

SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 2657

(SENATE AUTHORS: PAPPAS, Oumou Verbeten and Hawj)

DATE
03/17/2025

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867 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
 1.2 relating to taxation; sales and use; extending the city of St. Paul local sales tax;
 1.3 amending Laws 1993, chapter 375, article 9, section 46, subdivision 5, as amended.

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

1.5 Section 1. Laws 1993, chapter 375, article 9, section 46, subdivision 5, as amended by
 1.6 Laws 1998, chapter 389, article 8, section 32, Laws 2013, chapter 143, article 8, section 45,
 1.7 and Laws 2023, chapter 64, article 10, section 5, is amended to read:

1.8 Subd. 5. **Expiration of taxing authority.** (a) The authority granted by subdivision 1 to
 1.9 the city to impose a sales tax shall expire on December 31, ~~2042~~ 2060, or at an earlier time
 1.10 as the city shall, by ordinance, determine. Any funds remaining after completion of projects
 1.11 approved under subdivision 2, paragraph (a) and retirement or redemption of any bonds or
 1.12 other obligations may be placed in the general fund of the city.

1.13 (b) The tax imposed under subdivision 1a expires at the earlier of (1) 20 years after the
 1.14 tax is first imposed, or (2) when the city council determines that the amount of revenues
 1.15 received from the tax is sufficient to pay for the project costs authorized under subdivision
 1.16 2b for projects approved by the voters as required under Minnesota Statutes, section 297A.99,
 1.17 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance
 1.18 of the bonds under subdivision 3a, including interest on the bonds. Except as otherwise
 1.19 provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds
 1.20 remaining after payment of the allowed costs due to the timing of the termination of the tax
 1.21 under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general
 1.22 fund of the city. The tax imposed under subdivision 1a may expire at an earlier time if the
 1.23 city so determines by ordinance.

- 2.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
- 2.2 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota
- 2.3 Statutes, section 645.021, subdivisions 2 and 3.