

April 19, 2022

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 4176 (Howe) / H.F. 4594 (Demuth)

	Fund Impact			
	<u>F.Y. 2022</u>	<u>F.Y. 2023</u>	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>
			(000's)	
General Fund	\$0	\$0	(\$240)	(\$240)
Natural Resources and Arts Funds	<u>\$0</u>	<u>\$0</u>	<u>(\$10)</u>	<u>(\$10)</u>
Total – All Funds	\$0	\$0	(\$250)	(\$250)

Effective the day following final enactment.

EXPLANATION OF THE BILL

The bill provides an exemption from the sales and use tax for materials, supplies, and equipment used in the construction of the St. Joseph’s Jacob Wetterling Community Center. The exemption applies to purchases made after September 1, 2022, and before January 1, 2025. The exemption would be administered as a refund.

REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of the city of St. Joseph.
- It is estimated that construction costs for the community center will total \$18 million.
- It is estimated that taxable materials and supplies will total \$7.2 million.

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