

Subject Sales tax construction exemption for Minneota school

Authors Swedzinski and Schomacker

Analyst Pat Dalton

Date March 18, 2019

Overview

Provides a sales tax exemption for construction materials for the remodeling, upgrading and expansion of the school building in Independent School District # 414 - Minneota. Since the project has started the tax is paid on the construction materials upfront and the school district applies for a refund of the tax.

Summary

Section	Description
1	<p>Minneota school.</p> <p>Allows a sales tax exemption for construction materials, supplies and equipment used in the remodeling, upgrading and expansion of the only school building in the school district. The exemption applies to purchases made by the contractor and subcontractors constructing the facility during the time period of January 1, 2018, and December 31, 2020.</p> <p>The tax is paid on the materials at the time of purchase and the school district may apply for a refund.</p>
2	<p>Tax collected (refund).</p> <p>Adds taxes collected under section 1 to the list of taxes for which a refund can be made. Because of the clause it was added to in the list of refundable taxes, the entity that can request the refund is the school district and the contractor and subcontractors are required to work with the school district in order to make sure it has the information needed to make the refund request.</p> <p>Effective the day after final enactment.</p>