

1.1 Senator moves to amend the delete-everything amendment (SCH3669A-1)
1.2 to H.F. No. 3669 as follows:

1.3 Page 32, line 1, after "individual" insert a comma and after "trust" insert a comma and
1.4 after "estate" insert a comma

1.5 Page 37, line 7, delete "have" and insert "were born before December 31, 1967,"

1.6 Page 37, line 8, delete everything before "and"

1.7 Page 42, delete lines 5 and 6

1.8 Page 42, after line 26, insert:

1.9 "(d) The commissioner shall annually adjust the income amount in paragraph (a) as
1.10 provided in section 270C.22. The statutory year is 2022."

1.11 Page 44, line 10, delete "and (2)" and insert "to (3)"

1.12 Page 44, line 11, after "filers" insert ", estates, or trusts,"

1.13 Page 44, line 14, delete everything after "(2)"

1.14 Page 44, line 15, delete "(i)" and insert "100 percent of the amount paid"

1.15 Page 44, line 17, delete "(ii)" and insert "(3) 50 percent of the amount paid"

1.16 Page 45, delete lines 26 and 27

1.17 Page 46, line 16, after "makes" insert "or is transferred"

1.18 Page 49, line 28, delete "deceased" and insert "predeceased" and delete everything after
1.19 "decedent,"

1.20 Page 49 line 29, delete everything before "but"

1.21 Page 51, line 9, delete "may" and insert "must"

1.22 Page 51, line 13, delete everything after the period

1.23 Page 51, line 14, delete everything before "the" and delete everything after
1.24 "representative" and insert "of a decedent's estate"

1.25 Page 51, line 15, delete everything before "affirmatively" and insert "must state"

1.26 Page 51, line 16, delete "not"

1.27 Page 51, line 31, delete "2030" and insert "2031"

1.28 Page 56, after line 12, insert:

2.1 "Sec. 6. Minnesota Statutes 2021 Supplement, section 297A.71, subdivision 52, is amended
2.2 to read:

2.3 Subd. 52. **Construction; certain local government facilities.** (a) Materials and supplies
2.4 used in and equipment incorporated into the construction, reconstruction, upgrade, expansion,
2.5 or remodeling of the following local government owned facilities are exempt:

2.6 (1) a new fire station, which includes firefighting, emergency management, public safety
2.7 training, and other public safety facilities in the city of Monticello if materials, supplies,
2.8 and equipment are purchased after January 31, 2019, and before January 1, 2022;

2.9 (2) a new fire station, which includes firefighting and public safety training facilities
2.10 and public safety facilities, in the city of Inver Grove Heights if materials, supplies, and
2.11 equipment are purchased after June 30, 2018, and before January 1, 2021;

2.12 (3) a fire station and police station, including access roads, lighting, sidewalks, and
2.13 utility components, on or adjacent to the property on which the fire station or police station
2.14 are located that are necessary for safe access to and use of those buildings, in the city of
2.15 Minnetonka if materials, supplies, and equipment are purchased after May 23, 2019, and
2.16 before January 1, 2022;

2.17 (4) the school building in Independent School District No. 414, Minneota, if materials,
2.18 supplies, and equipment are purchased after January 1, 2018, and before January 1, 2021;

2.19 (5) a fire station in the city of Mendota Heights, if materials, supplies, and equipment
2.20 are purchased after December 31, 2018, and before January 1, 2021; ~~and~~

2.21 (6) a Dakota County law enforcement collaboration center, also known as the Safety
2.22 and Mental Health Alternative Response Training (SMART) Center, if materials, supplies,
2.23 and equipment are purchased after June 30, 2019, and before July 1, 2021; and

2.24 (7) the North Metro Regional Public Safety Training Facility in Maple Grove, if materials,
2.25 supplies, and equipment are purchased after August 31, 2021, and before December 31,
2.26 2023.

2.27 (b) The tax must be imposed and collected as if the rate under section 297A.62,
2.28 subdivision 1, applied and then refunded in the manner provided in section 297A.75.

2.29 (c) The total refund for the project listed in paragraph (a), clause (3), must not exceed
2.30 \$850,000.

3.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and
3.2 applies retroactively to sales and purchases made during the period indicated for the project
3.3 in paragraph (a), clause (7).

3.4 Sec. 7. Minnesota Statutes 2020, section 297A.71, is amended by adding a subdivision to
3.5 read:

3.6 Subd. 54. **Construction materials purchased by contractors; exemption for certain**
3.7 **entities.** (a) Materials and supplies used or consumed in and equipment incorporated into
3.8 the construction, reconstruction, repair, maintenance, or improvement of buildings or
3.9 facilities used principally by school districts, as defined under section 297A.70, subdivision
3.10 2, paragraph (c) are exempt.

3.11 (b) Materials and supplies used or consumed in and equipment incorporated into the
3.12 construction, reconstruction, repair, maintenance, or improvement of public infrastructure
3.13 of any kind, including but not limited to roads, bridges, culverts, drinking water facilities,
3.14 and wastewater facilities, purchased by a contractor, subcontractor, or builder as part of a
3.15 contract with a school district, as defined under section 297A.70, subdivision 2, paragraph
3.16 (c), are exempt.

3.17 (c) The tax on purchases exempt under this subdivision must be imposed and collected
3.18 as if the rate under section 297A.62, subdivision 1, applied, and then refunded in the manner
3.19 provided in section 297A.75.

3.20 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
3.21 30, 2024."

3.22 Page 56, after line 20, insert:

3.23 "Sec. 9. Minnesota Statutes 2021 Supplement, section 297A.75, subdivision 1, is amended
3.24 to read:

3.25 Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following
3.26 exempt items must be imposed and collected as if the sale were taxable and the rate under
3.27 section 297A.62, subdivision 1, applied. The exempt items include:

3.28 (1) building materials for an agricultural processing facility exempt under section
3.29 297A.71, subdivision 13;

3.30 (2) building materials for mineral production facilities exempt under section 297A.71,
3.31 subdivision 14;

- 4.1 (3) building materials for correctional facilities under section 297A.71, subdivision 3;
- 4.2 (4) building materials used in a residence for veterans with a disability exempt under
4.3 section 297A.71, subdivision 11;
- 4.4 (5) elevators and building materials exempt under section 297A.71, subdivision 12;
- 4.5 (6) materials and supplies for qualified low-income housing under section 297A.71,
4.6 subdivision 23;
- 4.7 (7) materials, supplies, and equipment for municipal electric utility facilities under
4.8 section 297A.71, subdivision 35;
- 4.9 (8) equipment and materials used for the generation, transmission, and distribution of
4.10 electrical energy and an aerial camera package exempt under section 297A.68, subdivision
4.11 37;
- 4.12 (9) commuter rail vehicle and repair parts under section 297A.70, subdivision 3, paragraph
4.13 (a), clause (10);
- 4.14 (10) materials, supplies, and equipment for construction or improvement of projects and
4.15 facilities under section 297A.71, subdivision 40;
- 4.16 (11) materials, supplies, and equipment for construction, improvement, or expansion of
4.17 a biopharmaceutical manufacturing facility exempt under section 297A.71, subdivision 45;
- 4.18 (12) enterprise information technology equipment and computer software for use in a
4.19 qualified data center exempt under section 297A.68, subdivision 42;
- 4.20 (13) materials, supplies, and equipment for qualifying capital projects under section
4.21 297A.71, subdivision 44, paragraph (a), clause (1), and paragraph (b);
- 4.22 (14) items purchased for use in providing critical access dental services exempt under
4.23 section 297A.70, subdivision 7, paragraph (c);
- 4.24 (15) items and services purchased under a business subsidy agreement for use or
4.25 consumption primarily in greater Minnesota exempt under section 297A.68, subdivision
4.26 44;
- 4.27 (16) building materials, equipment, and supplies for constructing or replacing real
4.28 property exempt under section 297A.71, subdivisions 49; 50, paragraph (b); and 51;
- 4.29 (17) building materials, equipment, and supplies for qualifying capital projects under
4.30 section 297A.71, subdivision 52; ~~and~~

5.1 (18) building materials, equipment, and supplies for constructing, remodeling, expanding,
5.2 or improving a fire station, police station, or related facilities exempt under section 297A.71,
5.3 subdivision 53; and

5.4 (19) building construction or reconstruction materials, supplies, and equipment exempt
5.5 under section 297A.71, subdivision 54.

5.6 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
5.7 30, 2024.

5.8 Sec. 10. Minnesota Statutes 2021 Supplement, section 297A.75, subdivision 2, is amended
5.9 to read:

5.10 Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the
5.11 commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must
5.12 be paid to the applicant. Only the following persons may apply for the refund:

5.13 (1) for subdivision 1, clauses (1), (2), and (14), the applicant must be the purchaser;

5.14 (2) for subdivision 1, clause (3), the applicant must be the governmental subdivision;

5.15 (3) for subdivision 1, clause (4), the applicant must be the recipient of the benefits
5.16 provided in United States Code, title 38, chapter 21;

5.17 (4) for subdivision 1, clause (5), the applicant must be the owner of the homestead
5.18 property;

5.19 (5) for subdivision 1, clause (6), the owner of the qualified low-income housing project;

5.20 (6) for subdivision 1, clause (7), the applicant must be a municipal electric utility or a
5.21 joint venture of municipal electric utilities;

5.22 (7) for subdivision 1, clauses (8), (11), (12), and (15), the owner of the qualifying
5.23 business;

5.24 (8) for subdivision 1, clauses (9), (10), (13), (17), and (18), the applicant must be the
5.25 governmental entity that owns or contracts for the project or facility; ~~and~~

5.26 (9) for subdivision 1, clause (16), the applicant must be the owner or developer of the
5.27 building or project; and

5.28 (10) for subdivision 1, clause (19), the applicant must be the entity listed in section
5.29 297A.71, subdivision 54, paragraph (a), that principally uses the building or facility.

5.30 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
5.31 30, 2024.

6.1 Sec. 11. Minnesota Statutes 2021 Supplement, section 297A.75, subdivision 3, is amended
6.2 to read:

6.3 Subd. 3. **Application.** (a) The application must include sufficient information to permit
6.4 the commissioner to verify the tax paid. If the tax was paid by a contractor, subcontractor,
6.5 or builder, under subdivision 1, clauses (3) to (13) or (15) to ~~(18)~~ (19), the contractor,
6.6 subcontractor, or builder must furnish to the refund applicant a statement including the cost
6.7 of the exempt items and the taxes paid on the items unless otherwise specifically provided
6.8 by this subdivision. The provisions of sections 289A.40 and 289A.50 apply to refunds under
6.9 this section.

6.10 (b) An applicant may not file more than two applications per calendar year for refunds
6.11 for taxes paid on capital equipment exempt under section 297A.68, subdivision 5.

6.12 **EFFECTIVE DATE.** This section is effective for sales and purchases made after June
6.13 30, 2024."

6.14 Page 105, delete section 1 and insert:

6.15 "Section 1. Minnesota Statutes 2020, section 297A.99, subdivision 3, is amended to read:

6.16 Subd. 3. **Legislative authority required before voter approval; requirements for**
6.17 **adoption, use, termination.** (a) A political subdivision must receive legislative authority
6.18 to impose a local sales tax before submitting the tax for approval by voters of the political
6.19 subdivision. Imposition of a local sales tax is subject to approval by voters of the political
6.20 subdivision at a general election. The election must be conducted at a general election within
6.21 the two-year period after the governing body of the political subdivision has received
6.22 authority to impose the tax. If the authorizing legislation allows the tax to be imposed for
6.23 more than one project, ~~there must be~~ the political subdivision is not required to present each
6.24 project on the ballot. The political subdivision may present a separate question approving
6.25 the use of the tax revenue for each project. Regardless of whether the ballot presents a
6.26 separate question for each project, the question must state the project or projects proposed
6.27 to be funded with the tax, the amount for each project proposed to be funded with the tax,
6.28 and the estimated length of time the tax will be in effect. Notwithstanding the authorizing
6.29 legislation, a project that is not approved by the voters may not be funded with the local
6.30 sales tax revenue and the termination date of the tax set in the authorizing legislation must
6.31 be reduced proportionately based on the share of that project's cost to the total costs of all
6.32 projects included in the authorizing legislation.

7.1 (b) The proceeds of the tax must be dedicated exclusively to payment of the construction
7.2 and rehabilitation costs and associated bonding costs related to the specific capital
7.3 improvement projects that were approved by the voters under paragraph (a).

7.4 (c) The tax must terminate after the revenues raised are sufficient to fund the projects
7.5 approved by the voters under paragraph (a).

7.6 (d) After a sales tax imposed by a political subdivision has expired or been terminated,
7.7 the political subdivision is prohibited from imposing a local sales tax for a period of one
7.8 year.

7.9 (e) Notwithstanding paragraph (a), if a political subdivision received voter approval to
7.10 seek authority for a local sales tax at the November 6, 2018, general election and is granted
7.11 authority to impose a local sales tax before January 1, 2021, the tax may be imposed without
7.12 an additional referendum provided that it meets the requirements of subdivision 2 and the
7.13 list of specific projects contained in the resolution does not conflict with the projects listed
7.14 in the approving referendum.

7.15 (f) If a tax is terminated because sufficient revenues have been raised, any amount of
7.16 tax collected under subdivision 9, after sufficient revenues have been raised and before the
7.17 quarterly termination required under subdivision 12, paragraph (a), that is greater than the
7.18 average quarterly revenues collected over the immediately preceding 12 calendar months
7.19 must be retained by the commissioner for deposit in the general fund.

7.20 **EFFECTIVE DATE.** This section is effective for local sales taxes authorized in Laws
7.21 2021, First Special Session chapter 14, article 8, and thereafter."

7.22 Page 113, after line 19, insert:

7.23 "Sec. 11. Laws 2021, First Special Session chapter 14, article 8, section 14, subdivision
7.24 4, is amended to read:

7.25 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
7.26 earlier of: (1) ~~22~~ 30 years after the tax is first imposed; or (2) when the city council
7.27 determines that the amount received from the tax is sufficient to pay for the project costs
7.28 authorized under subdivision 2 for the project approved by voters as required under
7.29 Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient
7.30 to pay the costs related to issuance of any bonds authorized under subdivision 3, including
7.31 interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99,
7.32 subdivision 3, paragraph (f), any funds remaining after payment of allowed costs due to the
7.33 timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision

8.1 12, shall be placed in the general fund of the city. The tax imposed under subdivision 1 may
8.2 expire at an earlier time if the city so determines by ordinance.

8.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
8.4 city of Moorhead and its chief clerical officer comply with Minnesota Statutes, section
8.5 645.021, subdivisions 2 and 3.

8.6 Sec. 12. Laws 2021, First Special Session chapter 14, article 8, section 15, is amended to
8.7 read:

8.8 **Sec. 15. CITY OF OAKDALE; TAXES AUTHORIZED.**

8.9 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,
8.10 section 477A.016, or any other ordinance or city charter, and if approved by the voters at
8.11 a general election as required under Minnesota Statutes, section 297A.99, subdivision 3,
8.12 the city of Oakdale may impose, by ordinance, a sales and use tax of one-half of one percent
8.13 for the purposes specified in subdivision 2. Except as otherwise provided in this section,
8.14 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
8.15 collection, and enforcement of the tax authorized under this subdivision. The tax imposed
8.16 under this subdivision is in addition to any local sales and use tax imposed under any other
8.17 special law.

8.18 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized
8.19 under subdivision 1 must be used by the city of Oakdale to pay the costs of collecting and
8.20 administering the tax and paying for the following projects in the city, including securing
8.21 and paying debt service on bonds issued to finance all or part of the following projects:

8.22 (1) \$22,000,000 plus associated bonding costs for construction of a new public works
8.23 facility; and

8.24 (2) \$15,000,000 plus associated bonding costs for construction and rehabilitation, and
8.25 associated building costs of the police department facility.

8.26 Subd. 3. **Bonding authority.** (a) The city of Oakdale may issue bonds under Minnesota
8.27 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in
8.28 subdivision 2. The aggregate principal amount of bonds issued under this subdivision may
8.29 not exceed: (1) \$22,000,000 for the project listed in subdivision 2, clause (1), plus an amount
8.30 applied to the payment of costs of issuing the bonds; and (2) \$15,000,000 for the projects
8.31 listed in subdivision 2, clause (2), plus an amount applied to the payment of costs of issuing
8.32 the bonds. The bonds may be paid from or secured by any funds available to the city of

9.1 Oakdale, including the tax authorized under subdivision 1. The issuance of bonds under
9.2 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

9.3 (b) The bonds are not included in computing any debt limitation applicable to the city.
9.4 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest
9.5 on the bonds is not subject to any levy limitation. A separate election to approve the bonds
9.6 under Minnesota Statutes, section 475.58, is not required.

9.7 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the
9.8 earlier of: (1) ~~25~~ 30 years after the tax is first imposed; or (2) when the city council
9.9 determines that the city has received from this tax \$37,000,000 to fund the projects listed
9.10 in subdivision 2, plus an amount sufficient to pay costs related to issuance of any bonds
9.11 authorized in subdivision 3, including interest on the bonds. Except as otherwise provided
9.12 under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds remaining
9.13 after payment of the allowed costs due to timing of the termination under Minnesota Statutes,
9.14 section 297A.99, shall be placed in the city's general fund. The tax imposed under subdivision
9.15 1 may expire at an earlier time if the city so determines by ordinance.

9.16 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
9.17 city of Oakdale and its chief clerical officer comply with Minnesota Statutes, section 645.021,
9.18 subdivisions 2 and 3."

9.19 Page 133, line 2, delete "a project" and insert "projects"

9.20 Page 133, line 3, delete "ten percent" and insert "\$3,000,000. This limitation applies to
9.21 the total amount for all projects included in the authorization for a political subdivision and
9.22 does not apply to each project authorized"

9.23 Page 133, line 5, after "project" insert "and submit the resolution to the state auditor no
9.24 later than August 31 of the year the political subdivision presents the tax for voter approval
9.25 as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a)"

9.26 Page 133, line 12, after "project" insert "and submits the resolution to the state auditor
9.27 no later than August 31 of the year the political subdivision presents the tax for voter approval
9.28 as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a)"

9.29 Page 154, line 9, after "percent" insert ", or any rate specified by the recipient"

9.30 Page 156, line 28, strike "nine" and insert "five"

9.31 Page 156, line 29, delete "\$9,000" and insert "\$5,000"

- 10.1 Page 157, line 14, delete "\$29,800,000" and insert "\$30,100,000" and delete
- 10.2 "\$28,700,000" and insert "\$29,300,000"
- 10.3 Renumber the sections in sequence and correct the internal references