



**LOCAL SALES AND USE TAX  
City of East Grand Forks**

March 10, 2023

	<b>Yes</b>	<b>No</b>
<b>DOR Administrative Costs/Savings</b>		<b>X</b>

Department of Revenue  
Analysis of H.F. 2129 (Kiel) / S.F. 2073 (Johnson)

The bill authorizes the city of East Grand Forks if approved by the voters at a general election held to impose a sales and use tax up to 1%.

The proceeds would be used to finance \$6.745 million for Civic Center Sports Complex, \$8 million for reconstructions and remodeling of and upgrades and additions to the VFW Memorial Arena and Blue Line Arena. The bill also authorizes the issuance of up to \$14.745 million worth of bonds plus bond costs for the projects listed above.

The tax would terminate at the earlier of 20 years from when first imposed or when the city council determines that sufficient revenues have been received from the tax to pay for the costs of the projects listed above. The tax could 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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