DEPARTMENT OF REVENUE

LOCAL SALES AND USE TAX
City of St. Cloud

March 6, 2020

	Yes	No
DOR Administrative Costs/Savings		x

Department of Revenue
Analysis of H.F. 3792 (Wolgamott) / S.F. 3774 (Relph)

The bill authorizes the city of St. Cloud to impose a sales and use tax of 0.5%, if approved by the voters at a general election. The proceeds would be used to finance: 1) $24 million for multimodal transportation and utility improvements for 2nd/3rd Street North, 2) $23 million for multimodal transportation and utility improvements for 16th Street South/ Traverse Road/22nd Street South, 3) $16.5 million for multimodal transportation and utility improvements for County Road 136/Oak Grove Road/Maine Prairie Road, 4) $21.6 million for multimodal transportation and utility improvements for Lincoln Avenue/4th Street Southeast/7th Street Southeast, and 5) $28.7 million for the expansion and improvement of the Municipal Athletic Complex.

The bill authorizes a bond issuance of up to $113.8 million plus bond costs. The tax would terminate at the earlier of March 31, 2041, or when the city council determines that sufficient funds have been received to pay for the costs of the bonds. The tax may expire earlier if the city so determines by ordinance.

The bill would have no impact on state taxes.

Source: Minnesota Department of Revenue
Tax Research Division
https://www.revenue.state.mn.us/revenue-analyses

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