



Department of Public Health and Human Services

Addictive & Mental Disorders Division ♦ 100 N. Park, Ste. 300 / P.O. Box 202905 ♦ Helena, MT 59620-2905 ♦ Voice: 406-444-3964 ♦ Fax: 406-444-4435

Steve Bullock, Governor

Sheila Hogan, Director

August 14, 2020

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AUG 20 2020

Ravalli County Commissioners
215 S 4th St, Suite A
County Courthouse
Hamilton, MT 59840-2703

Ravalli County Commissioners

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Re: SFY-2021 Earmarked Alcohol Tax Distribution

Dear Commissioners,

This letter will serve as an official notice of the SFY-2021 estimated amount of earmarked alcohol tax revenue allocated to your county for treatment, rehabilitation, and prevention of alcoholism, as defined in Section 53-24-108, MCA. The Department intends on making three equal estimated payments as follows:

Period	Payment Month	Payment Amount
07/01/20 – 10/31/20	November 2020	\$ 22,197
11/01/20 – 02/28/21	March 2021	\$ 22,197
03/01/21 – 06/30/21	July 2021	\$ 22,197
Total		\$ 66,591

If the revenue collections exceed the above revenue estimates for SFY-2021, a 4th payment will be made in the fall of 2021 to meet or exceed the required 20% statute as provided in 17-7-502, MCA.

Also enclosed for your information is a County Alcohol Tax Guide which covers some frequently asked questions regarding the alcohol tax distribution.

Should you have any questions concerning this distribution, please feel free to contact me at 444-4423.

Sincerely,

Susan Haran
Contract & Fiscal Officer
Operations Bureau

Enc.

c: County Treasurer
Western Montana Addiction Services

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David County Commission

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County Alcohol Tax Guide

The following information is designed to provide guidance on how alcohol tax funds are dispersed and utilized at the county level.

- ❖ Per 16-1-404(2)(b), MCA, the Department of Public Health and Human Services (DPHHS) receives a portion of the revenue collected from the sale of all liquor products sold in Montana. This 'alcohol tax revenue' is to be used for the 'treatment, rehabilitation, and prevention of alcoholism and chemical dependency.' This is a pass-through as per 53-24-206(3)(b), and funds must be distributed to the counties for use by approved private or public programs.

How do the counties get the alcohol tax funds?

- ❖ DPHHS mails a "Service Provider Designation Form" to each county annually. This form provides the Addictive and Mental Disorders Division (AMDD) with the information needed as to which approved substance use program(s) the county has designated to receive the funds.
- ❖ Counties have full authority to designate more than one approved provider.
- ❖ This form is required to be completed each year.

How much Alcohol Tax is directed to the counties?

- ❖ The payment amounts are determined based on formula and are made over three equal installments throughout the state fiscal year. (53-24-206(3)(b)(i) & (ii) MCA)
- ❖ If there is additional revenue at the end of the year, a fourth payment is made.

What are counties required to do with the alcohol tax that comes to their county?

- ❖ The counties must 'pass through' the alcohol tax to the approved private or public program(s) as designated on their "Service Provider Designation Form."
- ❖ 100% of the distribution is to go to the designated provider(s). The county may not use or withhold these funds for any reason.

What if the county does not designate a state approved chemical dependency program to receive the county alcohol tax funds?

- ❖ The funds will not be released to the county.

How do counties determine the substance abuse prevention and treatment needs in their county for designating the county alcohol tax funds?

- ❖ Per 53-24-211, MCA, counties are required to submit a four-year county plan to the DPHHS, Addictive and Mental Disorders Division, that outlines the prevention and treatment needs
- ❖ County plans can be based on other community health need assessments, federal, state and county level data.

For more information, please contact Susan Haran, 406-444-4423.