

# MINNESOTA • REVENUE

## SALES AND USE TAX Regionwide Public Safety Radio Communication System

March 31, 2003

	<b>Yes</b>	<b>No</b>
Separate Official Fiscal Note Requested		<b>X</b>
<b>Fiscal Impact</b>		
DOR Administrative Costs/Savings		<b>X</b>

Department of Revenue  
Analysis of S.F. 93 (Betzold) / H.F. 954 (Abrams)

	<u>Revenue Gain or (Loss)</u>			
	<u>F.Y. 2004</u>	<u>F.Y. 2005</u>	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>
	(000's)			
General Fund	(\$350)	(\$815)	\$0	\$0

Effective the day after final enactment through July 31, 2005.

### EXPLANATION OF THE BILL

**Current Law:** The Metropolitan Radio Board has had a sales and use tax exemption for building a public safety radio communication system since August 1, 1997. The current exemption expires on August 1, 2003.

**Proposed Law:** The bill extends the sunset date two years to August 1, 2005.

### REVENUE ANALYSIS DETAIL

- The estimate was based on projected taxable expenditures by fiscal year provided by the Metropolitan Radio Board, multiplied by the 6.5% state sales tax rate.

**Number of Taxpayers:** One entity.

Source: Minnesota Department of Revenue  
Tax Research Division  
<http://www.taxes.state.mn.us/polic.html#analyses>