



SALES AND USE TAX
City of Chanhassen

February 14, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of S.F. 344 (Coleman) As Proposed to be Amended (SCS0344A-1)

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
			(000's)	
General Fund	\$0	\$0	(\$800)	(\$800)
Natural Resources and Arts Funds	<u>\$0</u>	<u>\$0</u>	<u>(\$50)</u>	<u>(\$50)</u>
Total- All Funds	\$0	\$0	(\$850)	(\$850)

Effective retroactively for purchases made after March 31, 2026, and before June 1, 2028.

EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction, reconstruction upgrade, expansion, renovation remodeling of the Chanhassen Bluffs Sports Complex in the city of Chanhassen from the sales and use tax. The exemption would be administered as a refund and apply to purchases made after March 31, 2026, and before June 1, 2028.

REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of the city of Chanhassen.
- Total construction costs for materials, supplies, and equipment are estimated to be \$24.8 million and the anticipated completion date is June 2028.
- The timing of refunds is assumed based on the project timeline.

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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