



**LOCAL SALES AND USE TAX  
City of Taylors Falls**

April 8, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue  
Analysis of S.F. 4724 (Koran) / H.F. 4701 (Rymer)

The bill authorizes the city of Taylors Falls, if approved by the voters at a general election, to impose a sales and use tax of 0.5%.

The proceeds would be used to finance \$600,000 for community center improvements, \$1 million for the Taylors Falls River Walk improvements and trail system, in addition to \$400,000 for development of a town square, plus associated bonding costs. The bill also authorizes the city to issue up to \$2 million worth of bonds, plus bond issuance costs.

The tax would terminate after 20 years or after the city council determines that the amount received from the tax is sufficient to pay for the costs of the projects listed above plus bond issuance costs and interest, whichever is earlier. The tax could expire earlier if the city so determines by ordinance.

The bill would have no direct impact on state taxes.

Source: Minnesota Department of Revenue  
Tax Research Division  
<https://www.revenue.state.mn.us/revenue-analyses>

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