

Subject Northfield local sales tax authority

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Overview

Allows the city of Northfield to impose a 0.5 percent local sales tax to fund construction, reconstruction, and improvements to a number of regional parks, trails, and open spaces specifically listed in its sales tax resolution. If approved by the voters, the city may raise \$13 million for the project plus bond costs. The tax will expire at the earlier of (1) 20 years after being imposed, or (2) when the necessary amounts are raised for the approved project.

Summary

Section	Description
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1	City of Northfield; taxes authorized.
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Subd. 1. Sales and use tax authorization. Allows the city of Northfield to impose a local sales and use tax of 0.5 percent if approved at a general election within two years of the authority being granted.

Subd. 2. Use of sales tax revenues. Allows the city to use the tax revenues to fund \$13 million for betterment of regional parks, trails, and open spaces. The specific locations of projects enumerated in the resolution include a number of sites listed in the Riverfront Corridor; sports and recreation facilities in Spring Creek Park, Sechler Park, Northfield Community Resource Center, and other defined areas to serve expanded needs; and the Memorial Park/Pool/Skateboard Park and Ice Arena.

Subd. 3. Bonding authority. Allows the city to bond for the project listed in subdivision 2 if the tax is approved by the voters. The amount of bonds that may be issued for the project is \$13 million plus capitalized interests and an amount needed to cover the costs of issuing the bonds. Issuance of the bonds are not subject to a separate vote and the bonds are not included in any debt or levy limits.

Subd. 4. Termination of the tax. The tax terminates at the earlier of (1) 20 years after being imposed, or (2) when revenues are sufficient to pay for the approved

Section **Description**

projects and any associated bond costs, subject to the requirements that the termination occurs at the start of a calendar quarter. Any excess revenue related to the timing of the termination goes into either the state or city general fund. The city may terminate the tax early by ordinance.



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