HOUSE RESEARCH =

Bill Summary —

FILE NUMBER: H.F. 32 DATE: March 8, 2001

Version: As Introduced

Authors: Wenzel and others

Subject: Reduces the general sales tax rate to 6.0%

Analyst: Pat Dalton, 651-296-7434

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Overview

Reduces the general sales tax rate from 6.5% to 6.0%. This rate change applies to the motor vehicles sales tax (by reference) as well as the general sales tax. The reduction lowers the combined rate on motor vehicle rentals from 12.7% to 12.2%. The change has no impact on the 9.0% tax on liquor and beer. Effective for sales after June 30, 2001.

Section

Generally (sales tax rate). Reduces the general sales tax rate from 6.5.% to 6.0 %. Effective for sales and purchases after June 30, 2001.