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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 209

01/23/2025

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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 Fairmont.
- 1.4BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
- 1.5Section 1. CITY OF FAIRMONT; SALES AND USE 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 of a UV/biosolids project in the city of Fairmont are exempt from sales and
- 1.10use tax under Minnesota Statutes, chapter 297A, provided that the materials, supplies, and
- 1.11equipment are purchased after September 11, 2024, and before January 11, 2027.
- 1.12(b) Materials and supplies used or consumed in and equipment incorporated into the
- 1.13construction, reconstruction, upgrade, expansion, renovation, or remodeling of a storage
- 1.14tank project in the city of Fairmont are exempt from sales and use tax under Minnesota
- 1.15Statutes, chapter 297A, provided that the materials, supplies, and equipment are purchased
- 1.16after January 1, 2025, and before June 2, 2026.
- 1.17(c) Materials and supplies used or consumed in and equipment incorporated into the
- 1.18construction, reconstruction, upgrade, expansion, renovation, or remodeling of a public
- 1.19works building in the city of Fairmont are exempt from sales and use tax under Minnesota
- 1.20Statutes, chapter 297A, provided that the materials, supplies, and equipment are purchased
- 1.21after May 31, 2021, and before March 8, 2024.

- 2.1 (d) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
2.2 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
2.3 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). Refunds
2.4 for eligible purchases must not be issued until after June 30, 2025.
- 2.5 Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1,
2.6 paragraphs (a) to (c) is appropriated from the general fund to the commissioner of revenue.
- 2.7 **EFFECTIVE DATE.** (a) Subdivision 1, paragraph (a), is effective retroactively for
2.8 sales and purchases made after September 11, 2024, and before January 11, 2027.
- 2.9 (b) Subdivision 1, paragraph (b), is effective retroactively for sales and purchases made
2.10 after January 1, 2025, and before June 2, 2026.
- 2.11 (c) Subdivision 1, paragraph (c), is effective retroactively for sales and purchases made
2.12 after May 31, 2021, and before March 8, 2024.