DEPARTMENT OF REVENUE

March 29, 2023

LOCAL SALES AND USE TAX City of Mounds View

	Yes	No
DOR Administrative		
Costs/Savings		X

Department of Revenue Analysis of H.F. 2733 (Moller) / S.F. 3143 (Xiong)

The bill authorizes the city of Mounds View to impose a sales and use tax of up to 1.5%, if approved by the voters at a general election.

The proceeds would be used to finance \$16.5 million for construction of an expanded community center into a regional amateur sports and recreational facility.

The bill authorizes a bond issuance of up to \$16.5 million plus bond costs. The tax would terminate at the earlier of 20 years from when 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 could 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 <u>https://www.revenue.state.mn.us/</u> <u>revenue-analyses</u>

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