

MONTANA

BOARD OF INVESTMENTS

BOARD ADOPTED POLICY

POLICY NUMBER: 40.801

EFFECTIVE DATE: November 30, 2021

TITLE: Coal Severance Tax Trust Distributions

SUPERSEDES: June 1, 2021

BOARD ADOPTION: November 30, 2021

REVIEWED:

I. Appendix I: Coal Severance Tax Trust Distributions

- A. Per the 2017 legislative session, the receipts for the coal severance tax trust fund are distributed as follows:
1. On July 1st each year, the State Treasurer shall determine the amount necessary to meet all principal and interest payments on bonds payable from the coal severance tax bond fund during the next twelve (12) months. This amount must be maintained in the coal severance tax bond fund.
 2. After any required payment to the coal severance tax bond fund, twenty-five percent (25%) of tax receipts are deposited in the Big Sky Economic Development Fund.
 3. After any required payment to the coal severance tax bond fund, seventy-five percent (75%) of tax receipts are deposited in the School Facilities Fund. When the balance of the School Facilities Fund reaches \$200 million, seventy-five percent (75%) of tax receipts will be transferred to the Coal Severance Tax Permanent Fund instead of the School Facilities Fund.
- B. Tax receipts can be accessed via the monthly revenue reports on the Department of Revenue website.