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Subject: Allows the city of Biwabik to impose a number of local taxes
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Overview

Allows the city of Biwabik, if approved by the city council and at least 7 members of the Iron Range Resources and Rehabilitation Board (IRRRB), to impose a number of local sales taxes in the area of the city within the Giants Ridge recreation area to fund construction, improvement and maintenance of public recreational facilities with the recreation area. The proceeds of the tax must be deposited in the IRRRB account enterprise fund. The IRRRB shall determine the specific projects funded. No provision is made for the expiration of any of the taxes after imposition.

Section

1 **Giants Ridge recreation area taxing authority.**

Subd. 1. Additional taxes authorized. Allows the city of Biwabik to impose any of the taxes listed in this section upon approval of the city council and a vote of at least seven members of the IRRRB.

Subd. 2. Use of proceeds. Requires the proceeds of any tax imposed under this section to be deposited in the IRRRB account enterprise fund. The IRRRB by a vote of at least seven members shall spend the money for construction, improvement, and maintenance of public facilities located in the Giants Ridge Recreation area.

Subd. 3. Sales tax. Allows the city of Biwabek, with the approval of the IRRRB, to impose up to a one percent sales tax in the Giants Ridge Recreation Area. The rules for imposition, collection, and administration in Minn. Stat. §297A.99, except for subdivisions 2 and 3, apply.

Subd. 4. Lodging tax. Allows the city of Biwabek, with the approval of the IRRRB, to impose up to a five percent lodging tax in the Giants Ridge Recreation Area.

Subd. 5. Admissions and recreation tax. Allows the city of Biwabek, with the approval of the IRRRB, to impose up to a five percent tax on admissions to entertainment and recreational facilities in the Giants Ridge Recreation Area. The rules for imposition, collection, and administration in Minn. Stat. §297A.99, except for subdivisions 2 and 3, apply. If imposed, the tax must exempt the purchase of season tickets or passes. The city may also provide an exemption for purchases by residents of the area.

Subd. 6. Food and beverage tax. Allows the city of Biwabek, with the approval of the IRRRB, to impose up to a one percent on restaurant food and beverage sales in the Giants Ridge Recreation Area. The rules for imposition, collection, and administration in Minn. Stat. §297A.99, subdivisions 2 and 3, apply.

The section is effective the day after final enactment upon local approval as required under statute but the local approval must occur before January 1, 2012.