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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 2823

03/26/2025 Authored by Burkel
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 certain projects in Independent School District No. 561,
1.4 Goodridge.

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

1.6 Section 1. INDEPENDENT SCHOOL DISTRICT NO. 561, GOODRIDGE; SALES
1.7 TAX EXEMPTION FOR CONSTRUCTION MATERIALS.

1.8 Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
1.9 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,
1.10 or remodeling relating to the following projects in Independent School District No. 561,
1.11 Goodridge, are exempt from sales and use tax under Minnesota Statutes, chapter 297A,
1.12 provided that the materials, supplies, and equipment are purchased after December 31, 2024,
1.13 and before January 1, 2027:

- 1.14 (1) renovations to the prekindergarten through grade 12 school building; and
1.15 (2) construction of a new gymnasium, commons, classrooms, locker rooms, restrooms,
1.16 a weight room, a career and technical education classroom, and a secure front entrance.

1.17 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
1.18 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
1.19 for projects under Minnesota Statutes, section 297A.75, except that the applicant must be
1.20 the governmental entity that owns or contracts for the project. Refunds for eligible purchases
1.21 must not be issued until after June 30, 2025.

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

2.3 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
2.4 made after December 31, 2024, and before January 1, 2027.