

Subject Breckenridge local sales tax authority

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Overview

Allows the city of Breckenridge to impose a one percent local sales tax to fund the city's share of the Three Rivers Activity Complex which will be funded jointly with the city of Wahpeton, North Dakota. If the project is approved by the voters, the city may raise \$1.8 million for the project plus bond costs and the tax will expire at the earlier of (1) 12 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 Breckenridge; taxes authorized.
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Subd. 1. Sales and use tax authorization. Allows the city of Breckenridge to impose a local sales and use tax of one 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 \$1.8 million for the city's share of the Three Rivers Activity Complex.

Subd. 3. Bonding authority. Allows the city to bond for the project in subdivision 2 if approved by the voters. The amount of bonds that may be issued for each project is the amount listed in subdivision 2 plus 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) 12 years after being imposed, or (2) when revenues are sufficient to pay for the approved 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.



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