

MINNESOTA • REVENUE

SALES AND USE TAX

City of Rochester

April 4, 2005

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

Department of Revenue

Analysis of H.F. 797 (Bradley) / S.F. 942 (Kiscaden)

Fund Impact

	<u>F.Y. 2006</u>	<u>F.Y. 2007</u>	<u>F.Y. 2008</u>	<u>F.Y. 2009</u>
	(000's)			
General Fund	\$0	\$0	\$0	\$0

Effective the day after the Rochester city clerk files with the Secretary of State the documents required for local approval of special laws.

EXPLANATION OF THE BILL

Current Law: Minnesota Statutes, Section 477A.016, prohibits local units of government from imposing a new tax or increasing an existing tax on sales or income. The city of Rochester has imposed a sales and use tax under various special laws since 1983. The current rate is 0.5%. Current use of the tax revenues was specified in a 1998 special law.

Proposed Law: The bill amends the 1998 law to allow the tax proceeds to fund other facilities for community and student use in addition to the regional recreational and sports center located at or adjacent to the Rochester Center.

REVENUE ANALYSIS DETAIL

The bill has no impact on state funds.

Source: Minnesota Department of Revenue
Tax Research Division
http://www.taxes.state.mn.us/taxes/legal_policy

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