

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING THAT THE LEGISLATURE MAY ESTABLISH A
5 SALES TAX NOT TO EXCEED 4% USED SOLELY TO REDUCE PROPERTY TAXES THAT FUND PUBLIC
6 SCHOOLS AND THE MONTANA UNIVERSITY SYSTEM; AND PROVIDING THAT THE PROPOSED ACT BE
7 SUBMITTED TO THE QUALIFIED ELECTORS OF MONTANA."

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

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11 NEW SECTION. **Section 1. Sales tax to reduce education property taxes -- exemptions.** (1) The
12 legislature may enact a sales tax not to exceed 4% to reduce property taxes that fund public schools and the
13 Montana university system.

14 (2) If enacted, a sales tax should minimize repeated taxation by taxing final goods and services
15 and exempt the following:

- 16 (a) housing and utilities;
17 (b) groceries;
18 (c) fuel used for transportation and agriculture;
19 (d) health care; and
20 (e) financial and insurance services.

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22 NEW SECTION. **Section 2. Codification instruction.** [Section 1] is intended to be codified as an
23 integral part of Title 15, and the provisions of Title 15 apply to [section 1].

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25 NEW SECTION. **Section 3. Effective date.** [This act] is effective on approval by the electorate.

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27 NEW SECTION. **Section 4. Submission to electorate.** [This act] shall be submitted to the qualified
28 electors of Montana at the general election to be held in November 2026 by printing on the ballot the full title of

1 [this act] and the following:

2 ☐ YES on Legislative Referendum ____.

3 ☐ NO on Legislative Referendum ____.

4 - END -