DEPARTMENT OF REVENUE

March 10, 2023

LOCAL SALES AND USE TAX City of Chanhassen

	Yes	No
DOR Administrative		
Costs/Savings		Χ

Department of Revenue Analysis of H.F. 1420 (Rehm) / S.F. 798 (Coleman)

The bill authorizes the city of Chanhassen 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 construction of the Avienda Recreational Facility.

The bill authorizes a bond issuance of up to \$40 million plus bond costs. The tax would terminate at the earlier of 20 years after the tax is first imposed or when the county determines that sufficient funds have been received to pay for the costs of the project and bonds. The tax may expire earlier if the county so determines by ordinance.

The bill would have no impact on state taxes

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

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