

April 28, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 5006 (Frentz) / H.F. 5071 (Schwartz)

The City of St. Peter was authorized to impose a sales and use tax of 0.5% in 2021 to finance up to \$9.121 million, plus associated bonding costs, for construction of a new fire station. The city is allowed to issue bonds of up to \$9.121 million plus bond issuance costs and interest. The tax is currently set to expire 40 years after it is first imposed or when sufficient revenues are raised to pay the costs of the project plus bond issuance costs and interest, whichever is earlier.

The bill amends the city of St. Peter's local sales tax authorization. The bill increases the amount that could be used to finance the construction of a new fire station from \$9.121 million to \$9.9 million, plus associated bonding costs. The bill also would allow revenues from the tax to finance up to \$1.95 million for Phase 2 of Gorman Park improvements, plus associated bonding costs. The bill increases the city's bond authorization from \$9.121 million to \$11.85 million, plus bond issuance costs and interest.

The bill would have no direct impact on state taxes.

Source: Minnesota Department of Revenue
Tax Research Division
<https://www.revenue.state.mn.us/revenue-analyses>

sf5006(hf5071) St Peter Local Sales Tax_1 / sd