

March 29, 2024

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 4918 (Putnam) As Proposed to be Amended (SCS4918A-2)

	Fund Impact			
	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
		(000's)		
General Fund	\$0	(\$960)	(\$960)	(\$960)
Natural Resources and Arts Funds	\$0	(\$60)	(\$60)	(\$60)
Total – All Funds	\$0	(\$1,020)	(\$1,020)	(\$1,020)

Effective for sales and purchases made after May 31, 2024, and before June 1, 2026.

EXPLANATION OF THE BILL

The bill would exempt materials and supplies used in and equipment incorporated into private redevelopment projects on selected parcels of the city of St. Cloud in Stearns and Benton counties. The exemption would be administered as a refund and only apply to purchases made after May 31, 2024, and before June 1, 2026. The Commissioner of Revenue must not pay more than \$3,053,000 in refunds for exempt purchases used on redevelopment projects in this district.

REVENUE ANALYSIS DETAIL

- It is assumed redevelopment projects will begin in 2024 and complete in 2026. The distribution of expected refund claims is based on the assumed timeline.

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