



**LOCAL SALES AND USE TAX
City of Fergus Falls**

March 24, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 2198 (Backer) / S.F. 2127 (Rasmusson)

The city of Fergus Falls currently has the authorization to impose a sales and use tax of 0.5% to finance \$7.8 million for an aquatics center and \$5.2 million for the DeLagoon Improvement Project. The tax would expire the earlier of December 31, 2037, or when the city council determines the amount received is sufficient to cover the project costs.

The bill authorizes the city of Fergus Falls to increase the project and bonding cost for the aquatics center by \$3 million as approved by the voters at the November 8, 2022, general election.

The bill would have no impact on state taxes.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

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