SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 3016

(SENATE AUTHORS: HOLMSTROM)

DATE	D-PG	OFFICIAL STATUS
03/27/2025	1097	Introduction and first reading Referred to Taxes
02/17/2026	6325	Chief author stricken Anderson Chief author added Holmstrom

A bill for an act

relating to taxation; sales and use; providing a refundable exemption for construction materials for construction of a water treatment facility in the city of Monticello.

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

Section 1. **CITY OF MONTICELLO; SALES TAX EXEMPTION FOR CONSTRUCTION MATERIALS.**

Subdivision 1. **Exemption; refund.** (a) Materials and supplies used or consumed in and equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation, or remodeling of a new water treatment facility, including accompanying water utility infrastructure and associated improvements, are exempt from sales and use tax under Minnesota Statutes, chapter 297A, provided that the materials, supplies, and equipment are purchased after August 31, 2025, and before January 1, 2030.

(b) The tax must be imposed and collected as if the rates under Minnesota Statutes, section 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided for projects under Minnesota Statutes, section 297A.75, except that the applicant must be the governmental entity that owns or contracts for the project.

Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1 is appropriated from the general fund to the commissioner of revenue.

EFFECTIVE DATE. This section is effective for sales and purchases made after August 31, 2025, and before January 1, 2030.