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**Subject:** Allows the city of East Grand Forks to impose a local sales tax for its swimming pool

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### Overview

Allows the city of East Grand Forks to impose a local sales tax of up to one percent to fund improvements to the city swimming pool. The voters approved this at a special election held March 7, 2016. The city would be authorized to issue bonds for up to \$2.82 million for the project without an additional vote. The tax would expire at the earlier of five years or when revenues are sufficient to pay off the bonds.

#### Section

#### **1 City of East Grand Forks; taxes authorized.**

**Subd. 1. Sales and use tax authorization.** Allows the city of East Grand Forks to impose up to a one percent local sales tax, based on voter approval at a special election held March 7, 2016.

**Subd. 2. Use of sales and use tax revenue.** Allows the city to use revenue from the local sales tax to fund improvements to the city swimming pool, including associated bond costs.

**Subd. 3. Bonding authority.** Allows the city to issue up to an amount equal to \$2.82 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 five 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.