

## Garrison, Kathio, West Mille Lacs Lake Sanitary District 1.0 Percent Sales And Use Tax

Starting January 1, 2018, Garrison, Kathio, West Mille Lacs Lake Sanitary District (GKWMLL Sanitary Dist) will have a 1.0 percent sales and use tax. The Minnesota Department of Revenue will administer this tax. Revenues will fund the projects identified in the GKWMLL Sanitary Dist Water collection and sewer system in Ordinance No. 2017-01.

This 1.0 percent sales tax applies to retail sales made within GKWMLL Sanitary Dist. The use tax applies to taxable items used in the Sanitary District if the local sales tax was not paid.

For more information about local taxes, see Fact Sheet 164, Local Sales and Use Taxes. It is available on our website, [www.revenue.state.mn.us](http://www.revenue.state.mn.us).

### Who must register

All retailers who are doing business in GKWMLL Sanitary Dist and are registered for Minnesota sales tax. This includes sellers outside GKWMLL Sanitary Dist if they do any of the following:

- Have an office, distribution, sales, sample or warehouse locations, or other place of business in GKWMLL Sanitary Dist, either directly or by a subsidiary.
  - Have a representative, agent, salesperson, canvasser, or solicitor in GKWMLL Sanitary Dist, either on a permanent or temporary basis.
- This includes anyone, who operates under the authority of the retailer or its subsidiary for any purpose. Examples include repairing, selling, installing, or soliciting orders for the retailer's taxable goods or services, or leasing tangible personal property in GKWMLL Sanitary Dist.
- Ship or deliver tangible personal property into GKWMLL Sanitary Dist.
  - Perform taxable services in GKWMLL Sanitary Dist.

### Registering for the tax

If you file Sales and Use Tax returns online, you can register for this tax either before or when you file your January 2018 return.

#### To register before you file:

1. Log in to e-Services and access your Sales and Use Tax account.
2. Click the "Account Information" tab.
3. To edit locations, click "Sales Locations" under "Additional Information".

4. In the "Existing Locations" list, click the "Location Code" number for the location you wish to edit.
5. Click "Edit Location" at the bottom of the page. If the General Information and the NAICS code are correct, click the "Next" button to proceed to the next screen.
6. If the address information is correct, click the "Next" button to proceed to the next screen. Click "Next" again to proceed to the list of local sales taxes.
7. Click the check box for "GKWMLL Sanitary Dist sales" and "GKWMLL Sanitary Dist use" Click "Next."
8. Review the page to verify that the new local tax is listed under Local sales and Other Taxes – "GKWMLL Sanitary Dist sales" and "GKWMLL Sanitary Dist use." Then click "Submit."
9. Review the "Confirmation Summary," Print, and Close.

#### To register when you file:

You can add a local tax when filing a return:

1. Select the dropdown arrow next to the blank row on the return.
2. Select the local tax that you need to add.
3. Enter the dollar amount for this local tax.

The new tax will be on your return the next time you file.

**If you file by phone:** You must register for this tax before you file your return. To register, call 651-282-5225 or email us at [salesuse.tax@state.mn.us](mailto:salesuse.tax@state.mn.us). If you send an email, include your Minnesota tax ID number.

### Reporting the tax

Report the GKWMLL Sanitary Dist sales and use tax when you report your Minnesota Sales and Use tax. Each tax is reported on a separate line of your return. GKWMLL Sanitary Dist sales tax is line number 588; GKWMLL Sanitary Dist use tax is line number 589.

### Use tax

GKWMLL Sanitary Dist use tax applies when you are located in the District and you buy items or services without paying the GKWMLL Sanitary Dist sales tax.

Use tax is similar to sales tax and the rates are identical. It is based on your cost of taxable purchases. Common examples of when you owe use tax are when you:

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- Buy items on the Internet, by phone, or from any business for use in GKWMLL Sanitary Dist and the seller doesn't charge the local tax.
- Buy items for resale at your business in GKWMLL Sanitary Dist and then remove some of the items from inventory for business or personal use.

### Calculating the tax

To calculate the total tax due on a purchase:

1. Add the 6.875 percent state sales tax rate and the 1.0 percent GKWMLL Sanitary Dist tax rate.
2. Apply the combined 7.875 percent rate, plus any other local taxes that apply, to the sales price.

Refer to [Fact Sheet #164S](#), *Special Local Taxes*, for a list of special taxes that might apply.

3. Round the total to the nearest full cent.

You can download a 7.875 percent rate chart from our website or call us to request a paper rate chart.

### When to charge the tax

Charge the GKWMLL Sanitary Dist sales tax when customers buy taxable items or services in the District, unless they give you a valid exemption certificate.

The tax applies to purchases for business or personal use, even if the customer is from elsewhere or takes the items out of GKWMLL Sanitary Dist.

### Exemption certificates

If a customer gives you a fully completed exemption certificate for state sales tax, also use that certificate as proof of exemption from the GKWMLL Sanitary Dist sales and use tax.

### Local governments

Local governments are not required to pay the GKWMLL Sanitary Dist sales and use tax (or other local general sales taxes). No exemption certificate is necessary. But state sales tax may apply.

### Handling Transitional Sales

GKWMLL Sanitary Dist sales and use tax applies to sales on or after January 1, 2018, but the tax does not apply to the following:

- Lease payments for tangible personal property and motor vehicles that include periods before January 1, 2018. (The tax does apply to payments for periods that begin on or after that date.)
- The purchase of tangible personal property ordered before January 1, 2018, if the transfer of title or possession is prior to that date.
- The purchase of taxable services, including utility services, if the billing period includes charges for services furnished before and after January 1, 2018, (But the tax does apply if the billing period begins with services furnished on or after that date.)
- The purchase of admission tickets if they are paid for before January 1, 2018, even if the event occurs after that date.
- The purchase of construction materials used to complete a lump sum or fixed price construction contract that was signed and enforceable before January 1, 2018, but only if all the following are true:
  - The contract does not provide for an allocation of future taxes.
  - The materials are used exclusively in performing the contract.
  - The materials are delivered before July 1, 2018.

### Information and Assistance

Call: 651-296-6181 or toll-free 1-800-657-3777

Fax: 651-556-3102

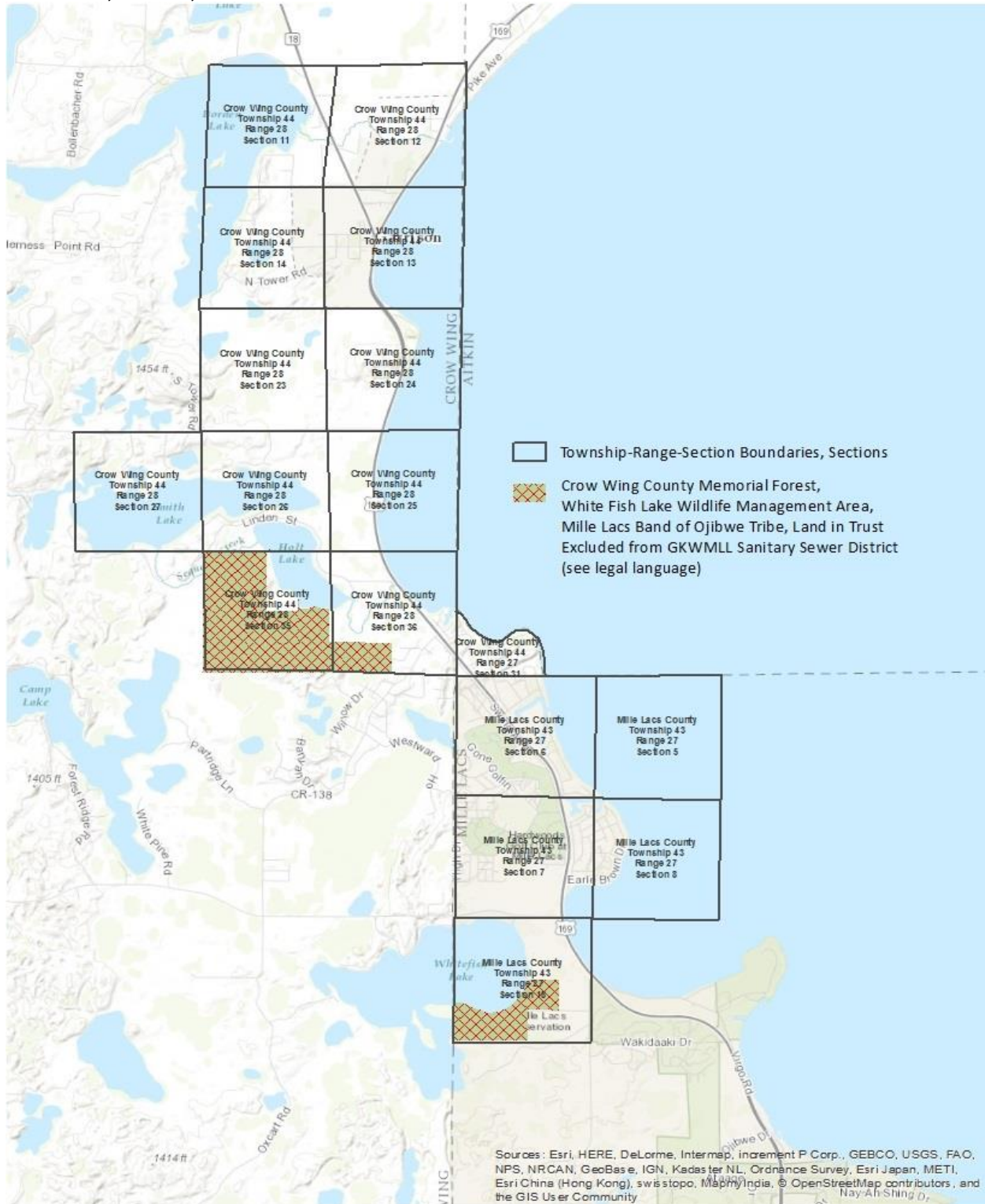
Email: [salesuse.tax@state.mn.us](mailto:salesuse.tax@state.mn.us)

Write: Minnesota Revenue  
Sales and Use Tax Division  
Mail Station 6330  
St. Paul, MN 55146-6330

Or visit our website at [www.revenue.state.mn.us](http://www.revenue.state.mn.us)

# Garrison, Kathio, West Mille Lacs Lake Sanitary District 1.0 Percent Sales And Use Tax

GARRISON, KATHIO, WEST MILLE LACS SANITARY DISTRICT BOUNDARY MAP



## Garrison, Kathio, West Mille Lacs Lake Sanitary District 1.0 Percent Sales And Use Tax

### DESCRIPTION OF SANITARY DISTRICT BOUNDARIES SUBAREA 2 THROUGH 4

Those parts of Sections 11, 12, 13, 14, 23, 24, 25, 26, 27, 35, and 36, Township 44, Range 28, and also that part of Section 31, Township 44, Range 27, Crow Wing County, Minnesota, and also those parts of Sections 5, 6, 7, 8, and 18, Township 43, Range 27, Mille Lacs County, Minnesota, described as follows:

Beginning at the Northeast corner of said Section 12; thence Southerly, along the East line of said Section 12, to its intersection with the Northwesterly shoreline of Mille Lacs Lake; thence generally Southerly, along said Northwesterly and Westerly shoreline, to its intersection with the East line of said Section 18; thence Southerly, along the East line of said Section 18, to the Southeast corner of said Section 18; thence Westerly, along the South line of said Section 18, to the Southwest corner of said Section 18; thence Northerly, along the West line of said Section 18 to the Northwest corner of said Section 18; thence Northerly, along the West line of said Section 7 to the Northwest corner of said Section 7; thence Northerly, along the West line of said Section 6, to the Northwest corner of said Section 6; thence Westerly along the South line of said Section 36, to the Southwest corner of said Section 36; thence Westerly, along the South line of said Section 35, to the Southwest corner of said Section 35; thence Northerly, along the West line of said Section 35, to the Northwest corner of said Section 35; thence Westerly, along the South line of said Section 27, to the Southwest corner of said Section 27; thence Northerly, along the West line of said Section 27, to the Northwest corner of said Section 27; thence Easterly, along the North line of said Section 27, to the Northeast corner of said Section 27; thence Northerly, along the West line of said Section 23, to the Northwest corner of said Section 23; thence Northerly, along the West line of said Section 14, to its intersection with the Southerly shoreline of Borden Lake; thence generally Northeasterly and Northerly, along said shoreline of Borden Lake, to its intersection with the Northerly line of said Section 11; thence Easterly, along said Northerly line of Section 11, to the Northeast corner of said Section 11; thence Easterly, along the North line of said Section 12, to the Northeast corner of said Section 12 and the point of beginning.

Except those parts of said Sections 7 and 18 held by the U.S.A. in trust for the Mille Lacs Band of Ojibwe Tribe.

And also except that part of said Section 18 which lies within the Whitefish State Wildlife Area.

And also except those parts of said Sections 35 and 36 which lie within the Crow Wing County Memorial Forest.

All of Sections 11, 12, 13, 14, 23, 24, 25, 26, 27, 35, and 36, Township 44, Range 28, Crow Wing County, Minnesota.

And also all of Section 31, Township 44, Range 27, Crow Wing County, Minnesota.

And also all of Sections 5, 6, 7, 8, and 18, Township 43, Range 27, Mille Lacs County, Minnesota.

Except those parts of said Sections 7 and 18 held by the U.S.A. in trust for the Mille Lacs Band of Ojibwe Tribe.

And also except that part of said Section 18 which lies within the Whitefish State Wildlife Area.

And also except those parts of said Sections 35 and 36 which lie within the Crow Wing County Memorial Forest.