



S.F. No. 2854 – Sales tax exemption for construction materials used in a research and development campus and related facilities

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Section 1. Research and development campuses. Provides a sales tax exemption for materials and supplies used or consumed in and equipment incorporated into the construction or improvement of a research and development campus, a customer experience center, and related onsite facilities. The campus must have laboratory space of at least 250,000 square feet and the project must have a total construction cost of at least \$200 million within a 32-month period. Sales tax must be paid upfront and refunded under the provisions of sections 2 to 4. The exemption expires on March 1, 2028.

Section 2. Tax collected. Adds a reference to the facilities described in section 1 to the requirement that sales tax must be paid upfront.

Section 3. Refund; eligible persons. Requires that only the owner or developer of the facility described in section 1 is allowed to submit a claim for a sales tax refund.

Section 4. Application. Requires that if the sales tax for materials used in the facility described in section 1 was paid by a contractor, subcontractor, or builder, the contractor, subcontractor, or builder must provide a statement to the owner or developer of the facility that includes the cost of exempt items and the sales taxes paid for purposes of the application for a refund.

Effective for sales and purchases made after June 30, 2025.

