

# HOUSE RESEARCH

## Bill Summary

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**Authors:** Morrow and Brynaert

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### Overview

Allows the city of North Mankato to impose a local 1/2 of one percent sales tax to fund up to \$6 million plus associated bond costs on specified capital projects. Voters already approved imposition of the tax for these projects at the November 2006 general election.

#### Section

**1 City of North Mankato, taxes authorized.** Allows the city of North Mankato to impose a one-half cent local sales and use tax to fund the listed projects.

**Subdivision 1. Sales and use tax.** Authorizes the city to impose a one-half cent local sales tax, as already approved by voters at the 2006 general election. The statutes regarding local sales taxes will apply to the imposition, collection, and administration of the tax.

**Subd. 2. Use of Revenues.** Allows the revenues collected from the taxes in subdivision 1, up to \$6 million plus associated bond costs, to be used for:

- the local share of the Trunk Highway 14/County State Aid Road Highway 41 interchange project;
- development of regional parks and hiking trails;

**Section**

- expansion of the North Mankato Taylor library;
- riverfront development; and
- lake improvement projects.

**Subd. 3. Bonding authority.** Allows the city to issue up to \$6 million in bonds for the projects listed in subdivision 2, based on the election approving the tax.

**Subd. 4. Termination of taxes.** Requires the tax imposed under subdivision 1 to expire when revenues raised first equals or exceeds \$6 million, plus associated bond costs.