

March 16, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 1776 (Bakk) / H.F. 2092 (Ecklund)

	Fund Impact			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
	(000's)			
General Fund	\$0	(\$320)	\$0	\$0
Natural Resources and Arts Funds	<u>\$0</u>	<u>(\$20)</u>	<u>\$0</u>	<u>\$0</u>
Total – All Funds	\$0	(\$340)	\$0	\$0

Effective retroactively from May 2, 2019.

EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction of elementary school building, high school building and a new building connecting the elementary school and high school buildings that contains classrooms, a common area, gymnasium, and administrative offices in the Ely public school district. The exemption would be administered as a refund and apply to purchases made after May 1, 2019 and before January 1, 2024.

REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of the Ely school district.
- Total construction costs of materials, supplies, and equipment for the projects are estimated to be \$4.99 million.
- It is assumed that the project will be completed by September 2022.
- It is assumed that all refunds will be paid in fiscal year 2023.

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