

March 15, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F. 2482 (Keeler) / S.F. 2177 (Kupec)

	Fund Impact			
	<u>F.Y. 2024</u>	<u>F.Y. 2025</u>	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>
	(000's)			
General Fund	\$0	(\$240)	(\$240)	(\$240)
Natural Resources and Arts Funds	\$0	(\$10)	(\$10)	(\$10)
Total – All Funds	\$0	(\$250)	(\$250)	(\$250)

Effective for sales and purchases made after February 29, 2024, and before April 1, 2027

EXPLANATION OF THE BILL

The bill would exempt materials and supplies used in and equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation, or remodeling of a regional library and community center in the city of Moorhead. The exemption would only apply to purchases made after February 29, 2024, and before April 1, 2027.

REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by City of Moorhead Governmental Affairs Director.
- The total project cost is estimated to be \$32.59 million.
- The total cost of materials is estimated to be \$15 million.
- The project will begin in 2024 and complete in 2027. The distribution of expected refund claims is assumed based on the project timeline.
- There will be additional costs outside of the 2027 forecast window.

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