



**LOCAL SALES AND USE TAX
City of Avon**

March 24, 2023

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of H.F.2624 (Demuth) / S.F. 2516 (Howe)

The bill authorizes the city of Avon to increase the amount of bonds paid from its local sales tax from \$1.5 million to \$8.1 million if approved by the voters at a general election held within two-year period after the bill becomes effective.

The tax would terminate at the earlier of December 31, 2045 or when the city council determines that \$8.1 million to pay for the costs of the projects plus an amount necessary to pay bond costs has been received from the tax. 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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