

Subject Grand Rapids local sales tax authority

Authors Layman

Analyst Pat Dalton

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## Overview

Allows the city of Grand Rapids to impose a 1.0% local sales tax to fund renovations to the IRA Civic Center. \$10.98 million plus bond costs may be raised for the project and the tax will expire when the necessary amount is raised.

## Summary

Section	Description
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1	<b>City of Grand Rapids; taxes authorized.</b>
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**Subd. 1. Sales and use tax authorization.** Allows the city of Grand Rapids to impose a local sales and use tax of 1.0% 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 \$10.98 million in reconstruction, remodeling, and upgrades to the IRA Civic Center.

**Subd. 3. Bonding authority.** Allows the city to bond for \$10.98 million plus costs for issuing the bonds for the project listed in subdivision 2. 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 when revenues are sufficient to pay for the project 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.