

1 HOUSE BILL NO. 473

2 INTRODUCED BY D. LOGE

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4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING RESORT TAX LAWS TO REQUIRE A RESORT AREA
5 OR RESORT AREA DISTRICT TO SELL TAX-EXEMPT CERTIFICATES; PROVIDING AN EXCEPTION IF
6 RESORT TAX REVENUE IS PLEDGED TO THE REPAYMENT OF BONDS; PROVIDING THAT REVENUE
7 FROM TAX-EXEMPT CERTIFICATES BE USED FOR THE SAME PURPOSES OF THE RESORT TAX; AND
8 AMENDING SECTION 7-6-1503, MCA."

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

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12 **Section 1.** Section 7-6-1503, MCA, is amended to read:13 **"7-6-1503. Limit on resort tax rate -- goods and services subject to tax -- tax-exempt certificate.**14 (1) (a) Except as provided in subsection (1)(b), the rate of the resort tax must be established by the election
15 petition or resolution provided for in 7-6-1504, but the rate may not exceed 3%.16 (b) (i) Subject to subsection (1)(b)(ii), an election petition or resolution provided for in 7-6-1504 may
17 provide for an additional resort tax levy at the rate of up to 1%. The revenue from the additional tax must be
18 used to provide funding for infrastructure.19 (ii) A resort community with a population that exceeds the population limit for a resort community in 7-
20 6-1501 may not levy the additional resort tax provided for in subsection (1)(b)(i).21 (2) (a) The resort tax is a tax on the retail value of all goods and services sold, except for goods and
22 services sold for resale, within the resort community or resort area by the following establishments:

23 (i) hotels, motels, and other lodging or camping facilities;

24 (ii) restaurants, fast food stores, and other food service establishments;

25 (iii) taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or
26 other alcoholic beverages by the drink; and

27 (iv) destination ski resorts and other destination recreational facilities.

28 (b) ~~Establishments~~ Except as provided in subsection (3), establishments that sell luxuries shall collect

1 a tax on ~~such~~ those luxuries.

2 (3) (a) Except as provided in subsection (3)(b), a resort area or resort area district shall sell tax-
3 exempt certificates for a fee of not less than \$15. An establishment may not collect a resort tax from the holder
4 of a tax-exempt certificate. The revenue collected from the sale of tax-exempt certificates must be appropriated
5 and expended for the purposes funded by the resort tax.

6 (b) A resort area or resort area district that has pledged resort tax revenue to property tax relief or the
7 repayment of bonds is not required to sell tax-exempt certificates."

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