HOUSE RESEARCH

Bill Summary

File Number:	H.F. 191	**Date:**	February 28, 2017
Version:	As introduced		

Authors: Sundin and others

Subject: Allows the city of Moose Lake to impose a local sales tax for various projects

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Overview

Allows the city of Moose Lake to impose a local sales tax of up to one-half of one percent to fund: (1) city park improvements; (2) street and related infrastructure improvements; and (3) improvements to its municipal arena. The voters approved this at the 2012 general election. The city would be authorized to bond for up to $3 million for the projects without an additional vote. The tax would expire at the earlier of 20 years or when revenues are sufficient to pay off the bonds.

Section

1   **City of Moose Lake; taxes authorized.**

    Subd. 1. Sales and use tax authorization. Allows the city of Moose Lake to impose up to a one-half of one percent local sales tax, based on voter approval at the 2012 general election.

    Subd. 2. Use of sales and use tax revenue. Allows the city to use revenue from the local sales tax to pay for: (1) city park improvements; (2) street and related infrastructure improvements; and (3) improvements to its municipal arena, including engineering costs and associated bond costs.

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

Section

        Subd. 4. Termination of tax. The tax terminates at the earlier of 20 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.