

## RESOLUTION NO. 2024-4

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PHILIPSBURG, MONTANA CALLING FOR AN ELECTION TO BE HELD WITH THE JUNE 4, 2024, PRIMARY ELECTION FOR THE PURPOSE OF AUTHORIZING A RESORT TAX

WHEREAS, pursuant to Title 13, Chapter 1, Montana Code Annotated, in order to consolidate, simplify and standardize the government election process, local governments, including incorporated municipal governments, should pass a resolution calling for an election day established in accordance with Title 13; and

WHEREAS, the primary election day is June 4, 2024; and

WHEREAS the Town of Philipsburg meets the definition of "resort community" pursuant to 7-6-1501(9), MCA including being designated by the Montana Department of Commerce as a resort community; and

WHEREAS, Section 7-6-1504(2)(a), MCA, authorizes a resort community to present the resort tax question to the qualified electors of a resort community by resolution; and

WHEREAS, the Town Council has held four (4) work sessions, and nine (9) Town Council meetings and received public comments on proposing a resort tax; and

WHEREAS, after considering the testimony presented during these meetings, and after completing a thorough review and investigation of the resort tax provisions, the Town Council has determined that it is in the community's best interest to present the resort tax question to the qualified electors of Philipsburg.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PHILIPSBURG, MONTANA AS FOLLOWS:

Section One - Call for Election: The Philipsburg Town Council hereby calls for an election to present to the electors residing in the Town of Philipsburg the question of the adoption of a resort tax to be held with the primary election on June 4, 2024.

Section Two- Rate of Resort Tax: The rate of the resort tax shall be 4% and shall be applied to the retail value of all goods and services sold, except for goods and services sold for resale, within the Town of Philipsburg by the following establishments, as provided in 7-6-1503(2)(a) and (b) MCA:

- a. Hotels, motels, and other lodging or camping facilities;
- b. Restaurants, fast food stores, and other food service establishments;
- c. Taverns, bars, night clubs, lounges, and other public establishments that serve beer, wine, liquor, or other alcoholic beverages by the drink; and
- d. Destination recreational facilities.
- e. Establishments that sell luxuries shall collect a tax on such luxuries.

Section Three – Effective Date and Duration of Resort Tax: If approved by the electors, the resort tax shall become effective on January 1, 2025, and the duration of the tax shall be for twenty (20) years.

Section Four – Purposes to be Funded (3% Tax): If approved by the electors, the purposes to be funded by the 3% portion of the resort tax are:

(A) Provide for infrastructure, as defined in 7-6-1501(2) MCA, in an amount equal to ninety percent (90%) of resort tax revenues derived during the preceding fiscal year;

(B) Property tax reduction for Town property taxpayers in an amount equal to five percent (5%) of the resort tax revenues derived during the preceding fiscal year;

(C) Provide for an amount equal to five percent (5%) of the resort tax revenues derived during the preceding fiscal year to be used for direct Town administrative costs such as software and the Town's required state auditing requirements.

Section Five – Purpose to be Funded (1% Tax): If approved by the electors, the purpose to be funded by the 1% portion of the resort tax is to provide for an amount equal to one hundred percent (100%) of that portion of the resort tax revenues for infrastructure as defined in 7-6-1501(2) MCA, specifically water, sewer, and stormwater projects.

Section Six: That this Resolution shall become effective immediately upon its passage and approval by the Town Council and the Town Clerk is directed to immediately provide a copy of this resolution to the Granite County Election Department. Further, the election department and town attorney shall ensure that the ballot language fully complies with this resolution and state statute.

PASSED AND ADOPTED BY THE TOWN COUNCIL OF PHILIPSBURG,  
MONTANA THIS 20th DAY OF FEBRUARY, 2024, THE COUNCIL VOTING AS  
FOLLOWS:

AYES: John Laigaie, Lorraine Dell-Bishop, Scott Lyons, Gary Fujinami,  
Jason White, Carl Sundstrom

NAYS: —

ABSENT: —

Rachel Parrot  
Town Clerk

APPROVED BY THE MAYOR OF PHILIPSBURG, MONTANA THIS 20TH DAY OF FEBRUARY, 2024.

*Daniel Reddish*  
Mayor

ATTEST:

*Rachel Parret*  
Town Clerk

