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**Subject:** Allows the city of Fergus Falls to impose a local sales tax for its library

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### Overview

Allows the city of Fergus Falls to impose a local sales tax of up to one-half of one percent to fund expansion and betterment of the Fergus Fall Public Library. The voters approved this at the 2016 general election. The city would be authorized to bond for up to \$9.8 million for the project without an additional vote. The tax would expire at the earlier of 12 years or when revenues are sufficient to pay off the bonds.

#### Section

##### **1 City of Fergus Falls; taxes authorized.**

**Subd. 1. Sales and use tax authorization.** Allows the city of Fergus Falls to impose up to a one-half of one percent local sales tax, based on voter approval at the 2016 general election.

**Subd. 2. Use of sales and use tax revenue.** Allows the city to use revenue from the local sales tax to fund expansion and betterment of the Fergus Fall Public Library, including associated bond costs.

**Subd. 3. Bonding authority.** Allows the city to issue up to an amount equal to \$9.8 million plus the cost of issuing the bonds without additional voter approval. The bonds are not included in computing the city's debt limit.

**Subd. 4. Termination of tax.** The tax terminates at the earlier of 12 years after imposition or when funds are sufficient to pay off the bonds. The council may choose to terminate the tax at an earlier date.