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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-NINTH SESSION

H. F. No. 2078

03/23/2015 Authored by Hamilton

The bill was read for the first time and referred to the Committee on Greater Minnesota Economic and Workforce Development Policy

1.1 A bill for an act  
1.2 relating to taxation; sales and use; providing an exemption for construction of  
1.3 certain housing by the Worthington Housing and Redevelopment Authority;  
1.4 appropriating money.

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. SALES TAX EXEMPTION FOR CONSTRUCTION OF  
1.7 CERTAIN HOUSING; WORTHINGTON HOUSING AND REDEVELOPMENT  
1.8 AUTHORITY.

1.9 Subdivision 1. Exemption. Materials and supplies used in, including the material  
1.10 components of modular homes, and equipment incorporated into the construction and  
1.11 initial equipping of a multifamily moderate income rental housing facility developed by  
1.12 the Worthington Housing and Redevelopment Authority are exempt from sales tax under  
1.13 chapter 297A provided that:

- 1.14 (1) the facility consists of at least 45 townhome housing units;
- 1.15 (2) the facility is built at the southwest quadrant of the intersection of County Road
- 1.16 35 and County Road 5 (Read Avenue) in the city of Worthington; and
- 1.17 (3) construction and equipping of the facility is completed by .....

1.18 The exemption applies to qualifying purchases of the Worthington Housing and  
1.19 Redevelopment Authority and its contractors, subcontractors, and builders.

1.20 Subd. 2. Tax paid; refund. The tax on purchases exempt under subdivision 1 must  
1.21 be imposed and collected as if the rate under Minnesota Statutes, section 297A.62, applied,  
1.22 and then refunded in the manner provided in Minnesota Statutes, section 297A.75. The  
1.23 applicant for the refund must be the Worthington Housing and Redevelopment Authority.  
1.24 If the tax was paid by a contractor, subcontractor, or builder, the contractor, subcontractor,

2.1 or builder must furnish to the refund applicant a statement including the cost of the exempt  
2.2 items and the taxes paid on the items.

2.3 Subd. 3. **Appropriation.** The amount required to make the refund under this section  
2.4 is appropriated from the general fund to the commissioner of revenue.

2.5 **EFFECTIVE DATE.** This section is effective for sales and purchases made after ...  
2.6 and before .....