



AN ACT REVISING THE TOBACCO TAX ALLOCATION FOR THE OPERATION AND MAINTENANCE OF STATE VETERANS' NURSING HOMES; PROVIDING AN APPROPRIATION; AMENDING SECTION 16-11-119, MCA; AND PROVIDING AN EFFECTIVE DATE AND AN APPLICABILITY DATE.

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

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

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

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

(a) 8.3% or ~~\$4~~ \$5 million, whichever is greater, in the state special revenue fund to the credit of the department of public health and human services for the operation and maintenance of state veterans' nursing homes;

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

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

(d) the remainder to the state general fund.

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

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

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

- (a) one-half in the state general fund; and
  - (b) one-half in the state special revenue fund account for health and medicaid initiatives provided for in 53-6-1201.
- (5) Each fiscal year, a sum equal to the amount of money necessary to purchase cigarette tax stamps is statutorily appropriated, as provided in 17-7-502, from the state special revenue fund allocation in subsection (1) to the department for tax administration responsibilities."

**Section 2. Appropriation.** There is appropriated \$100 from the general fund to the department of revenue for the fiscal year beginning July 1, 2023, for the purpose of complying with administrative and computer programming expenses associated with the implementation of [this act].

**Section 3. Effective date.** [This act] is effective July 1, 2023.

**Section 4. Applicability.** [This act] applies to fiscal years beginning after June 30, 2023.

- END -

I hereby certify that the within bill,  
HB 840, originated in the House.

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Chief Clerk of the House

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Speaker of the House

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

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President of the Senate

Signed this \_\_\_\_\_ day  
of \_\_\_\_\_, 2023.

HOUSE BILL NO. 840

INTRODUCED BY R. MARSHALL

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