

April 22, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of H.F. 3873 (Momanyi-Hiltsley) As Proposed to be Amended (A26-0159)

The bill, as proposed to be amended, authorizes the city of Osseo, if approved by the voters at a general election, to impose a sales and use tax of up to 0.5%.

The proceeds would be used to finance up to \$7 million for Boerboom Park Community Center Hub Project and \$3 million for the renovation and improvements to the Osseo City Hall, plus associated bonding costs. The bill also authorizes the city to issue up to \$10 million worth of bonds, plus bond issuance costs.

The tax would terminate at the earlier of 20 years after the tax is first imposed or after the city council determines that the amount received from the tax is sufficient to pay for the costs of the projects listed above plus bond issuance costs and interest. The tax could expire earlier if the city so determines by ordinance.

The bill would have no direct impact on state taxes.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
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