

Subject City of Grand Rapids; local sales tax authority

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Date March 1, 2021

Overview

Allows the city of Grand Rapids to impose a 0.50 percent local sales tax to fund renovations to the IRA Civic Center. \$5.98 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	City of Grand Rapids; taxes authorized.
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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 0.50 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 \$10.98 million in reconstruction, remodeling, and upgrades to the IRA Civic Center.

Subd. 3. Bonding authority. Allows the city to bond for \$5.98 million plus costs for issuing the bonds for the project listed in subdivision 2. Issuance of the bonds is 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) seven years, or (2) 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, by ordinance, terminate the tax early.