

SENATE BILL NO. 253

INTRODUCED BY G. HERTZ

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING THE CONTRACTOR'S GROSS RECEIPTS TAX; INCREASING THE AMOUNT OF THE EXEMPTION IN THE DEFINITION OF A PUBLIC CONTRACTOR; AMENDING SECTION 15-50-101, MCA; AND PROVIDING AN IMMEDIATE EFFECTIVE DATE AND AN APPLICABILITY DATE."

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

Section 1. Section 15-50-101, MCA, is amended to read:

"15-50-101. Definitions. As used in this chapter, the following definitions apply:

(1) "Department" means the department of revenue as provided in 2-15-1301.

(2) "Gross receipts" means all receipts from sources within the state, whether in the form of money, credits, or other valuable consideration, received from, engaging in, or conducting a business, without deduction on account of the cost of the property sold, the cost of the materials used, labor or service cost, interest paid, taxes, losses, or any other expense whatsoever. However, gross receipts does not include cash discounts allowed and taken on sales and sales refunds, either in cash or by credit, uncollectible accounts written off from time to time, or payments received in final liquidation of accounts included in the gross receipts of any previous return made by the person.

(3) (a) "Public contractor" means any person who submits a proposal to perform or enters into a contract for performing public construction work in the state with the federal government or state of Montana; with any board, commission, or department of the state; with any board of county commissioners, any city or town council, or any agency of any of them; or with any other public board, body, commission, or agency authorized to let or award contracts for any public work when the contract cost, value, or price exceeds the sum of ~~\$5,000~~ \$80,000.

(b) The term public contractor includes subcontractors undertaking to perform work covered by the original contract or any part of the contract when the contract cost, value, or price exceeds the sum of ~~\$5,000~~

1 \$80,000."

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

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5 NEW SECTION. Section 3. Applicability. [This act] applies to any public contract entered into on or
6 after [the effective date of this act].

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