



## SALES AND USE TAX City of Spring Lake Park

March 29, 2024

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of S.F.3470 (Kunesh) /H.F. 3696 (Koegel)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2024</u></b>	<b><u>F.Y. 2025</u></b>	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>
		(000's)		
General Fund	\$0	(\$170)	(\$170)	\$0
Natural Resources and Arts Funds	<u>\$0</u>	<u>(\$10)</u>	<u>(\$10)</u>	<u>\$0</u>
Total- All Funds	\$0	(\$180)	(\$180)	\$0

Effective retroactively for purchases made after December 31, 2023, and before January 1, 2026.

### EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction, reconstruction, upgrade, expansion, renovation, and remodeling of the city hall facility in the city of Spring Lake Park from the sales and use tax. The exemption would be administered as a refund and apply to purchases made after December 31, 2023, and before January 1, 2026. Refunds for eligible purchases must not be issued until after June 30, 2024.

### REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of the city of Spring Lake Park.
- Total construction costs for materials, supplies, and equipment are estimated to be \$5.24 million and the project will be finished in Fall 2024.
- It is assumed that all refunds will be filed and paid in fiscal year 2026.

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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