

March 10, 2021

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 1300 (Theis) / S.F. 1289 (Putnam)

The bill authorizes the city of Waite Park to impose a sales and use tax of 0.5%, if approved by the voters at the general election. The tax would be in addition to the current 0.5% St. Cloud area local sales tax that applies in the city. The proceeds would be used to finance: (1) the 10th Avenue regional corridor project (\$10 million), (2) regional trail connections (\$7.5 million), and (3) construction and equipping of a public safety facility (\$20 million).

The bill authorizes a bond issuance of up to \$37.5 million plus bond costs. The tax would terminate at the earlier of 25 years after it is first imposed or when the city council determines that sufficient funds have been received to pay for the costs of the projects 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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