



## Resort Tax Information for Online Sales

This brochure is intended to help businesses understand how resort taxes apply to online sales.

This information is based on District Ordinances and Montana law, effective June 24, 2021.

### 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, but are not limited to, 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.

### Guidelines

All sales of luxuries are subject to taxation, unless a specific exemption applies, if the item is: (a) purchased within the District; (b) reserved within the District, regardless of where the billing and payment takes place; or (c) partially or fully occurring within the District, including shipping, pick-up and/or drop-off, regardless of where the billing and payment takes place.

### Taxable Sales

Establishments must collect resort tax on amounts charged for the following:

- Any item of clothing
- Any purchase or rental of sporting goods or recreational equipment
- All souvenirs, curios, antiques, jewelry, books, games, and home accessories
- Fireworks
- Gift, art, and photographic items
- Food gift items prepared and sold as a package or unit
- Flowers not used in landscaping
- Services booked online including guided tours, catered meals, and any other luxury services as detailed in Ordinance 98-01

### Nontaxable Sales & Services

Necessities of Life as described in Ordinance 98-01.  
(ResortTax.org/about/governing-documents/)



#### Example 1



A sale is subject to taxation when a purchaser located outside the District purchases taxable goods that are shipped from a business within the District.

#### Example 2



A sale is not subject to taxation when a purchaser located outside the District buys a taxable item from a business which has multiple locations, one of which is within the District, the item is stored and shipped at a location outside the District, and the transaction is not processed\* within the District.

#### Example 3



When a purchaser outside the District orders taxable items from a business within the District and the items are shipped from a location outside the District, the sale is subject to taxation if the transaction is processed\* within the District.

#### Example 4



If a business located within the District works with a third-party vendor located outside of the District who ships taxable items to a purchaser, the sale is subject to taxation if the transaction is processed\* within the District or the purchaser is located within the District.

\*A transaction is processed within the District if any portion of the order is taken, fulfilled, or processed within the boundaries of the District, including but not limited to order confirmation, payment authorization, exchange of information, and receipt of payment.

Please be aware that this guide is intended to provide general guidelines for resort taxation of online sales, and is not all-inclusive. Additional information can be found on the District website @ [ResortTax.org](http://ResortTax.org). If you have questions, please contact the District by phone at (406) 995-3234 or by email at [info@resorttax.org](mailto:info@resorttax.org), and we would be happy to discuss them with you.