

HOUSE RESEARCH

Bill Summary

FILE NUMBER: H.F. 3538
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Subject: Local sales tax authorized for the Garrison, Kathio, West Mille Lacs Lake sanitary district

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Overview

Allows the Garrison, Kathio, West Mille Lacs Lake sanitary district to impose a local sales tax of up to one percent to raise up to \$10 million to repay bonds, and pay for maintenance and improvements of the waste water system. The tax must be approved by local voters at the 2016 general election and expires at the earlier of 20 years or when \$10 million has been raised.

Section

1 Garrison, Kathio, West Mille Lacs Lake sanitary district; taxes authorized.

Subd. 1. Sales and use tax authorization. Allows the Garrison, Kathio, West Mille Lacs Lake sanitary district to impose a local sales tax of up to one percent if approved by the voters at the 2016 general election.

Subd. 2. Use of sales and use tax revenues. Allows the revenues from the tax imposed under subdivision 1, to be used to pay off bonds and loans related to the waste water collection system and sewer system improvements, and also for system maintenance and improvements, including sewer extension to unserved customers.

Subd. 3. Termination of taxes. The tax imposed under subdivision 1 would terminate at the earlier of 20 years, or when \$10 million has been raised. The Sanitary District Board could also chose to have the tax expire at an earlier date.

