

# HOUSE RESEARCH

## Bill Summary

**FILE NUMBER:** H.F. 1820

**DATE:** March 15, 2007

**Version:** As Introduced

**Authors:** Lieder

**Subject:** Authorizing a local sales tax in the city of Crookston

**Analyst:** Pat Dalton, 651-296-7434

This publication can be made available in alternative formats upon request. Please call 651-296-6753 (voice); or the Minnesota State Relay Service at 1-800-627-3529 (TTY) for assistance. Summaries are also available on our website at: [www.house.mn/hrd](http://www.house.mn/hrd).

---

### Overview

Allows the city of Crookston to impose a local 1/2 of one percent sales tax and to fund up to \$10 million for flood control projects and a regional recreation center. Voters must approve imposition of the tax at a general or a special election.

#### Section

**1 City of Crookston, taxes authorized.** Allows the city of Crookston to impose a one-half cent local sales and use tax to fund the listed projects.

**Subd. 1. Sales and use tax.** Authorizes the city to impose a one-half cent local sales tax, subject to voter approval at either a general or special election by December 31, 2008. States that except for the special election, all other provisions of the statutes regarding local sales taxes will apply.

**Subd. 2. Use of Revenues.** Allows the city to raise \$10 million plus associated bond costs from the tax in subdivision 1 to pay for:

- reconstruction of public facilities that need to be relocated in conjunction with the city's flood control plan; and
- construction of a regional recreation center.

**Subd. 3. Bonding authority.** Allows the city to issue up to \$10 million in bonds for the projects listed in subdivision 3, based on the election approving the tax.

**Subd. 4. Termination of taxes.** Requires the tax imposed under subdivision 1 to terminate when revenues first meet or exceed an amount equal to \$10 million plus

**Section**

any additional costs, including interest, related to the bond issuance. Allows the city to terminate the tax earlier if it so desires.