

**SENATE
STATE OF MINNESOTA
NINETY-FOURTH SESSION**

S.F. No. 5283

(SENATE AUTHORS: MILLER)

DATE
05/12/2026

D-PG
10418 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; sales and use; authorizing the city of La Crescent to impose
1.3 a local sales and use tax.

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

1.5 Section 1. **CITY OF LA CRESCENT; TAXES AUTHORIZED.**

1.6 Subdivision 1. Sales and use tax authorization. Notwithstanding Minnesota Statutes,
1.7 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters
1.8 at an election as required under Minnesota Statutes, section 297A.99, subdivision 3, the
1.9 city of La Crescent may impose by ordinance a sales and use tax of up to percent for
1.10 the purposes specified in subdivision 2. Except as otherwise provided in this section, the
1.11 provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,
1.12 collection, and enforcement of the tax authorized under this subdivision. The tax authorized
1.13 under this subdivision is in addition to any local sales and use tax imposed under any other
1.14 special law.

1.15 Subd. 2. Use of sales and use tax revenues. Notwithstanding section 297A.99,
1.16 subdivision 2, paragraph (d), the revenues derived from the tax authorized under subdivision
1.17 1 must be used by the city of La Crescent to pay the costs of collecting and administering
1.18 the tax and to pay or finance the costs of up to \$4,000,000 to design, construct, and equip
1.19 improvements and upgrades necessary to renovate the La Crescent regional ice arena,
1.20 including money for replacement of the existing ice system and the installation of a rooftop
1.21 solar energy system, plus costs of issuance and debt service on associated bonds.

1.22 Subd. 3. Bonding authority. (a) The city of La Crescent may issue bonds under
1.23 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the projects

2.1 authorized in subdivision 2 and approved by voters as required under Minnesota Statutes,
2.2 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds
2.3 issued under this subdivision may not exceed \$4,000,000, plus an amount applied to the
2.4 payment of the costs of issuing the bonds. The bonds may be issued as general obligations
2.5 of the city and may be paid from or secured by any money available to the city, including
2.6 the tax authorized under subdivision 1. The issuance of bonds under this subdivision is not
2.7 subject to Minnesota Statutes, sections 275.60 and 275.61.

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

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

2.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the
2.25 city of La Crescent and its chief clerical officer comply with Minnesota Statutes, section
2.26 645.021, subdivisions 2 and 3.