

Subject Willmar local sales tax

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Overview

Allows the city of Willmar to impose a local sales tax of up to one-half of one percent and up to a \$20 excise tax on commercial sales of motor vehicles to finance \$30 million plus associated bond costs, for improvements enumerated in subdivision 3. The tax expires at the earlier of 13 years or when allowed revenues are raised.

Summary

Section	Description
1	<p>City of Willmar tax authorized.</p> <p>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 up to one-half of one percent to fund the projects described in subdivision 3.</p> <p>Subd. 2. Excise tax authorized. Allows the city to impose up to a \$20 per vehicle excise tax on all commercial sales of motor vehicles in the city to fund the projects in subdivision 3.</p> <p>Subd. 3. Use of sales and use tax revenues. Allows the city to finance the up to \$30 million for the following projects, plus associated bond costs:</p> <ul style="list-style-type: none">• \$2 million for a community center replacement;• \$6 million for new athletic fields;• \$3 million for infrastructure improvements at Robins Island Regional Park;• \$2 million for a playground and spectator amenities at Swansson Field Regional Park;• \$7 million for stormwater management improvements; and• \$10 million for a new recreation and event center.

Section	Description
	<p>Subd. 4. Bonding authority. Allows the city to issue up to \$30 million in bonds to fund the projects in subdivision 3 without another referendum. Excludes the bonds from the city's debt limits.</p>
	<p>Subd. 5. Termination of tax. The tax terminates at the earlier of 15 years after imposition or when the city has received an amount equal to \$25 million plus associated bond costs. Any extra revenues after payment of the projects and bonds, due to the requirement that local taxes terminate at the end of 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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