

HOUSE RESEARCH

Bill Summary

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Subject: Windom local sales tax

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Overview

Allows the city of Windom to impose up to a one percent sales tax based on voter approval on or by November 14, 2014. The city may also impose a \$20 per motor vehicle excise tax. Revenues from the taxes will fund public facilities and a revolving loan fund for the Windom EDA. Provides bonding authority. The taxes terminate at the earlier of 15 years or when the city deems revenues to be sufficient to fund the revolving loan fund.

Section

1 City of Windom; taxes authorized.

Subdivision 1. Sales and use tax authorized. Allows the city of Windom to impose up to a one percent sales tax based on voter approval at a general election on or by November 14, 2014.

Subd. 2. Excise fee authorized. The city may impose a \$20 per motor vehicle excise tax on all sales by licensed dealers in the city.

Subd. 3. Use of revenues. Requires the tax proceeds be used to fund unspecified public facilities and a revolving loan fund for the Windom Economic Development Authority (EDA). No dollar amount is specified.

Subd. 4. Bonding authority. Allows the city to issue bonds in an unspecified amount for the projects in subdivision 3.

Subd. 5. Termination of the tax. The taxes terminate at the earlier of 15 years, or when revenues are sufficient to fund the projects in subdivision 3.