City of Beaver Bay; taxes authorized. Allows Beaver Bay to impose a local sales and use tax of up to one percent. The proceeds are to be used to finance various capital projects and terminates when sufficient funds have been raised to finance the indicated projects.

Subdivision 1. Sales and use tax. Allows the imposition of up to a one percent local tax subject to the general local sales tax provisions in section 297A.48. The main provisions of that section require that the following:

- that the tax be approved by voters at a general election prior to its imposition;
- that the specific projects funded by the tax are identified prior to the election;
- that the tax is collected and administered by the Department of Revenue; and
- that the tax expires when sufficient revenues are raised to fund the specified projects and that the city wait at least one year between expiration and re-imposing a local tax.

Subd. 2. Use of revenues. Requires that the revenues be used to finance a city community center building, recreational facilities, upgrading the water and sewer system, the fire hall and fire equipment, and improving streets.

Subd. 3. Termination of taxes. Requires the tax to expire when sufficient revenues have been raised to fund the projects in Subdivision 2.

Subd. 4. Effective date.