



S.F. No. 2727 – Sales tax exemption for construction materials used in redevelopment projects in St. Cloud (as proposed to be amended by the A-1 amendment)

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Section 1. St. Cloud; redevelopment districts sales and use tax exemption.

Subd. 1. Exemption; refund. Exempts materials and supplies used in and equipment incorporated into private redevelopment projects in Stearns County and Benton County provided the development is subject to property taxes. The redevelopment projects are identified by parcel numbers and the exemption includes materials and supplies used in and equipment incorporated into adjacent parcels, roads, and rights-of-way. The tax is paid upfront and the owner of the development project must apply for a refund.

Subd. 2. Appropriation; limit on refunds. Appropriates an amount sufficient to pay refunds for the items exempt under subdivision 1. No more than \$13 million may be paid in refunds. Refunds must be processed and issued in the order that complete and accurate applications are received by the commissioner.

Effective for sales and purchases made after July 1, 2025, and before January 1, 2029.

