

Subject City of Oakdale; local sales tax authority

Authors Lillie

Analyst Alexandra Haigler

Date March 2, 2021

## Overview

Allows the city of Oakdale to impose a 0.5% local sales tax to fund \$22 million for a public works facility and \$15 million for a police station, plus bond costs may be raised for the projects and the tax will expire at the earlier of (1) 25 years after being imposed, or (2) when the necessary amount is raised for the approved projects.

## Summary

Section	Description
---------	-------------

1	<b>City of Oakdale; taxes authorized.</b>
---	---

**Subd. 1. Sales and use tax authorization.** Allows the city of Oakdale to impose a local sales and use tax of 0.5% if approved at a general election within two years of the authority being granted.

**Subd. 2. Use of sales tax revenues.** Allows the city to use the tax revenues to fund the following projects:

- \$22 million for a new public works facility; and
- \$15 million for expansion of the police department facility.

The city must have separate questions on the ballot for each project and only the ones approved may be financed with the tax.

**Subd. 3. Bonding authority.** Allows the city to bond for any project listed in subdivision 2 that is approved by the voters. The amount of bonds that may be issued for each project is the amount listed in subdivision 2 plus an amount needed to cover the costs of issuing the bonds. Issuance of the bonds are not subject to a separate vote and the bonds are not included in any debt or levy limits.

**Subd. 4. Termination of the tax.** The tax terminates at the earlier of (1) 25 years after being imposed, or (2) when revenues are sufficient to pay for the approved

**Section** **Description**

---

projects and any associated bond costs, subject to the requirements that the termination occurs at the start of a calendar quarter.

Any excess revenue related to the timing of the termination goes into either the state or city general fund. The city may, by ordinance, terminate the tax early.



**MN HOUSE  
RESEARCH**

*Minnesota House Research Department provides nonpartisan legislative, legal, and information services to the Minnesota House of Representatives. This document can be made available in alternative formats.*

[www.house.mn/hrd](http://www.house.mn/hrd) | 651-296-6753 | 155 State Office Building | St. Paul, MN 55155