



**LOCAL SALES AND USE TAX
City of Moorhead**

March 24, 2021

| | Yes | No |
|---|------------|-----------|
| DOR Administrative Costs/Savings | | X |

Department of Revenue
Analysis of S.F. 1727 (Eken) As Proposed to be Amended (SCS1727A-1)

The bill authorizes the city of Moorhead 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 costs related to the construction of a regional library and community center.

As proposed to be amended, the bill authorizes a bond issuance of up to \$29.1 million plus bond costs and an unspecified amount for a reserve account. 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.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

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