## S.F. No. 686, as introduced - 87th Legislative Session (2011-2012) [11-2366]

## **SENATE STATE OF MINNESOTA** EIGHTY-SEVENTH LEGISLATURE

S.F. No. 686

## (SENATE AUTHORS: PARRY)

DATE 03/09/2011 D-PG

**OFFICIAL STATUS** 448 Introduction and first reading Referred to Taxes

A bill for an act
relating to taxation; authorizing the city of Medford to impose a local sales and
use tax.
BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
Section 1. CITY OF MEDFORD; SALES AND USE TAX.
Subdivision 1. Sales and use tax authorized. Notwithstanding Minnesota Statutes,
section 477A.016, or any other provision of law, ordinance, or city charter, if approved by
the voters pursuant to Minnesota Statutes, section 297A.99, at the next general election,
the city of Medford may impose by ordinance a sales and use tax of 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.
Subd. 2. Use of revenues. The proceeds of the tax imposed under this section must
be used by the city of Medford to pay the costs of collecting and administering the tax
and to repay loans received from the Minnesota Public Facilities Authority since 2007
that were used to finance \$4,200,000 of improvements to the city's water and wastewater
systems.
Subd. 3. Termination of taxes. The tax imposed under this section expires at the
earlier of (1) 20 years after the date the taxes are first imposed, or (2) when the Medford
City Council determines that the amount of revenues received from the tax equals or
exceeds the sum of loans made to the city by the Minnesota Public Facilities Authority
as described in subdivision 2, including interest on the loans. Any funds remaining
after completion of the repayment of the loans may be placed in the general fund of the

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2.1	city. The tax imposed under subdivision 1 may expire at an earlier time if the city so
2.2	determines by ordinance.

2.3 EFFECTIVE DATE. This section is effective the day after compliance by the
2.4 governing body of the city of Medford with Minnesota Statutes, section 645.021,

2.5 <u>subdivision 3.</u>

Section 1.