

Subject    Sauk Centre local sales tax

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Date        February 21, 2019

## Overview

Allows the city of Sauk Centre to impose a local sales tax of up to one-half of one percent and an excise tax of \$20 per motor vehicle sold commercially in the city. The city may use \$10 million in revenues plus associated bond costs from the taxes to fund transportation projects, including reconstruction of Trunk Highway 71, and projects in the city's capital improvement plan. The tax expires at the earlier of December 31, 2045, or when allowed revenues are raised.

## Summary

Section	Description
1	<p><b>City of Sauk Centre 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 up to one-half of one percent and an excise tax of \$20 per motor vehicle sold commercially in the city, to fund the projects listed in subdivision 2.</p> <p><b>Subd. 2. Use of sales and use tax revenues.</b> Allows the city to pay the amount, including associated bond costs, needed for transportation projects, including reconstruction of Trunk Highway 71, and projects in the city's capital improvement plan.</p> <p><b>Subd. 3. Bonding authority.</b> Allows the city to issue up to \$10 million in bonds to fund the project 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 December 31, 2045, or when the city has received an amount equal to \$10 million plus associated bond costs. Any extra revenues received after payment of the projects or bonds 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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