



**LOCAL SALES TAX
Tax Extension**

March 24, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 1748 (Myers) / S.F. 1667 (Morrison)

Excelsior has imposed a 0.5% local sales tax since 2019. Revenue from the tax is used to finance authorized expenses from the Common Master Plan approved in 2017. Authorized expenses would include accessibility improvements, beach area and facilities enhancements, shoreline erosion management, improvement to playground equipment and port and bandshell redesign.

The bill would allow the city of Excelsior to collect additional revenue from the currently imposed tax. Additional revenue collected from the tax would be used to finance the improvements indicated in the Common Master Plan passed by the city council in 2023, including debt service.

The bill would increase the authority to issue bonds by \$23 million plus the cost of issuance. The tax would expire at the earlier of 25 years or when the city determines \$30 million has been raised.

The bill would have no impact on any state fund.

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

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