

March 25, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of S.F. 158 (Weber) as Proposed to be Amended (SCS0158a-2)

	<b>Fund Impact</b>			
	<b><u>F.Y. 2026</u></b>	<b><u>F.Y. 2027</u></b>	<b><u>F.Y. 2028</u></b>	<b><u>F.Y. 2029</u></b>
	(000's)			
General Fund	(\$140)	\$0	\$0	\$0
Natural Resources and Arts Funds	<u>(\$10)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Total – All Funds	(\$150)	\$0	\$0	\$0

Effective for sales and purchases made after December 31, 2024, and before October 1, 2025.

## EXPLANATION OF THE BILL

The bill would exempt materials and supplies used in and equipment incorporated into the construction and improvements for the following projects in the Ellsworth Independent School District No. 514:

- (1) replacement of a boiler system with a heating and cooling HVAC system;
- (2) replacement of windows in the elementary wing;
- (3) replacement of the gym roof and shop roof;
- (4) replacement of fuel oil with propane for the new HVAC system;
- (5) installation of a new electrical system for the new HVAC system;
- (6) building tuckpointing;
- (7) provision of exterior doors; and
- (8) installation of a kitchen hood.

The exemption would be administered as a refund and only apply to purchases made after December 31, 2024, and before October 1, 2025.

## REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by Ellsworth School District.
- The total project cost is estimated to be \$5.3 million.
- The total cost of materials is estimated to be \$2.1 million.
- The project will begin in May 2025 and be complete in August 2025. The distribution of expected refund claims is assumed based on the project timeline.
- It is assumed that refunds for eligible purchases must not be issued until after June 30, 2025.

Minnesota Department of Revenue  
Tax Research Division

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