

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 442

DATE: February 27, 2007

Version: As introduced

Authors: Howes

Subject: Authorizing a local sales tax in the city of Emily

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.

Overview

Allows the city of Emily to impose a local 1/2 of one percent sales tax to fund new wastewater system. Voters already approved imposition of the tax for this project at the November 2006 general election.

Section

1 City of Emily, taxes authorized. Allows the city of Emily 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 \$1.637 million plus associated bond costs, to be used for constructing a new wastewater system.

Subd. 3. Termination of taxes. Requires the tax imposed under subdivision 1 to expire when revenues raised first equals or exceeds \$1.637 million, plus associated bond costs. The city may choose to terminate the tax at an earlier time if it wishes.