

1 House BILL NO. 639
 2 INTRODUCED BY Holmes, Owen, Hagan, Buckley, and
 3 Feltz, et al. in support of Palmer, Jan, Wignall, Kammer
 4 A BILL FOR AN ACT ENTITLED: "AN ACT TO TAX PROFITS FROM Montana
 5 GAMBLING ACTIVITIES THAT EXCEED ONE HUNDRED DOLLARS PER Wolfe
 6 DAY." Kammerfeldt Cleming
 7 Bradley
 8 Musgrave
 9 Johnson

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA
 11 Section 1. Short title. This act may be cited as the
 12 "Montana Gambling Profits Tax Act of 1975".

13 Section 2. Gambling profits tax. There is a tax on
 14 the profit any person, firm, corporation, or other
 15 nongovernmental entity may receive from an interest in a
 16 gambling activity in this state. The tax is equal to the
 17 amount over one hundred dollars (\$100) per day per
 18 individual interest in any gambling activity in this state.

19 Section 3. Gambling report -- filing requirements --
 20 fee. Each person operating a gambling activity shall file,
 21 with the county assessor of the county where the gambling
 22 activity takes place, a weekly gambling report. This report
 23 shall include:

- 24 (1) number of persons gambling;
- 25 (2) total winnings, by gambling game;
- (3) total amount retained by the operator, by gambling game;

1 (4) names of persons other than players, with a
 2 financial or other pecuniary interest in the gambling
 3 operation; and

4 (5) other information required by the county assessor
 5 to carry out this act.

6 A filing fee of five dollars (\$5) shall be paid at the
 7 time of filing.

8 Section 4. Report is public information -- posting.
 9 Information in the gambling report is open to the public.
 10 The report, except for names of persons with financial, or
 11 other pecuniary interest, shall be posted by the operator in
 12 the area where the gambling activity takes place.

13 Section 5. County assessor's duties. The county
 14 assessor shall submit to the department of revenue by the
 15 tenth (10th) day of the following month, a monthly composite
 16 report of all weekly gambling reports.

17 Section 6. Department of revenue duties. The
 18 department of revenue shall promulgate the rules necessary
 19 to implement and enforce this act.

20 Section 7. Payment of tax. A person, firm,
 21 corporation or other nongovernmental entity that retains
 22 more than one hundred dollars (\$100) per day profit from the
 23 interest held by that person, firm, corporation or other
 24 nongovernmental entity in a gambling activity shall pay to
 25 the treasurer, of the local government in which the activity

1 is located for deposit in the general fund, that excess
2 amount as a gambling tax.

3 Section 8. A person failing to pay the tax imposed by
4 this act, upon conviction, shall be fined an amount equal to
5 the tax plus costs of bringing the action plus a penalty of
6 twice the tax.

-End-

STATE OF MONTANA

REQUEST NO. 194-75

FISCAL NOTE

Form BD 15

In compliance with a written request received February 11, 19 75, there is hereby submitted a Fiscal Note for House Bill 639 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

DESCRIPTION OF PROPOSED LEGISLATION:

House Bill 639 taxes profits from gambling activities in excess of \$100 per day per individual interest at the rate of 100% and requires various weekly and monthly reporting of gambling activity.

ASSUMPTIONS:


1. Neither the average profits nor the number of Montana gambling activities and the interests therein is known.
2. It is not feasible to estimate the administrative costs of the bill.

CONCLUSION:

All taxes and filing fees under House Bill 639 will accrue to local governments; however, it is not possible to predict the fiscal impact of enactment of House Bill 639 on local governments. State government would receive no additional revenue, but would incur additional administrative costs. Counties with a large volume of gambling activities may require additional personnel to process weekly reports.

TECHNICAL NOTE:

Section 7 of the bill specifies payment of profits in excess of \$100 per day to the Treasurer of the local government. The bill should specifically reference either the city or county unit.


BUDGET DIRECTOR
Office of Budget and Program Planning
Date: February 17, 1975

Objection Raised to
Adverse Committee Report

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 3 Feltz, Palmer, Lee, Weyert, Kummerfeldt
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