpose, as stated by the donor,  
27 must be used exclusively for that purpose.

28 (5) At the end of each fiscal year, unreserved funds in the account, including any interest and

1 earnings, must be transferred to the invasive species trust fund established in 80-7-1016.

2 (6) The department of fish, wildlife, and parks may not recover indirect costs from the invasive  
3 species account. (Terminates June 30, 2023--sec. 18, Ch. 356, L. 2019.)

4 **80-7-1004. (Effective July 1, 2023) Invasive species account.** (1) There is an invasive species  
5 account in the state special revenue fund. The account is administered by the department of fish, wildlife, and  
6 parks.

7 (2) Money transferred from any lawful source, including but not limited to fees collected pursuant to  
8 ~~15-65-121~~ 15-68-820, 15-72-601, and 23-2-541, and gifts, grants, donations, securities, or other assets, public  
9 or private, may be deposited in the account.

10 (3) Subject to subsection (4), money deposited in the account must be used for projects that prevent  
11 or control any nonnative, aquatic invasive species pursuant to this part.

12 (4) Any private contribution deposited in the account for a particular purpose, as stated by the donor,  
13 must be used exclusively for that purpose.

14 (5) At the end of each fiscal year, unreserved funds in the account, including any interest and  
15 earnings, must be transferred to the invasive species trust fund established in 80-7-1016.

16 (6) The department of fish, wildlife, and parks may recover not more than 5% in indirect costs from  
17 the invasive species account."

18

19 **Section 36.** Section 90-1-135, MCA, is amended to read:

20 **"90-1-135. Special revenue accounts.** (1) There is a state special revenue account in the state  
21 treasury for the receipt of state and private funds and a federal special revenue account in the state treasury for  
22 the receipt of federal funds for expenditure by the state-tribal economic development commission established in  
23 90-1-131.

24 (2) Money in the state special revenue account from proceeds distributed under ~~15-65-121(2)(g)~~ 15-  
25 68-820 is to be used for activities for the Indian tourism region, defined in ~~15-65-104~~ 15-68-101.

26 (3) Except as provided in subsection (2), money in the accounts established in subsection (1) must be  
27 used to pay:

28 (a) the commission's administrative costs;

1 (b) the salary, benefits, and administrative expenses of the tribal business center coordinator and the  
2 federal grants coordinator; and

3 (c) the costs of conducting or commissioning and periodically updating or otherwise modifying a  
4 comprehensive assessment of economic development needs and priorities on each of the Indian reservations  
5 in the state.

6 (4) Money in the accounts that is not expended for the purposes identified in subsection (2) or (3) may  
7 be used for other purposes that the commission considers prudent or necessary.

8 (5) Interest and income earned on the money in the accounts must be deposited in the accounts for  
9 the commission's use."

10

11 NEW SECTION. Section 37. {standard} Repealer. The following sections of the Montana Code

12 Annotated are repealed:

13 15-65-101. Definitions.

14 15-65-102. Rulemaking authority.

15 15-65-111. Tax rate.

16 15-65-112. Collection and reporting.

17 15-65-113. Audits -- records.

18 15-65-114. Registration number -- application to department.

19 15-65-115. Failure to pay or file -- penalty and interest -- review -- interest.

20 15-65-116. Credit for overpayment -- interest on overpayment.

21 15-65-121. Distribution of tax proceeds.

22 15-65-122. Qualification of nonprofit entities for receipt of funds -- limitation on administrative costs.

23 15-65-131. State agencies to account for in-state lodging expenditures.

24 15-68-107. Liability of user for payment of use tax.

25 15-68-201. Nontaxable transaction certificate -- requirements.

26 15-68-202. Nontaxable transaction certificate -- form.

27 15-68-207. Exemption -- isolated or occasional sale or lease of property.

28 15-68-208. Nontaxability -- sale of property for resale.

- 1 15-68-209. Nontaxability -- sale of service for resale.
- 2 15-68-210. Nontaxability -- lease for subsequent lease.
- 3 15-68-211. Nontaxability -- use of property for leasing.
- 4 15-68-212. Nontaxability -- nonprofits.
- 5 15-68-401. Seller's permit.
- 6 15-68-410. Improper use of subject of purchase obtained with nontaxable transaction certificate -- penalty.
- 7 15-68-411. Commingling nontaxable certificate goods.
- 8 15-68-506. Credit -- out-of-state taxes.
- 9 15-68-512. Security -- limitations -- sale of security deposit at auction -- bond.
- 10 15-68-517. Interest on deficiency.

11

12 **NEW SECTION. Section 38. {standard} Notification to tribal governments.** The secretary of state  
13 shall send a copy of [this act] to each tribal government located on the eight Montana reservations.

14

15 **NEW SECTION. Section 39. Codification instruction.** [Sections 27 and 28] are intended to be  
16 codified as an integral part of Title 15, chapter 68, and the provisions of Title 15, chapter 68, apply to [sections  
17 27 and 28].

18

19 **NEW SECTION. Section 40. {standard} Severability.** If a part of [this act] is invalid, all valid parts  
20 that are severable from the invalid part remain in effect. If a part of [this act] is invalid in one or more of its  
21 applications, the part remains in effect in all valid applications that are severable from the invalid applications.

22

23 - END -