

H.F. 1318

With author's amendment (H1318A2)

Subject Lodging tax in Lake County and modification of the Two Harbors lodging tax

Authors Murphy

Analyst Pat Dalton

Date February 22, 2019

Overview

Allows Lake County to impose up to a four percent lodging tax in the county with three-fourths of the money going for countywide marketing and one-fourth for promoting events and festivals in specified cities. The tax is in addition to any lodging tax imposed by a city, town, or the county in an unorganized territory under the general lodging tax statute.

Also modifies the limit on the Two Harbors special lodging tax to account for the additional county lodging tax.

Summary

Section	Description
1	<p>Two Harbors lodging tax.</p> <p>Adjusts the cap on the lodging tax imposed in the city of Two Harbors from three percent to five percent to account for the new county lodging tax in section 2. Currently the city may impose a one percent lodging tax under special law but this tax combined with a tax imposed under the general lodging tax law cannot exceed three percent. This change will allow the city to retain the tax under special law but not impose the tax under general law if the county imposes its tax.</p> <p>Effective July 1, 2019.</p>
2	<p>Lake County lodging tax.</p> <p>Allows the county to impose a lodging tax of four percent countywide in addition to any tax currently imposed by any local government in the county under the general lodging tax statute. The funds must go to the Lake County Event and Visitor Bureau. The Bureau must use 75 percent of the revenues for marketing for the county and 25 percent of the revenues to promote festivals and events in the cities of Fall Lake, Beaver Bay, Silver Bay, Two Harbors, Knife River, Larsmont, Finland, and Isabella. The county board must approve the Bureau's annual budget before it may receive the funds.</p>

Section	Description
	Effective upon the county's compliance with approval and filing requirements for special law.



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