

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 176

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Authors: Simonson and others

Subject: Modifying the use of Duluth food and beverage and lodging taxes

Analyst: Pat Dalton

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Overview

In 2014 the city of Duluth was allowed to add an additional ½ percent tax to its existing 1.75 percent food and beverage tax and its 1.0 percent lodging tax to pay for up to \$18 million in tourism and recreation improvements in West Duluth. These taxes replaced similar taxes which had expired that were used to fund the Great Lakes Aquarium and improvements to the Duluth entertainment and convention center. This bill moves the boundary line defining the area in West Duluth in which the revenue may be spent.

Section

- 1 **Duluth food and beverage tax.** Changes the boundary line defining the area in which Duluth may spend revenues from its extra ½ percent food and beverage tax from 34th Avenue West to 14th Avenue west.
- 2 **Duluth hotel and motel tax.** Changes the boundary line defining the area in which Duluth may spend revenues from its extra ½ percent lodging tax from 34th Avenue West to 14th Avenue west.