

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 972

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Authors: Solberg and others

Subject: Allowing Itasca County to impose the local lodging tax on townships in the county

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Overview

Currently, cities and towns are allowed to impose a local lodging tax of up to three percent on lodging within their jurisdiction. 95 percent of the proceeds from the tax are required to be used for tourism promotion.

This bill would prohibit towns in Itasca County from imposing the generally authorized local lodging tax and instead grant Itasca County the authority to impose the tax in all towns and unorganized territories in the county. Any taxes currently imposed by towns in the county would expire the day that the county imposes the tax. The county would be subject to the same notice and reverse referendum requirements as cities and towns that impose the tax.

Section

- 1 Lodging tax; Itasca County authority.** Allows the county of Itasca to impose the generally authorized local lodging tax in all towns and unorganized territories in the county. Prohibits towns in the county from exercising this authority and repeals any tax currently imposed by a town in the county when the county imposes the tax. The tax must still be used for tourism purposes and is subject to the notice and reverse referendum requirements under the general law.