



Resort Tax Information for Guides and Outfitters

This brochure is intended to help businesses understand how resort taxes apply to guide and outfitter services. This information is based on District ordinances and Montana law in effect on May 1, 2020.

General Information

Montana Law authorizes the Big Sky Resort Area District to collect a 4% resort tax on all luxuries sold within the District. Goods, services, products, and items that are purchased, reserved, or occur fully or partially within the boundaries of the District are considered to be sold within the District. Taxable luxuries include charges for recreational activities and guided tour services, short-term lodging (less than 30 days), prepared or served meals, and sales or rentals of sporting goods and recreational equipment.

Operations of Guides and Outfitters

All fees charged for the guide or outfitting service are subject to taxation, unless a specific exemption applies, if the tour or trip is: (a) purchased within the District, regardless of where the tour or trip occurs; (b) reserved within the District, regardless of where the tour or trip occurs and where the billing and payment takes place; or (c) partially or fully occurring within the District, including pick-up and/or drop-off, regardless of where the billing and payment takes place.

Taxable Sales and Services

Guides and outfitters must collect resort tax on amounts charged for the following:

- Guide services
- Tours
- Short-term lodging or camping provided by the guide or outfitter
- Meals prepared or served by the guide or outfitter
- Entrance onto private lands
- Game retrieval and care
- Use of facilities
- Access to private waters
- Sale or rental of recreational equipment including clothing, camping supplies, hunting and fishing supplies, guns, hiking gear, and protective gear
- Photography services
- Souvenirs and photographic items

Nontaxable Sales and Services

Amounts charged for boat tours, scenic cruises, or other similar activities on public waters are exempt from resort taxation by federal law. However, this exemption does not apply to any portion of a guided tour on land or private water or to the sale or lease of boats and other equipment.

If necessities of life are listed separately on the customer's invoice, guides and outfitters do not collect resort tax on those items. If necessities of life are not listed separately, the entire fee is subject to taxation.

Example 1

A client purchases a tour online while at his home in California. During the tour, a guide flies a client by helicopter to the top of a mountain located within the District boundaries where they ski down to the base. Even though the client purchased the tour while in California, the entire tour is subject to resort tax because it occurs within District boundaries.

Example 2

A company sells guided tours that include hiking within the District and rafting on public waters. Participants must rent rafts, paddles, and protective gear, and may rent hiking gear. At the end of the trip, photographs from the trip are available for purchase. Resort tax must be charged on the hiking tour, all equipment rentals, and the photographs, but is **not** charged on the rafting trip.

Please be aware that this guide is intended to provide general guidelines for resort taxation of guided tour and outfitting services, and is not all-inclusive. Additional information can be found on the District website at resorttax.org. If you have questions regarding the resort tax, please contact the District by phone at (406) 995-3234 or by email at info@resorttax.org, and we would be happy to dismiss them with you.