

March 11, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F.1570 (Maye Quade) / H.F. 151 (Bierman)

	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	(\$190)	(\$190)	(\$190)	\$0
Natural Resources and Arts Funds	(\$10)	(\$10)	(\$10)	\$0
Housing Assistance Fund	Negl.	Negl.	Negl.	\$0
Special Revenue Fund	<u>Negl.</u>	<u>Negl.</u>	<u>Negl.</u>	<u>\$0</u>
Total- All Funds	(\$200)	(\$200)	(\$200)	\$0

Effective retroactively for sales and purchases made after February 28, 2025, and before August 1, 2028.

EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction, reconstruction upgrade, expansion, renovation remodeling of the Central Maintenance Facility in the city of Apple Valley from the sales and use tax. The exemption would be administered as a refund and apply to purchases made after February 28, 2025, and before August 1, 2028.

REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by City of Apple Valley.
- Total project construction cost is \$21.7 million.
- Total taxable materials, supplies, and equipment costs are estimated to be \$8.7 million.
- The project will begin in April 2025 and complete in August 2028. 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/
revenue-analyses](https://www.revenue.state.mn.us/revenue-analyses)