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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 104

01/22/2025

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The bill was read for the first time and referred to the Committee on Taxes

- 1.1A bill for an act
- 1.2relating to taxation; sales and use; providing a refundable exemption for
- 1.3construction materials for certain projects in the city of Watertown.
- 1.4BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5Section 1. CITY OF WATERTOWN; SALES TAX EXEMPTION FOR
- 1.6CONSTRUCTION MATERIALS.
- 1.7Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
- 1.8equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,
- 1.9or remodeling relating to the following projects in the city of Watertown are exempt from
- 1.10sales and use tax under Minnesota Statutes, chapter 297A:
- 1.11(1) construction of a new water tower provided that the materials, supplies, and equipment
- 1.12are purchased after April 30, 2024, and before February 1, 2026; and
- 1.13(2) construction of a wastewater treatment facility provided that the materials, supplies,
- 1.14and equipment are purchased after February 28, 2022, and before July 1, 2025.
- 1.15(b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
- 1.16297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
- 1.17for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). Refunds
- 1.18for eligible purchases must not be issued until after June 30, 2025.
- 1.19Subd. 2. Appropriation. The amount required to pay the refunds under subdivision 1
- 1.20is appropriated from the general fund to the commissioner of revenue.
- 1.21EFFECTIVE DATE. This section is effective retroactively for sales and purchases
- 1.22made after February 28, 2022, and before February 1, 2026.