

Subject Detroit Lakes local sales tax

Authors Marquart

Analyst Pat Dalton

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## Overview

Allows the city of Detroit Lakes to impose a local sales tax of one-half of one percent to finance \$6.7 million plus associated bond costs for a new police department facility. The tax expires at the earlier of ten years or when allowed revenues are raised.

## Summary

Section	Description
1	<p><b>City of Detroit Lakes tax authorized.</b></p> <p><b>Subd. 1. Sales and use tax authorization.</b> 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 project described in subdivision 2.</p> <p><b>Subd. 2. Use of sales and use tax revenues.</b> Allows the city to finance \$6.7 million, plus associated bond costs, for a new police department facility.</p> <p><b>Subd. 3. Bonding authority.</b> Allows the city to issue up to \$6.7 million in bonds to fund the projects in subdivision 2 without another referendum. Excludes the bonds from the city's debt limits.</p> <p><b>Subd. 4. Termination of tax.</b> The tax terminates at the earlier of ten years or when the city has received an amount equal to \$6.7 million plus associated bond costs. Any extra revenues after payment of the projects and bonds, due to the requirement that the tax must terminate at the end of a calendar quarter, shall go to the city general fund. The city council may terminate the tax earlier if desired.</p> <p>Effective upon the city complying with the approval and filing requirements for special laws.</p>



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