

Tax Exemption on Lodging Accommodations Instructions

Government. Only the U.S. government qualifies. Sales to Montana state employees are taxable. Sales to other states and their political subdivisions are taxable.

Lodging accommodations and campground spaces furnished to government employees are exempt from all taxes when the credit card charge is billed directly to and paid directly by the government agency.

Credit cards issued to employees of government agencies are not considered to be billed directly to, or paid directly by, the government agency when the employee is responsible for paying the credit card company.

Please refer to the following link to identify which federal credit cards are individually billed (taxable) and those that are centrally billed (tax exempt): <https://smartpay.gsa.gov/content/about-gsa-smartpay#sa372>.

Qualified Organizations and/or Persons.

Lodging accommodations and campground spaces furnished to qualified organizations are exempt from all taxes.

American Red Cross.

Enrolled Tribal Member. Units or spaces located on an Indian reservation and rented to an enrolled member of the same reservation. The enrollment number must be recorded on the billing.

Health Care Facilities. Hospitals, treatment facilities etc.

Rest Homes. Defined in 50-5-101 MCA.

501©(3). The sale of property or of a service is nontaxable if the seller is an organization that has a tax-exempt designation under the provisions of section 501(c)(3) of the Internal Revenue Code.

Youth Camps. A facility that is used primarily by persons under 18 years of age for camping purposes.

Dormitories. These are taxable unless the sale price is for guest(s) involved in activities meeting any of the following criteria:

1. Person is enrolled in regular academic program or a program of continuing education.
2. Activities are offered primarily for students enrolled in primary or secondary schools or universities.
3. Participant is in an education program to improve the work of the educational institution by developing the professional knowledge and skills of the employees of the hosting institution.

Diplomats. Units or spaces rented to a diplomat who presents a tax-exempt card issued by the U.S. State Department. The card number must be recorded on the billing.

Conference Room Rentals.

State employees, school districts, city and county governments, and nonprofit organizations (from Montana or elsewhere), ARE subject to tax.

For more information please visit MTRevenue.gov.

Questions? Call us at (406) 444-6900, or Montana Relay at 711 for hearing impaired.

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