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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 108

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 used in certain projects in the Hills-Beaver Creek
- 1.4Independent School District.
- 1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.6Section 1. HILLS-BEAVER CREEK INDEPENDENT SCHOOL DISTRICT; SALES
- 1.7AND USE TAX EXEMPTION FOR CONSTRUCTION MATERIALS.
- 1.8Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
- 1.9equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,
- 1.10or remodeling of the following projects in Independent School District No. 671, Hills-Beaver
- 1.11Creek, are exempt from sales and use tax imposed under Minnesota Statutes, chapter 297A,
- 1.12if the materials, supplies, and equipment are purchased after February 29, 2024, and before
- 1.13January 1, 2026:
- 1.14(1) a new elementary school and parking lot;
- 1.15(2) repairs to a gymnasium;
- 1.16(3) locker rooms;
- 1.17(4) a vehicle garage; and
- 1.18(5) a bus garage building.
- 1.19(b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
- 1.20297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
- 1.21for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).

- 2.1 Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1
- 2.2 is appropriated from the general fund to the commissioner of revenue.
- 2.3 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases
- 2.4 made after February 29, 2024, and before January 1, 2026.