

March 27, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 2907 (Putnam) As Proposed to be Amended (SCS2907A-1)

The city of St. Joseph currently imposes a sales tax of 0.5%.

The bill authorizes the city of St. Joseph, if approved by the voters at a general election, to impose an additional sales and use tax of 0.5%.

The proceeds would be used to finance \$11 million of construction for Phase II of the St. Joseph community center expansion, and \$6 million of construction for Phases II and III of the improvements to East Park along the Sauk River in the city of St. Joseph. The bill also authorizes the city to issue up to \$17 million worth of bonds.

The tax would terminate at the earlier of seventeen years after the tax is first imposed, or when the city council determines that sufficient funds have been received from the tax to pay for the costs of the projects and bonds. The tax could expire earlier if the city so determines by ordinance.

The bill would have no impact on state taxes.

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