

April 4, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of S.F. 3114 (Utke) As Proposed to be Amended (SCS3114A-1)

	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	(\$290)	(\$290)	(\$290)	(\$290)
Natural Resources and Arts Funds	<u>(\$20)</u>	<u>(\$20)</u>	<u>(\$20)</u>	<u>(\$20)</u>
Total – All Funds	(\$310)	(\$310)	(\$310)	(\$310)

Effective for sales and purchases made after December 31, 2025, and before January 1, 2029.

EXPLANATION OF THE BILL

The bill would exempt materials and supplies used in and equipment incorporated into the additions and improvements to the Eagle View Elementary School, Pequot Lakes Middle School, and Pequot Lakes High School buildings and improvements to outdoor facilities in the Pequot Lakes Independent School District, No. 186. The exemption would be administered as a refund.

REVENUE ANALYSIS DETAIL

- The estimate is based on project information provided by Pequot Lakes School District.
- The total project cost is estimated to be \$44.2 million.
- The total cost of materials is estimated to be \$17.7 million.
- The project will begin in 2026 and complete in 2029. 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)

hf2826(sf3114) Pequot Lakes SD construction exemption_1 / awh