



**LOCAL SALES AND USE TAX  
Hibbing**

March 10, 2023

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

Department of Revenue  
Analysis of S.F. 2013 (Farnsworth) / H.F. 2136 (Igo)

The bill authorizes, if approved by the voters at a general election, the city of Hibbing to impose a sales and use tax of 0.5%.

The proceeds would be used to finance \$19.6 million for the construction of a regional public safety center. The bill authorizes a bond issuance of up to \$19.6 million plus bond costs.

The tax would terminate at the earlier of twenty years after being first imposed, or when the city council determines that the amount received from the tax is sufficient 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.

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