

March 1, 2021

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 280 (Urdahl) As Proposed to be Amended (H0280A1)

The bill authorizes the city of Litchfield to impose a sales and use tax of 0.5%, if approved by the voters at a general election held by November 5, 2024. The proceeds would be used to finance the construction of a community wellness and recreation center.

The bill authorizes a bond issuance of up to \$10 million plus bond costs. The tax would terminate at the earlier of 20 years after the tax is first imposed or when the city council determines that sufficient funds have been received to pay for the costs of the project and 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
[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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