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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4497

03/18/2026 Authored by Franson The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; local sales and use; modifying the Sauk Centre local sales tax
1.3 authorization; amending Laws 2019, First Special Session chapter 6, article 6,
1.4 section 28, subdivisions 3, 4, by adding a subdivision.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Laws 2019, First Special Session chapter 6, article 6, section 28, is amended
1.7 by adding a subdivision to read:

1.8 Subd. 1a. Sales and use tax authorization; modification and voter
1.9 approval. Notwithstanding Minnesota Statutes, section 477A.016, or any other law,
1.10 ordinance, or city charter, the modifications to bonding authority in subdivision 3 and the
1.11 amount of tax that may be collected before the termination of taxes in subdivision 4 are
1.12 effective if approved by the voters at an election as required under Minnesota Statutes,
1.13 section 297A.99, subdivision 3, paragraph (a).

1.14 EFFECTIVE DATE. This section is effective the day after the governing body of the
1.15 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section
1.16 645.021, subdivisions 2 and 3.

1.17 Sec. 2. Laws 2019, First Special Session chapter 6, article 6, section 28, subdivision 3, is
1.18 amended to read:

1.19 Subd. 3. Bonding authority. (a) The city may issue bonds under Minnesota Statutes,
1.20 chapter 475, to pay the costs of the projects authorized in subdivision 2. The aggregate
1.21 principal amount of bonds issued under this subdivision may not exceed \$10,000,000
1.22 \$20,000,000 plus an amount to be applied to the payment of the costs of issuing the bonds.

2.1 The bonds may be paid from or secured by any funds available to the city, including the
2.2 tax authorized under subdivision 1. The issuance of bonds under this subdivision is not
2.3 subject to Minnesota Statutes, sections 275.60 and 275.61.

2.4 (b) The bonds are not included in computing any debt limitation applicable to the city,
2.5 and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal and interest
2.6 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
2.7 under Minnesota Statutes, section 475.58, is not required.

2.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
2.9 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section
2.10 645.021, subdivisions 2 and 3.

2.11 Sec. 3. Laws 2019, First Special Session chapter 6, article 6, section 28, subdivision 4, is
2.12 amended to read:

2.13 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
2.14 earlier of: (1) December 31, 2045; or (2) when the city council determines that ~~\$10,000,000~~
2.15 \$20,000,000 has been received from the tax to pay for the cost of the projects authorized
2.16 under subdivision 2, plus an amount sufficient to pay the costs related to issuance of the
2.17 bonds authorized under subdivision 3, including interest on the bonds. Any funds remaining
2.18 after payment of all such costs and retirement or redemption of the bonds shall be placed
2.19 in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier
2.20 time if the city so determines by ordinance.

2.21 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
2.22 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section
2.23 645.021, subdivisions 2 and 3.