

(SENATE AUTHORS: BAKK)

DATE	D-PG	OFFICIAL STATUS
03/09/2011	444	Introduction and first reading Referred to Taxes

1.1A bill for an act

1.2relating to the city of Hermantown; modifying its current local sales tax rate;

1.3amending Laws 1996, chapter 471, article 2, section 29, subdivision 1, as

1.4amended.

1.5BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6Section 1. Laws 1996, chapter 471, article 2, section 29, subdivision 1, as amended by

1.7Laws 2006, chapter 259, article 3, section 3, is amended to read:

1.8Subdivision 1. **Sales tax authorized.** (a) Notwithstanding Minnesota Statutes,

1.9section 477A.016, or any other contrary provision of law, ordinance, or city charter, the

1.10city of Hermantown may, by ordinance, impose an additional sales tax of up to one

1.11percent on sales transactions taxable pursuant to Minnesota Statutes, chapter 297A, that

1.12occur within the city. The proceeds of the tax imposed under this section must be used to

1.13meet the costs of:

- 1.14(1) extending a sewer interceptor line;
- 1.15(2) construction of a booster pump station, reservoirs, and related improvements
- 1.16to the water system; and
- 1.17(3) construction of a building containing a police and fire station and an
- 1.18administrative services facility.

1.19(b) If the city imposed a sales tax of only one-half of one percent under paragraph (a),

1.20it may increase the tax to one percent to fund the purposes under paragraph (a) provided it

1.21is approved by the voters at a general or special election held before December 31, 2012.

1.22**EFFECTIVE DATE.** This section is effective the day following compliance by the

1.23city of Hermantown with Minnesota Statutes, section 645.021, subdivision 3.