



February 15, 2023

TO: The Honorable Representative Gomez, Chair of the House Taxes Committee

SUBJECT: Support for HF 1603.

I write today in strong support of HF 1603, which allows local government entities (and other appropriate organizations) to claim tax exempt status for construction materials purchased through contractors. As a city council member, I was genuinely surprised to learn that such an exemption did not exist. In Ramsey, we've submitted bills in the past for similar exemptions for our Public Works facility - a much needed upgrade from the double-wide trailer it replaced. Currently, Representative Niska has authored HF 1177 that similarly grants exempt status for our much needed water treatment facility. This facility has drastically increased its price tag due to market conditions, and as a small municipality, we watch every dollar that we spend.

I write today not just as a council member in Ramsey, but as a citizen. These purchases for facilities that better our collective lives and protect our neighbors are invaluable - but expensive. Any steps that this legislature can make to reduce that burden on local governments is welcome. We'll keep advocating for our individual projects, but it is quite the opportunity for you to solve this on a larger scale, for every small city in Minnesota.

I thank you for your consideration, and would be happy to answer any questions that arise.

Sincerely,

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