

March 1, 2019

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 1456 (Sundin) / S.F. 1591 (Rarick)

The bill authorizes the city of Scanlon to impose a sales and use tax of up to 0.5%, as approved by the voters at the 2018 general election. The proceeds would be used to finance the capital costs of street improvements and utility infrastructure, including storm sewer and sanitary sewer improvements.

The bill authorizes a \$400,000 bond issuance. The tax would terminate the earlier of ten years after first imposition or when the city council determines that sufficient funds have been received to pay for the project costs. The tax may expire earlier if the city so determines by ordinance.

The bill would have no impact on any state taxes.

Source: Minnesota Department of Revenue
Tax Research Division
[www.revenue.state.mn.us/research_stats/Pages/
Revenue-Analyses.aspx](http://www.revenue.state.mn.us/research_stats/Pages/Revenue-Analyses.aspx)

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