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**Subject:** Allows the city of New London to impose a local sales tax for various projects

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### Overview

Allows the city of New London to impose a local sales tax of up to one-half of one percent to fund 1) construction and equipping of a new library and community room, 2) construction of an ambulance bay, and 3) improvements to its Senior Citizen Center. The voters approved this at the 2016 general election. The city would be authorized to issue bonds for up to \$872,000 for the projects without an additional vote. The tax would expire at the earlier of 20 years or when revenues are sufficient to pay off the bonds.

### Section

#### **1 City of New London; taxes authorized.**

**Subd. 1. Sales and use tax authorization.** Allows the city of New London to impose up to a one-half of one percent local sales tax, based on voter approval at the 2016 general election.

**Subd. 2. Use of sales and use tax revenue.** Allows the city to use revenue from the local sales tax to pay for 1) construction and equipping of a new library and community room, 2) construction of an ambulance bay at the fire hall, and 3) improvements to the New London Senior Citizen Center, including associated bond costs.

**Subd. 3. Bonding authority.** Allows the city to issue up to an amount equal to \$872,000 plus the cost of issuing the bonds without additional voter approval. The bonds are not included in computing the city's debt limit.

**Section**

**Subd. 4. Termination of tax.** The tax terminates at the earlier of 20 years after imposition or when funds are sufficient to pay off the bonds. The council may choose to terminate the tax at an earlier date.