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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4923

04/09/2026 Authored by Johnson, W., 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; sales and use; providing a refundable exemption for
1.3 construction materials for clean water infrastructure in the city of Cottage Grove.

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

1.5 Section 1. CITY OF COTTAGE GROVE; SALES TAX EXEMPTION FOR
1.6 CONSTRUCTION MATERIALS.

1.7 Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
1.8 equipment incorporated into the TH 61/80th Street Rehabilitation Project from Highway
1.9 61 to Ideal Avenue South as a primary connection to Highway 61 in the city of Cottage
1.10 Grove are exempt from sales and use tax under Minnesota Statutes, chapter 297A, if the
1.11 materials, supplies, and equipment are purchased after March 31, 2026, and before January
1.12 1, 2028.

1.13 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
1.14 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
1.15 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).

1.16 Subd. 2. Appropriation. The amount required to pay the refunds under subdivision 1
1.17 is appropriated from the general fund to the commissioner of revenue.

1.18 EFFECTIVE DATE. This section is effective retroactively for sales and purchases
1.19 made after March 31, 2026, and before January 1, 2028.