



5525 Emerald Avenue · Mountain Iron, MN 55768
Phone: 218.235.0029 · Email: idarukavina@ramsmn.org

The Honorable Carla J. Nelson
Chair, Minnesota Senate Tax Committee
95 University Ave W.
St. Paul, MN 55155

April 19th, 2022

Dear Chair Nelson and Senate Tax Committee Members:

On behalf of the Range Association of Municipalities and Schools (RAMS), I want to thank you for hearing Senator David Tomassoni's Senate File 4031, providing construction sales tax exemptions for public schools in Ely, Hibbing, Rock Ridge (Virginia/Eveleth/Gilbert), Chisholm, Duluth, Nashwauk-Keewatin, Northland Learning Center (Virginia) and Northern Lights Academy (Esko/Cloquet).

The RAMS Board of Directors, consisting of 24 elected officials from across the Iron Range included this bill as one of the Legislative Priorities we support in 2022. We humbly ask that you consider including this effort in any additional tax bills introduced into the Minnesota Senate this Legislative Session.

As you no doubt know, under current law, for school districts to receive the benefit of the local government sales tax exemption for construction projects, they must follow a cumbersome set of rules. The current required process to secure the sales tax exemption adds considerable risk and potential cost to the contracting process, and as a result, many school districts choose not to pursue the sales tax exemption at all.

Senate File 4031 will make it easier for school district construction projects to take advantage of this exemption, thus allowing them to reinvest that money back into the projects. This is particularly important right now because of supply chain issues and dramatic inflationary increases in construction costs.

Again, Chair Nelson and Senators, we appreciate you hearing this bill and urge your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Ida Rukavina".

Ida Rukavina
Executive Director

CC: Senate Tax Committee Members
Senator David Tomassoni
Senator Tom Bakk
Senator Justin Eichorn

"One Range...One Voice"