

Subject Glenwood local sales tax

Authors Anderson

Analyst Pat Dalton

Date February 28, 2019

Overview

Allows the city of Glenwood to impose a local sales tax of up to one-half of one percent to finance \$2.8 million plus associated bond costs for a street project, park and recreational facility improvements, and improvements to the city hall and police station. The tax expires at the earlier of 20 years or when allowed revenues are raised.

Summary

Section	Description
1	<p>City of Glenwood 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 one-half of one percent to fund the projects described in subdivision 2.</p> <p>Subd. 2. Use of sales and use tax revenues. Allows the city to finance the following, plus associated bond costs:</p> <ul style="list-style-type: none">• two phases of the 2nd Street SE improvements;• development, expansion, and improvements to park, trail, and recreational facilities; and• improvements to the Glenwood city hall and police station. <p>Subd. 3. Bonding authority. Allows the city to issue up to \$2.8 million in bonds to fund the projects in subdivision 2 without another referendum. Excludes the bonds from the city's debt limits.</p> <p>Subd. 4. Termination of tax. The tax terminates at the earlier of 20 years after imposition or when the city has received an amount equal to \$2.8 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>

Section	Description
	Effective upon the city complying with the approval and filing requirements for special laws.



**MN HOUSE
RESEARCH**

Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.

www.house.mn/hrd | 651-296-6753 | 600 State Office Building | St. Paul, MN 55155