SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION

S.F. No. 5240

(SENATE AUTHORS: LANG)

DATE	D-PG	OFFICIAL STATUS
04/29/2026	9209	Introduction and first reading Referred to Taxes

A bill for an act

relating to taxation; local sales and use; authorizing Kandiyohi County to impose a local sales tax.

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

Section 1. **KANDIYOHI COUNTY; TAXES AUTHORIZED.**

Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes, section 477A.016, or any other law or ordinance, and if approved by the voters at an election as required under Minnesota Statutes, section 297A.99, subdivision 3, Kandiyohi County may impose by ordinance a sales and use tax of up to one-half of one percent for the purposes specified in subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement of the tax authorized under this subdivision. The tax imposed under this subdivision is in addition to any local sales and use tax imposed under any other special law.

Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized under subdivision 1 must be used by Kandiyohi County to pay for projects in the county, including the costs of collecting and administering the tax and securing and paying debt service on bonds issued to finance all or part of the following projects:

(1) $53,600,000 for construction of a new joint judicial center and public safety facility; and

(2) $14,200,000 for renovations to the county health and human services building.

Subd. 3. **Bonding authority.** (a) Kandiyohi County may issue bonds under Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision 2 and approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this subdivision may not exceed $67,800,000, plus an amount applied to the payment of the costs of issuing the bonds. The bonds may be paid from or secured by any money available to the county, including the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

(b) The bonds are not included in computing any debt limitation applicable to the county. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest on the bonds is not subject to any levy limitation. A separate election to approve the bonds under Minnesota Statutes, section 475.58, is not required.

Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99, subdivision 12, the tax imposed under subdivision 1 expires at the earlier of (1) 25 years after the tax is first imposed, or (2) when the county board determines that the amount received from the tax is sufficient to pay for the project costs authorized under subdivision 2 for projects approved by voters as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining after payment of the allowed costs due to the timing of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of the county. The tax imposed under subdivision 1 may expire at an earlier time if the county so determines by ordinance.

EFFECTIVE DATE. This section is effective the day after the governing body of Kandiyohi County and its chief clerical officer comply with Minnesota Statutes, section 645.021, subdivisions 2 and 3.