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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 4681

03/25/2026 Authored by Novotny
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; amending the authorization for the city of
1.3 Elk River to impose a local sales tax; amending Laws 2019, First Special Session
1.4 chapter 6, article 6, section 17, subdivisions 1, 3, 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 17, subdivision
1.7 1, is amended to read:

1.8 Subdivision 1. Sales and use tax authorization. (a) Notwithstanding Minnesota Statutes,
1.9 section 297A.99, subdivision 1, or 477A.016, or any other law or ordinance, and as approved
1.10 by the voters at the November 6, 2018, general election, the city of Elk River may impose,
1.11 by ordinance, a sales and use tax of one-half of one percent for the purposes specified in
1.12 subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota
1.13 Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement
1.14 of the tax authorized under this subdivision.

1.15 (b) If approved by the voters at a general election pursuant to Minnesota Statutes, section
1.16 297A.99, subdivision 3, paragraph (a), the city must use the revenues derived from the tax
1.17 authorized under paragraph (a) for the purpose specified in subdivision 2a.

1.18 EFFECTIVE DATE. This section is effective the day after the governing body of the
1.19 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section
1.20 645.021, subdivisions 2 and 3.

2.1 Sec. 2. Laws 2019, First Special Session chapter 6, article 6, section 17, is amended by
2.2 adding a subdivision to read:

2.3 Subd. 2a. Use of revenues. In addition to the uses authorized under subdivision 2, the
2.4 revenues derived from the tax authorized under subdivision 1 must be used by the city of
2.5 Elk River to finance up to \$20,000,000, plus associated bonding costs for, bonds issued
2.6 under subdivision 3 for construction of a new fire station. The project authorized under this
2.7 subdivision does not extend the termination requirements in subdivision 4.

2.8 EFFECTIVE DATE. This section is effective the day after the governing body of the
2.9 city of Elk River 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 17, subdivision 3, is
2.12 amended to read:

2.13 Subd. 3. **Bonding authority.** (a) The city of Elk River may issue bonds under Minnesota
2.14 Statutes, chapter 475, to finance all or a portion of the costs of the ~~project~~ projects authorized
2.15 in ~~subdivision~~ subdivisions 2 and 2a. The aggregate principal amount of bonds issued under
2.16 this subdivision may not exceed ~~\$35,000,000~~ \$55,000,000, plus an amount applied to the
2.17 payment of costs of issuing the bonds. The bonds may be paid from or secured by any funds
2.18 available to the city of Elk River, including the tax authorized under subdivision 1. The
2.19 issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60
2.20 and 275.61.

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

2.25 EFFECTIVE DATE. This section is effective the day after the governing body of the
2.26 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section
2.27 645.021, subdivisions 2 and 3.