

February 19, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of S.F.70 (Mathews) As Proposed to be Amended (SCS0070-A1)

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	(\$1,040)	(\$120)	\$0	\$0
Natural Resources and Arts Funds	<u>(\$60)</u>	<u>(\$10)</u>	<u>\$0</u>	<u>\$0</u>
Total- All Funds	(\$1,100)	(\$130)	\$0	\$0

Effective retroactively for purchases made after December 31, 2021, and before January 1, 2027.

EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction, reconstruction, and renovation projects in Becker Public School District. The exemption would be administered as a refund and apply to purchases made after December 31, 2021, and before January 1, 2027.

The projects are related to the following facilities

- a. Becker Early Childhood
- b. Becker Primary School
- c. Becker Intermediate School
- d. Becker Middle School
- e. Becker High School
- f. Becker Transportation Building
- g. Becker Multi-Purpose Athletic Facility

REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of ISD 726.
- Total construction costs for materials, supplies, and equipment are estimated to be \$17.8 million.
- The project began in 2022 and will complete in 2026. The distribution of expected refund claims is assumed based on the project timeline.

Minnesota Department of Revenue
Tax Research Division
[https://www.revenue.state.mn.us/
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