

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 36

**DATE:** April 4, 2005

**Version:** As introduced

**Authors:** Juhnke

**Subject:** Allow the city of Willmar to impose a local sales tax

**Analyst:** Pat Dalton, 651-296-7434

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

---

*[For a comparison of all local sales tax bills introduced during the 2005 legislative session, go to [www.house.leg.state.mn.us/hrd/issinfo/comp05localsal.htm](http://www.house.leg.state.mn.us/hrd/issinfo/comp05localsal.htm) .]*

### Section

**1 City of Willmar; sales and use tax.** Allows the city to impose a sales and use tax of one half of one percent to fund certain capital projects.

**Subd. 1. Sales and use tax authorized.** Allows the city to impose a sales and use tax of one-half of one percent as approved by the voters at the general election held November 2, 2004. The statutory local sales tax provisions regarding imposition, administration, collection and enforcement of the tax would apply.

**Subd. 2. Use of revenues.** Revenues from the local sales tax would be used to fund the following capital projects:

- ▶ completion and expansion of the airport/industrial park;
- ▶ hiking and biking trails;
- ▶ connection of the Blue Line and Civic center buildings; and
- ▶ purchase of a portion of the Willmar Regional Treatment Center campus

**Subd. 3. Bonds.** Allows the city to issue bonds of up to \$8 million to fund the authorized projects without a separate referendum. The bonds would be outside of regular debt limits and any property tax levy needed to repay the bonds would not be subject to levy limits.

**Section**

**Subd. 4. Termination of the tax.** The local tax would expire seven years after the tax is first imposed or when revenues are sufficient to fund the projects plus any associated costs of the bonds. The city may choose to terminate the tax at an earlier date.