

May 5, 2026

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue

Analysis of H.F. 4841 (Agbaje) As Proposed to be Amended (H4841DE2-1) Sections 7 to 18

Effective the day following final enactment and applies to sales and purchases made after September 30, 2026.

Hennepin County has imposed a sales and use tax of 0.15% since 2007 and a 0.5% transit tax since 2017.

The proceeds from the 0.15% tax are used to pay costs of collecting the tax, pay bond costs, maintain reserves, pay for operating costs of the ballpark authority, and make expenditures and grants for youth activities and amateur sports and the extension of library hours.

The bill authorizes Hennepin County to increase the sales and use tax from 0.15% to 0.75%. The proceeds from the tax could additionally be used to make expenditures and grants to certain Hennepin County health care facilities, or grants for ballpark development and construction, public infrastructure related to the ballpark, or capital improvements of the ballpark or public infrastructure within the development area.

Each year, after payment of debt service on bonds and grants to the ballpark, youth sports in Hennepin County, and libraries, the county must make grants to the board of directors of an eligible health care facility in Hennepin County. The bill defines an eligible health care facility as a nonstate government teaching hospital with high medical assistance utilization and a level 1 trauma center located in Hennepin County. The board of directors must use the money for specific purposes.

The bill would expand the Minnesota Ballpark Authority’s capital improvement reserve fund to also allow amounts for public infrastructure within the development area. The bill would require the ballpark authority to establish a reserve fund for these ballpark costs and increase annual payments to the fund from \$2 million to \$14 million. The Minnesota Twins’ share of these annual payments would increase from approximately \$1 million to \$7 million. The payments would increase annually according to an inflation index determined by the county.

The bill would deem the Minnesota Ballpark Authority a qualifying government for purposes of its investment authority and would authorize the county to issue revenue bonds to finance all or a portion of these ballpark costs.

The bill would have no direct impact on state taxes. Hennepin County’s sales and use tax generated approximately \$50 million of revenue in calendar year 2025. If the rate had been 0.75% in calendar year 2025 the tax would’ve generated approximately \$253 million.

Minnesota Department of Revenue
Tax Research Division
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