

SENATE BILL 411

Introduced by Fritz, et al.

2/16	Introduced
2/16	Referred to Taxation
2/16	First Reading
3/15	Hearing
3/23	Committee Report--Bill Not Passed
3/23	Adverse Committee Report Adopted
3/25	Reconsidered Adoption of Adverse Committee Report
3/26	2nd Reading Passed
3/27	3rd Reading Passed
	Transmitted to House
3/27	First Reading
3/27	Referred to Taxation
4/10	Hearing
4/12	Tabled in Committee

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2 INTRODUCED BY Senate BILL NO. 411  
Fitz McCulloch

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4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXPAND THE  
5 PERMISSIBLE USES OF THE LODGING FACILITY USE TAX DEDICATED  
6 TO THE MONTANA HISTORICAL SOCIETY; AMENDING SECTION  
7 15-65-121, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE."

8  
9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

10 Section 1. Section 15-65-121, MCA, is amended to read:

11 "15-65-121. Distribution of tax proceeds -- general  
12 fund loan authority. (1) The proceeds of the tax imposed by  
13 15-65-111 must be deposited in an account in the state  
14 special revenue fund to the credit of the department of  
15 revenue. The department may spend from that account in  
16 accordance with an expenditure appropriation by the  
17 legislature based on an estimate of the costs of collecting  
18 and disbursing the proceeds of the tax. Before allocating  
19 the balance of the tax proceeds as provided in subsections  
20 (1)(a) through (1)(c), the department shall determine the  
21 expenditures by state agencies for in-state lodging for each  
22 reporting period and deduct 4% of that amount from the tax  
23 proceeds received each reporting period. The amount deducted  
24 must be deposited in the general fund. The balance of the  
25 tax proceeds received each reporting period and not deducted

1 pursuant to the expenditure appropriation or deposited in  
2 the general fund is statutorily appropriated, as provided in  
3 17-7-502, and must be transferred to an account in the state  
4 special revenue fund to the credit of the department of  
5 commerce for tourism promotion and promotion of the state as  
6 a location for the production of motion pictures and  
7 television commercials, to the Montana historical society,  
8 and to the university system, as follows:

9 (a) 1% to the Montana historical society to be used for  
10 the installation or maintenance of roadside historical signs  
11 and for the administration, maintenance, and enhancement of  
12 public enjoyment of historic sites;

13 (b) 2.5% to the university system for the establishment  
14 and maintenance of a Montana travel research program; and

15 (c) the balance of the proceeds as follows:

16 (i) 75% to be used directly by the department of  
17 commerce;

18 (ii) except as provided in subsection (1)(c)(iii), 25%  
19 to be distributed by the department to regional nonprofit  
20 tourism corporations in the ratio of the proceeds collected  
21 in each tourism region to the total proceeds collected  
22 statewide;

23 (iii) if 25% of the proceeds collected annually within  
24 the limits of a city or consolidated city-county exceeds  
25 \$35,000, 50% of the amount available for distribution to the

INTRODUCED BILL  
SB 411



1 regional nonprofit tourism corporation in the region where  
2 the city or consolidated city-county is located is to be  
3 distributed to the nonprofit convention and visitors bureau  
4 in that city or consolidated city-county.

5 (2) If a city or consolidated city-county qualifies  
6 under this section for funds but fails to either recognize a  
7 nonprofit convention and visitors bureau or submit and gain  
8 approval for an annual marketing plan as required in  
9 15-65-122, then those funds must be allocated to the  
10 regional nonprofit tourism corporation in the region in  
11 which the city or consolidated city-county is located.

12 (3) If a regional nonprofit tourism corporation fails  
13 to submit and gain approval for an annual marketing plan as  
14 required in 15-65-122, then those funds otherwise allocated  
15 to the regional nonprofit tourism corporation may be used by  
16 the department of commerce for tourism promotion and  
17 promotion of the state as a location for the production of  
18 motion pictures and television commercials.

19 (4) The department of commerce may use general fund  
20 loans for efficient implementation of this section."

21 NEW SECTION. **Section 2.** Effective date. [This act] is  
22 effective on passage and approval.

-End-

COMMITTEE ON TAXATION  
RECOMMEND DO NOT PASS  
ON MOTION RECONSIDER  
ADVERSE COMMITTEE REPORT

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SECOND READING

SB 411



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