

March 15, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 2149 (Igo) / S.F. 2686 (Farnsworth)

	Fund Impact			
	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
	(000's)			
General Fund	(\$150)	(\$150)	(\$150)	\$0
Natural Resources and Arts Funds	(\$10)	(\$10)	(\$10)	\$0
Total – All Funds	(\$160)	(\$160)	(\$160)	\$0

Effective for sales and purchases made after April 30, 2021, and before January 1, 2025.

EXPLANATION OF THE BILL

The bill would exempt materials and supplies used or consumed in and equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation, or remodeling of the Itasca County courthouse and new correctional facility. The exemption would only apply to purchases made after April 30, 2021, and before January 1, 2025.

REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by the Itasca County Administrator.
- The total cost of materials is estimated to be \$6.8 million.
- The project began in 2021 and will be completed in 2024. The distribution of expected refund claims is assumed based on the project timeline.

Minnesota Department of Revenue
Tax Research Division
<https://www.revenue.state.mn.us/revenue-analyses>