

March 25, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 4539 (Westrom) / H.F. 4497 (Franson)

The city of Sauk Centre has imposed a sales and use tax of 0.5% and a motor vehicle excise tax of \$20 since 2020. The proceeds are to be used to finance capital costs of city infrastructure improvement projects directly related to the reconstruction of Trunk Highway 71. A bond issuance of up to \$10 million plus bond issuance costs was also authorized.

The bill authorizes the city of Sauk Centre, if approved by the voters at a general election, to increase the maximum authorized bond issuance from \$10 million to \$20 million plus bond issuance costs.

The tax would terminate at the earlier of December 31, 2045, or when the city council determines that the amount received from the tax is sufficient to pay for the costs of the projects plus bond issuance costs and interest. The tax may expire earlier if the city so determines by ordinance.

The bill would have no direct impact on state taxes.

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