DEPARTMENT OF REVENUE

April 22, 2022

LOCAL SALES AND USE TAX City of Warren

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

Department of Revenue Analysis of S.F. 4017 (Johnson) / H.F. 4789 (Burkel)

The city of Warren is currently authorized to impose a sales tax at 0.5% to finance the construction of a new childcare facility for \$1.6 million.

The bill increases the project cost of the new childcare facility to \$2.8 million. The authorized bond issuance is also increased to \$2.8 million. The tax termination date is increased to 35 years.

The bill would have no impact on state taxes.

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

sf4017(hf4789) Warren modified local tax_1 / tdh