

(1) To develop an overall restoration plan for the state ceremonial building and surrounding grounds;

(2) To approve alterations in the existing structure as the council deems appropriate; and

(3) Notwithstanding the gift acceptance procedures of sections 7.09 to 7.12, to solicit contributions for and maintain and improve the quality of furnishings for the public areas of the building by accepting gifts of, or acquiring with donated money, furnishings, objects of art, and other items that the council determines may have historical value in keeping with the period and purpose of the building.

Gifts for the benefit of the state ceremonial building and surrounding grounds are not accepted by the state unless accepted by the council. The council shall maintain a complete inventory of all gifts and articles received.

Sec. 2. This act is effective the day following final enactment.

Approved April 7, 1980

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#### CHAPTER 511—H.F.No. 2436

*An act relating to the city of Duluth; providing for certain city tax revenues; repealing Laws 1973, Chapter 461, as amended; and Laws 1977, Chapter 438, as amended.*

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

Section 1. **CITY OF DULUTH; SALES AND USE TAX.** Subdivision 1. Minnesota Statutes, Section 477A.01, Subdivision 18, shall not be deemed to prohibit the city of Duluth from amending its sales and use tax ordinances so as to impose a sales or use tax at the rate of one percent upon any or all sales or uses which are taxed by the state of Minnesota pursuant to Minnesota Statutes, Chapter 297A or 297B.

Subd. 2. Notwithstanding Minnesota Statutes, Section 477A.01, Subdivision 18, or any other law, ordinance, or city charter provision to the contrary, the city of Duluth may, by ordinance, impose an additional sales tax of up to one percent on sales transactions which are described in Minnesota Statutes, Section 297A.01, Subdivision 3, Clause (c). The imposition of this tax shall not be subject to voter referendum under either state law or city charter provisions. The tax imposed pursuant to this subdivision shall terminate no later than December 31, 1992.

Sec. 2. **CITY OF DULUTH; TAX ON RECEIPTS BY HOTELS AND MOTELS.** Notwithstanding Minnesota Statutes, Section 477A.01, Subdivision 18, or any other law, or ordinance, or city charter provision to the contrary, the city of Duluth may, by ordinance, impose an additional tax of one percent upon the gross receipts from the sale of lodging for periods of less than 30 days in hotels

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and motels located in the city. The tax shall be collected in the same manner as the tax set forth in the Duluth city charter, section 54(d), paragraph one. The imposition of this tax shall not be subject to voter referendum under either state law or city charter provisions.

Sec. 3. **ALLOCATION OF REVENUES.** Revenues received from the taxes authorized by section 1, subdivision 2, and section 2 shall be used to pay for activities conducted by the city or by other organizations which promote tourism in the city of Duluth, and to subsidize the Duluth Arena-Auditorium and the Spirit Mountain recreation authority. Distribution of the revenues derived from these taxes shall be approved by the Duluth city council at least once annually, and shall be made in accordance with the policy set forth in this section.

Sec. 4. Laws 1973, Chapter 461, as amended by Laws 1977, Chapter 438, Section 1; and Laws 1977, Chapter 438, Section 2, as amended by Laws 1979, Chapter 114, Section 1 are repealed.

Sec. 5. This act is effective on January 1, 1981, after approval by the city council of Duluth and compliance with Minnesota Statutes, Section 645.021, Subdivision 3. If the city council approves the imposition of the tax authorized under section 1, subdivision 2, it may provide for the exemption from taxation of sales of food, meals or drinks at establishments having an aggregate yearly amount of sales less than an amount to be set by the council. If the city council approves the imposition of the tax authorized under section 2, it may provide for the exemption from taxation of sales of lodging at hotels or motels having less than a number of rental units to be set by the council. The determination of the amount of sales and number of units which qualify for the exemption shall be based on the council's finding that establishments having a lower volume of sales or fewer units are less likely to profit from the promotion of tourism provided with the proceeds of the revenues pursuant to section 3.

Approved April 7, 1980

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#### CHAPTER 512—S.F.No. 49

*An act relating to taxation; authorizing the establishment of individual housing accounts; providing that contributions to an account which are used exclusively in connection with the purchase of a first principal residence are deductible; providing tax penalties; amending Minnesota Statutes 1978, Sections 48.159; 50.157; 51A.21, by adding a subdivision; 290.09, by adding a subdivision; 290.17, Subdivision 2; and Chapter 52, by adding a section; and Minnesota Statutes, 1979 Supplement, Section 290.01, Subdivision 20.*

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

Section 1. Minnesota Statutes 1978, Section 48.159, is amended to read:

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