



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

March 4, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 3703 (Grossell) / S.F. 3453 (Utke)

The bill authorizes the city of Blackduck 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 the improvements of the following projects in the city: \$200,000 for a city campground, \$300,000 for a walking trail, \$250,000 for a wayside rest, \$150,000 for golf course improvements and \$100,000 for the reconstruction of a library.

The bill authorizes a bond issuance of up to \$1 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
[https://www.revenue.state.mn.us/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)

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