

HOUSE RESEARCH

Bill Summary

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Subject: Allow the city of Albert Lea to impose a local sales tax

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[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/comp05local.htm .]

Section

1 City of Albert Lea; 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 if approved by the voters. 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 lake improvement projects, as detailed in the Shell Rock River watershed plan, and as directed by that watershed board.

Subd. 3. Referendum. Allows the city to get approval by the voters to impose the tax at either the next general election or at a special election.

Subd. 4. Termination of the tax. The local tax would expire at the earlier of (1) ten years after the tax is first imposed or (2) when \$15 million of revenues are raised to fund the authorized project.