Special Local Taxes

164S

Sales Tax Fact Sheet 164S

Fact Sheet

What's New

Starting October 1, 2026:

- Northfield has a 3% Lodging Tax

Starting July 1, 2026:

- Chisago Lakes Area has a 3% Lodging Tax
- Fairmont has a 3% Lodging Tax
- Waseca has a 3% Lodging Tax

Starting April 1, 2026:

- Marshall has a 4.5% Lodging Tax

Starting January 1, 2026:

- Faribault has a 3.0% Lodging Tax
- Richfield has a 3.0% Lodging Tax

The Minnesota Department of Revenue administers special local taxes in the following locations:

- Chisago Lakes Area
- Cottage Grove
- Detroit Lakes
- Fairmont
- Faribault
- Giants Ridge Recreation Area (city of Biwabik)
- Grand Rapids
- Lake County
- Lake of the Woods County
- Lake Vermilion Area
- Mankato
- Marshall
- Northfield
- North Mankato
- Ortonville
- Plymouth
- Proctor
- Richfield
- Rochester
- St. Cloud
- St. Paul
- Two Harbors
- Waseca
- Woodbury

Note: The tax base for special local taxes may differ from the general state and local taxes because individual city ordinances and resolutions may vary.

For information on Minneapolis special local taxes, see the *Minneapolis Special Local Taxes* publication.

Detroit Lakes

The city of Detroit Lakes imposes a 1% food and beverage tax on the sale of food and beverages, by a restaurant or place of refreshment, located within the city of Detroit Lakes. This includes on-sale liquor and fermented malt beverages. It does not matter if the food or beverages are consumed on or off the premises.

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This fact sheet is intended to help you become more familiar with Minnesota tax laws and your rights and responsibilities under the laws. Nothing in this fact sheet supersedes, alters, or otherwise changes any provisions of the tax law, administrative rules, court decisions, or revenue notices. Alternative formats available upon request.

Off-sale liquor is not subject to the 1% tax.

Sales of food and beverages are subject to the following taxes:

- 1% Detroit Lakes Food and Beverage Tax
- 6.875% state general rate sales tax
- 0.5% Detroit Lakes Sales and Use Tax
- 0.5% Becker County Transit Tax
- 2.5% liquor gross receipts tax, if applicable

Restaurant or Place of Refreshment

Restaurant or place of refreshment means a building, structure, enclosure, or any part of a building, structure, or enclosure used as, maintained as, advertised as, or held out to be an operation that prepares, serves, or otherwise provides food or beverages, or both, for human consumption.

Examples include (but are not limited to):

- Bars
- Cafes
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Delis
- Delivery, drive-in, or drive-thru restaurants
- Fast food restaurants
- Pick-up or carry-out restaurants
- Pubs
- Sit down restaurants
- Saloons
- Sidewalk vendors
- Tea rooms
- Teen centers

Giants Ridge Recreation Area

The Giants Ridge Recreation Area (city of Biwabik) imposes the following special local taxes:

- 2% admissions and recreation tax
- 1% food and beverage tax
- 2% lodging tax (see pages 7-10)

Admissions and Recreation Tax

The 2% admissions and recreation tax applies to admissions to entertainment and recreational facilities and the rental of recreation equipment located within the Giant Ridge Recreation Area. The purchase of season tickets or passes are exempt from this tax.

Admission and recreation sales are subject to the following taxes:

- 2% Giants Ridge Recreation Area Admissions and Recreation Tax
- 6.875% state general rate sales tax
- 0.5% St. Louis County Transit Tax

Admissions and entry fees to places of amusement, recreational areas, or athletic events are taxable unless an exemption applies.

Examples include (but are not limited to):

- Amusement parks
- Athletic fields
- Campgrounds
- Bowling alleys
- Fairgrounds
- Golf courses
- Hunting preserves
- Ice skating rinks
- Movie theatres
- Musical concerts
- Parks
- Swimming pools
- Ski areas
- Trails

For more examples, see the *Admissions and Amusement Devices* publication.

Food and Beverage Tax

The 1% food and beverage tax applies to sales of food and beverages, by a restaurant or place of refreshment, located within the Giants Ridge Recreation Area. This includes including on-sale liquor and fermented malt beverages. It does not matter if the food or beverages are consumed on or off the premises.

Off-sale liquor is not subject to the 1% tax.

Sales of food and beverages are subject to the following taxes:

- 1% Giants Ridge Recreation Area Food and Beverage Tax
- 6.875% state general rate sales tax
- 0.5% St. Louis County Transit Tax
- 2.5% liquor gross receipts tax, if applicable

Restaurant or place of refreshment means a building, structure, enclosure, or any part of a building, structure, or enclosure used as, maintained as, advertised as, or held out to be an operation that prepares, serves, or otherwise provides food or beverages, or both, for human consumption.

Examples include (but are not limited to):

- Bars
- Cafes
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Delis
- Delivery, drive-in, or drive-thru restaurants
- Fast food restaurants
- Pick-up or carry-out restaurants
- Pubs
- Sit down restaurants
- Saloons
- Sidewalk vendors
- Tea rooms
- Teen centers

Mankato

The city of Mankato imposes the following special local taxes:

- 0.5% food and beverage tax
- 0.5% entertainment tax
- 3.0% lodging tax (see pages 7-10)

Food and Beverage Tax

The 0.5% food and beverage tax applies to sales of food and beverages, by a restaurant or place of refreshment, that are located within the city of Mankato. It does not matter if the food or beverages are consumed on or off the premises.

Off-sale liquor is not subject to the 0.5% tax.

Sales of food and beverages are subject to the following taxes:

- 0.5% Mankato Food and Beverage Tax
- 6.875% state general rate sales tax
- 0.5% Mankato Sales and Use Tax
- 0.5% County Transit Tax (Blue Earth or Nicollet[1])
- 2.5% liquor gross receipts tax, if applicable

Restaurant or Place of Refreshment

A restaurant or eating establishment is a business that sells food to a customer in a ready-to-consume state. The customer may consume the food on or off the premises or the food is delivered by employees of the restaurant and establishments.

Examples include (but are not limited to):

- Cafes
- Carry-out restaurants
- Delis
- Delivery restaurants
- Drive-in restaurants
- Fast food restaurants

- Sit down restaurants
- Tea rooms

A place of refreshment is any location where alcoholic beverages, non-alcoholic beverages, or food items are sold for consumption at or near the location.

Examples include (but are not limited to):

- Bars
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Pubs
- Saloons
- Sidewalk vendors
- Teen centers

Entertainment Tax

The 0.5% entertainment tax applies to sales of admissions to entertainment events located within the city of Mankato.

Sales of admission to entertainment events are subject to the following taxes:

- 0.5% Mankato Entertainment Tax
- 6.875% state general rate sales tax
- 0.5% Mankato Sales and Use Tax
- 0.5% County Transit Tax (Blue Earth or Nicollet[1])

Entertainment event means any event where attendees pay money to be admitted to the premises and to be entertained.

Examples include (but not limited to):

- Concerts
- Sporting events
- Theatres

The Mankato Entertainment Tax does not apply to admissions paid to the following types of events or entertainment:

- Amusement parks
- Carnivals and fairs
- Coin-operated amusement devices
- Cover charges at night clubs or dance halls
- Games of skill
- Golf club memberships, green fees, and driving ranges
- Health, athletic, or fitness club memberships
- Ice or roller-skating facilities
- Miniature golf facilities
- Skateboard parks
- Swimming pools
- Tennis, racquetball, or handball court fees

Marshall

The city of Marshall imposes the following special local taxes:

- 1.5% food and beverage tax
- 4.5% lodging tax (see pages 7-10)

Food and Beverage Tax

The 1.5% food and beverage tax applies to sales of food and beverages, by a restaurant or place of refreshment, located within the city of Marshall. This includes on-sale liquor and fermented malt beverages. It does not matter if the food or beverages are consumed on or off the premises.

Off-sale liquor is not subject to the 1.5% tax.

Sales of food and beverages are subject to the following taxes:

- 1.5% Marshall Food and Beverage Tax
- 6.875% state general rate sales tax
- 0.5% Marshall Sales and Use Tax
- 2.5% liquor gross receipts tax, if applicable

Restaurant or Place of Refreshment

Restaurant or place of refreshment means a building, structure, enclosure, or any part of a building, structure, or enclosure used as, maintained as, advertised as, or held out to be an operation that prepares, serves, or otherwise provides food or beverages, or both, for human consumption.

Examples include (but are not limited to):

- Bars
- Cafes
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Delis
- Delivery, drive-in, or drive-thru restaurants
- Fast food restaurants
- Pick-up or carry-out restaurants
- Pubs
- Sit down restaurants
- Saloons
- Sidewalk vendors
- Tea rooms
- Teen centers

North Mankato

The city of North Mankato imposes a 0.5% food and beverage tax on the sale of food and beverages, by a restaurant or place of refreshment, located within the city of North Mankato. This includes on-sale liquor and fermented malt beverages. It does not matter if the food or beverages are consumed on or off the premises.

Off-sale liquor is not subject to the 0.5% tax.

Sales or food and beverages are subject to the following taxes:

- 0.5% North Mankato Food and Beverage Tax
- 6.875% state general rate sales tax
- 0.5% North Mankato Sales and Use Tax
- 0.5% Nicollet County Transit Tax
- 2.5% liquor gross receipts tax, if applicable

Restaurant

A restaurant or eating establishment is a business that sells food to a customer in a ready-to-consume state. The customer may consume the food on or off the premises or the food is delivered by employees of the restaurant and establishments.

If liquor is served as defined in the North Mankato City Code, the kitchen facilities are required to be capable of servicing the permitted occupancy. (North Mankato City Code, Chapter 111: Alcoholic Beverages)

Examples include (but are not limited to):

- Cafes
- Carry-out restaurants
- Coffee houses
- Clubs
- Delis
- Delivery restaurants
- Drive-in restaurants
- Drive-thru restaurants
- Fast food restaurants
- Pick-up or carry-out restaurants
- Sidewalk vendors
- Sit down restaurants
- Tea rooms

Place of Refreshment

A place of refreshment is any location where alcoholic beverages, non-alcoholic beverages, or food items are sold for consumption at or near the location.

Examples include (but are not limited to):

- Bars
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Movie theaters
- Pubs
- Saloons

- Sidewalk vendors
- Taprooms
- Teen centers

Proctor

The city of Proctor imposes a 1% food and beverage tax on the sale of food and beverages, by a restaurant or place of refreshment, located within the city of Proctor. This includes on-sale liquor and fermented malt beverages. It does not matter if the food or beverages are consumed on or off the premises.

Off-sale liquor is not subject to the 1% tax.

Sales of food and beverages are subject to the following taxes:

- 1% Proctor Food and Beverage Tax
- 6.875% state general rate sales tax
- 1.5% Proctor Sales and Use Tax
- 0.5% St. Louis County Transit Tax
- 2.5% liquor gross receipts tax, if applicable

Restaurant or place of refreshment means a building, structure, enclosure, or any part of a building, structure, or enclosure used as, maintained as, advertised as, or held out to be an operation that prepares, serves, or otherwise provides food or beverages, or both, for human consumption.

Examples include (but are not limited to):

- Bars
- Cafes
- Clubs
- Coffee houses
- Concession stands
- Dance clubs
- Delis
- Delivery, drive-in, or drive-thru restaurants
- Fast food restaurants
- Pick-up or carry-out restaurants
- Pubs
- Sit down restaurants
- Saloons
- Sidewalk vendors
- Tea rooms
- Teen centers

St. Cloud

St. Cloud imposes the following special local taxes:

- 1% liquor tax
- 1% food tax

Liquor Tax

The 1% St. Cloud Liquor Tax applies to retail sales of alcoholic beverages, including intoxication liquor, wine, and 3.2 beer, sold at licensed liquor establishments in St. Cloud.

Examples include (but are not limited to):

- Bars
- Clubs
- Hotels
- Motels
- Restaurants

These sales are subject to the following taxes:

- 1% St. Cloud Liquor Tax
- 6.875% state general rate sales tax
- 0.5% St. Cloud Area Sales Tax
- Applicable local county tax (Benton 0.5%, Sherburne 0.5%, or Stearns County Transit 0.25% and Stearns County 0.375%)
- 2.5% liquor gross receipts tax

The 1% St. Cloud Liquor Tax does not apply to:

- Establishments with 3.2% malt liquor or a set-up license
- Off-sale liquor sales

Food Tax

The St. Cloud Food Tax applies to food and beverages (not subject to liquor tax) sold by restaurants, coffee shops, snack bars, or any other place of refreshment in St. Cloud.

A place of refreshment means any building, structure, vehicle, sidewalk cart, or any part thereof, used, maintained, or advertised as a place where food or drinks are made, sold, or served at retail.

These sales are subject to the following taxes:

- 1% St. Cloud Food Tax
- 6.875% state general rate sales tax
- 0.5% St. Cloud Area Sales Tax
- Applicable local county tax (Benton 0.5%, Sherburne 0.5%, or Stearns County Transit 0.25% and Stearns County 0.375%)

The St. Cloud Food Tax applies to food and beverages sold in these establishments only when providing meals, lunches, lodging, or fountain, bar, booth, or table service:

- Confectioneries
- Drugstores
- Gas stations
- General merchandise stores
- Grocery stores

Lodging Taxes

The Minnesota Department of Revenue administers the following lodging taxes:

- Chisago Lakes Area
- Cottage Grove
- Fairmont
- Faribault
- Giants Ridge Recreation Area (city of Biwabik)
- Grand Rapids
- Lake County
- Lake of the Woods County
- Lake Vermilion Area
- Mankato
- Marshall
- Northfield
- Ortonville
- Plymouth
- Richfield
- Rochester
- St. Paul
- Two Harbors
- Waseca
- Woodbury

Note: We also administer the Minneapolis Lodging Tax. For more information, see the *Minneapolis Special Local Taxes* publication.

Lodging facilities must charge sales tax on short-term lodging and certain related services if the room rental is:

- less than 30 days
- 30 days or more, with no enforceable written lease agreement

Examples

- A guest stays at a hotel for five weeks. The stay is taxable because there is no enforceable written lease agreement.
- A hotel rents suites under monthly enforceable written lease agreements that require a 30-day notice to terminate. The rental is not taxable.
- An apartment is rented on a weekly basis. The rental is taxable since the rental period is less than 30 days.
- A company rents a room in a hotel on a monthly basis for occasional use by its employees. The enforceable written lease agreement requires a 10-day notice to terminate. The rental is not taxable.

Food and Beverages Sold at Lodging Establishments
The following special local taxes apply to food and beverages sold by a lodging facility:

- Food and beverage tax
- Food tax and liquor tax (in St. Cloud)

This includes when food and beverages are provided within a guest room, meeting room, or banquet room.

These taxes also apply to:

- Delivery charges
- Mandatory tips or gratuities
- Service charges
- Any other charges that relate to serving food and beverages in guest rooms, meeting rooms, or banquet rooms

Note: Lodging taxes do not apply to the sales listed above since they are not services related to lodging.

Lodging Tax

Lodging tax is imposed on lodging accommodations within city or county limits. Examples include (but are not limited to):

- Hotels
- Motels
- Rooming houses
- Tourist courts
- Trailer camps
- Similar establishments

Lodging tax also applies to taxable lodging related services. Examples include but are not limited to:

- Pay-per-view movies and video games
- Purchases from minibars
- Room service
- Other services provided within a guest room

Lodging Tax*	Lodging sales are subject to the following taxes:
Chisago Lakes Area Chisago Lakes Area includes the following townships: Amador, Shafer, Chisago Lakes, Franconia. Along with the following cities: Chisago City, Center City, Lindstrom, Shafer, and Taylor's Falls.	• 3.0% Chisago Lakes Area Lodging Tax • 6.875% state general rate sales tax • 0.5% Chisago County Transit Sales Tax
Cottage Grove	• 3.0% Cottage Grove Lodging Tax • 6.875% state general rate sales tax • 0.5% Washington County Transit Sales Tax • 0.25% Metro Area Sales Tax for Housing • 0.75% Metro Area Transportation Sales Tax
Fairmont	• 3.0% Fairmont Lodging Tax • 6.875% state general rate sales tax • 0.5% Fairmont Sales Tax • 0.5% Martin County Transit Sales Tax
Faribault	• 3.0% Faribault Lodging Tax • 6.875% state general rate sales tax • 0.5% Rice County Transit Sales Tax
Giants Ridge Recreation Area (city of Biwabik)	• 2.0% Giants Ridge Recreation Area Lodging Tax • 6.875% state general rate sales tax • 0.5% St. Louis County Transit Sales Tax
Grand Rapids	• 3.0% Grand Rapids Lodging Tax • 6.875% state general rate sales tax • 1.0% Itasca County Sales Tax

Lake County	• 4.0% Lake County Lodging Tax • 6.875% state general rate sales tax • 0.5% Lake County Transit Sales Tax
Lake of the Woods County	• 3.0% Lake of the Woods County Lodging Tax • 6.875% state general rate sales tax • Lodging establishments located within the Baudette city limits are not subject to the lodging tax effective June 30, 2022
Lake Vermilion Area Lake Vermilion Area includes: The city of Tower, Greenwood Township, Vermilion Lake Township, Beatty Township, Breitung Township and Unorganized Territory, Township 63, Range 17	• 3.0% Lake Vermilion Area Lodging Tax • 6.875% state general rate sales tax • 0.5% St. Louis County Transit Sales Tax
Mankato[1]	• 3.0% Mankato Lodging Tax • 6.875% state general rate sales tax • 0.5% Mankato Sales Tax • 0.5% County Transit Sales Tax (Blue Earth or Nicollet[1])
Marshall	• 4.5% Marshall Lodging Tax • 6.875% state general rate sales tax • 0.5% Marshall Sales Tax
Northfield[2]	• 3.0% Northfield Lodging Tax • 6.875% state general rate sales tax • 0.5% Rice County Transit Sales Tax[2] OR • 0.25% Dakota County Transit Sales Tax[2] AND • 0.25% Metro Area Sales Tax for Housing[2] AND • 0.75% Metro Area Transportation Sales Tax[2]
Ortonville	• 3.0% Ortonville Lodging Tax • 6.875% state general rate sales tax
Plymouth	• 3.0% Plymouth Lodging Tax • 6.875% state general rate sales tax • 0.15% Hennepin County Sales Tax • 0.5% Hennepin County Transit Sales Tax • 0.25% Metro Area Sales Tax for Housing • 0.75% Metro Area Transportation Sales Tax
Richfield	• 3.0% Richfield Lodging Tax • 6.875% state general rate sales tax • 0.15% Hennepin County Transit Sales Tax • 0.5% Hennepin County Transit Sales Tax • 0.25% Metro Area Sales Tax for Housing • 0.75 Metro Area Transportation Sales Tax
Rochester	• 7.0% Rochester Lodging Tax • 6.875% state general rate sales tax • 0.75% Rochester Sales Tax • 0.50% Olmsted County Transit Sales Tax
St. Paul • 7% lodging tax for establishments with 50 or more rooms available for lodging • 3% lodging tax for establishments with less than 50 rooms available for lodging	• St. Paul Lodging Tax (7.0% if 50 or more rooms available for lodging, 3.0% if less than 50 rooms) • 6.875% state general rate sales tax • 1.5% St. Paul Sales Tax • 0.5% Ramsey County Transit Sales Tax

	• 0.25% Metro Area Sales Tax for Housing • 0.75% Metro Area Transportation Sales Tax
Two Harbors	• 1.0% Two Harbors Lodging Tax • 4.0% Lake County Lodging Tax • 6.875% state general rate sales tax • 1.0% Two Harbors Sales Tax • 0.5% Lake County Transit Sales Tax
Waseca	• 3.0% Waseca Lodging Tax • 6.875% state general rate sales tax • 0.5% Waseca County Transit Sales Tax
Woodbury	• 3.0% Woodbury Lodging Tax • 6.875% state general rate sales tax • 0.5% Woodbury Sales Tax • 0.5% Washington County Transit Sales Tax • 0.25% Metro Area Sales Tax for Housing • 0.75% Metro Area Transportation Sales Tax

*Information on the Minneapolis Lodging Tax is available in the *Minneapolis Special Local Taxes* publication.

[1]To determine the correct county transit rate, use the **sales tax rate map** on our website.
[2]The city of Northfield has city boundaries in two counties. To determine the correct sales tax rate based on the location, use the **sales tax rate map** on our website.
Go to **www.revenue.state.mn.us** and type **sales tax rate calculator** into the Search box.

Legal References
Detroit Lakes: Minnesota Laws 2010, Chapter 389, article 5
Giants Ridge Recreation Area: Minnesota Laws 2010, Chapter 389, article 5, section 7
Grand Rapids: Grand Rapids Ordinance No. 24 - 05 - 03 amending Article 62 - 11 Lodging Tax
Lake County: Minnesota Laws 2019, First Special Session, Chapter 6, article 6, section 22
Lake of the Woods County: Lake of the Woods County 2020 Ordinance No. 10-13-04
Mankato: Minnesota Laws 2008, Chapter 366, article 7
Marshall: Minnesota Laws 2010, Chapter 389, article 5
North Mankato: Minnesota Laws 2019, Chapter 6, article 6, section 23
Plymouth: Minnesota Laws 2019, First Special Session, Chapter 6, Article 6, Section 25
Proctor: Minnesota Laws 2014, Chapter 308, article 3, section 34
Rochester: Minnesota Laws 1983, Chapter 342, article 19
St. Cloud: Minnesota Laws 1986, Chapter 379
St. Paul: Minnesota Laws 1982, Chapter 523, section 1
Minnesota Laws 1986, Chapter 462, sections 28 and 31
Minnesota Laws 1991, Chapter 291, article 8
Minnesota Laws 2011, Chapter 112, article 4, section 31
Minnesota Laws 2019, Chapter 6, article 6, section 6
Two Harbors: Minnesota Laws 1994, Chapter 587, article 9, section 11
Minnesota Laws 2019, First Special Session, Chapter 6, article 6, section 7
Minnesota Statute 469.190, Local Lodging Tax

Revenue Notices
16-02, Admissions – Features of Admission
17-06, Lodging and Related Services – Residential Short-Term Rentals

Publications
Local Sales and Use Taxes
Minneapolis Special Local Taxes