

H.F. 651

As introduced

Subject West St. Paul local sales tax

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Overview

Allows the city of West St. Paul to impose a local sales tax of one-half of one percent to fund \$28 million plus associated bond costs for priority 1 and priority 2 street projects identified in the city's pavement management plan. The tax expires at the earlier of 20 years or when allowed revenues are raised.

Summary

Section Description

1 City of West St. Paul tax authorized.

Subd. 1. Sales and use tax authorization. Based on approval by the voters at the 2018 general election, allows the city to impose a local sales and use tax of one-half of one percent to fund the projects described in subdivision 2.

Subd. 2. Use of sales and use tax revenues. Allows the city to fund \$28 million, plus associated bond costs, for priority 1 and priority 2 street projects identified in the city's pavement management plan.

Subd. 3. Bonding authority. Allows the city to issue up to \$28 million in bonds to fund the projects in subdivision 2 without another referendum. Excludes the bonds from the city's debt limits.

Subd. 4. Termination of tax. The tax terminates at the earlier of 20 years or when the city has received an amount equal to \$28 million plus associated bond costs. Any extra revenues after payment of the projects and bonds shall go to the city general fund. The city council may terminate the tax earlier if desired.

Effective upon the city complying with the approval and filing requirements for special laws.



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