



**LOCAL SALES AND USE TAX  
City of Blackduck**

March 24, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of H.F. 2595 (Bliss) / S.F. 2785 (Green)

The bill authorizes the city of Blackduck to impose a sales and use tax of up to 0.5%, if approved by the voters at a general election. The proceeds would be used to finance the following projects in the city: \$200,000 for electricity and utility improvements at the city campground, \$250,000 for construction of a playground and ADA-compliant restroom at the city wayside rest, \$300,000 for trail extensions and improvements adjacent to Wayside Rest Park, \$150,000 for city golf course irrigation improvements and \$100,000 for the rehabilitation of the Blackduck Community Library.

The bill authorizes a bond issuance of up to \$1 million plus bond costs. The tax would terminate at the earlier of 20 years after the tax is first imposed or when the city council determines that sufficient funds have been received to pay for the costs of the project and bonds. The tax may expire earlier if the city so determines by ordinance.

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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