



It's Better
in Becker

Phone: 763.200.4239 12060 Sherburne Ave.
Fax: 763.261.4411 P.O. Box 250
www.ci.becker.mn.us Becker, MN 55308



Administration



Community
Center



Community
Development



Finance



Parks and
Recreation



Pebble Creek
Golf Club



Police
Department



Public Works

February 21, 2025

Senator Ann Rest, Chair
Senate Taxes Committee
St. Paul, MN 55155

RE: Support for SF 769 – Sales tax exemption for data center developments

Dear Senator Rest and Committee members,

The city of Becker supports the passage of SF 769 to extend sales tax exemption to data center projects. Becker is home to the Sherco Power plant, where the generating units are being retired between 2023 and 2030. The loss of this tax base represents approximately 65% of the city's total tax base. Transition aid was approved during the 2023 legislative session and will provide declining aid for that lost revenue over a 20-year period. The city, however, would prefer that we develop and attract business to replace that lost tax revenue, and this bill is critical to attracting data centers to Minnesota, and Becker in particular.

The city is engaged with two companies interested in constructing data centers in Becker. These potential projects represent significant capital investment, and the city supports the incentive of a sales tax exemption for these projects. If these proposed projects are constructed, they will result in an ongoing stream of new taxes and revenue being paid, such as corporate state taxes, income taxes, sales taxes paid on ancillary construction, and local property taxes.

This bill will put Minnesota on par with incentives offered by competing states, and the city supports passage of SF 769.

Regards,

Greg Lerud

Becker City Administrator