

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 220

(SENATE AUTHORS: DRAHEIM)

DATE	D-PG	OFFICIAL STATUS
01/16/2025	94	Introduction and first reading Referred to Taxes

1.1

A bill for an act

1.2

relating to taxation; sales and use; providing a refundable exemption for

1.3

construction materials for certain projects in the city of Fairmont.

1.4

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.5

Section 1. CITY OF FAIRMONT; SALES AND USE TAX EXEMPTION FOR

1.6

CONSTRUCTION MATERIALS.

1.7

Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and

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equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,

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or remodeling of a UV/biosolids project in the city of Fairmont are exempt from sales and

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use tax under Minnesota Statutes, chapter 297A, provided that the materials, supplies, and

1.11

equipment are purchased after September 11, 2024, and before January 11, 2027.

1.12

(b) Materials and supplies used or consumed in and equipment incorporated into the

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construction, reconstruction, upgrade, expansion, renovation, or remodeling of a storage

1.14

tank project in the city of Fairmont are exempt from sales and use tax under Minnesota

1.15

Statutes, chapter 297A, provided that the materials, supplies, and equipment are purchased

1.16

after January 1, 2025, and before June 2, 2026.

1.17

(c) Materials and supplies used or consumed in and equipment incorporated into the

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construction, reconstruction, upgrade, expansion, renovation, or remodeling of a public

1.19

works building in the city of Fairmont are exempt from sales and use tax under Minnesota

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Statutes, chapter 297A, provided that the materials, supplies, and equipment are purchased

1.21

after May 31, 2021, and before March 8, 2024.

2.1 (d) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
2.2 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided
2.3 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). Refunds
2.4 for eligible purchases must not be issued until after June 30, 2025.

2.5 Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1,
2.6 paragraphs (a) to (c) is appropriated from the general fund to the commissioner of revenue.

2.7 **EFFECTIVE DATE.** (a) Subdivision 1, paragraph (a), is effective retroactively for
2.8 sales and purchases made after September 11, 2024, and before January 11, 2027.

2.9 (b) Subdivision 1, paragraph (b), is effective retroactively for sales and purchases made
2.10 after January 1, 2025, and before June 2, 2026.

2.11 (c) Subdivision 1, paragraph (c), is effective retroactively for sales and purchases made
2.12 after May 31, 2021, and before March 8, 2024.