

1.1 Senator ..... moves to amend S.F. No. 5052 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 **"ARTICLE 1**  
1.4 **FEDERAL UPDATE**

1.5 Section 1. Minnesota Statutes 2024, section 289A.02, subdivision 7, is amended to read:

1.6 Subd. 7. **Internal Revenue Code.** Unless specifically defined otherwise, "Internal  
1.7 Revenue Code" means the Internal Revenue Code of 1986, as amended through May 1,  
1.8 2023, except the sections of federal law in section 290.0112 shall also apply.

1.9 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
1.10 the changes incorporated by federal changes are effective retroactively at the same time as  
1.11 the changes were effective for federal purposes.

1.12 Sec. 2. Minnesota Statutes 2024, section 290.01, subdivision 19, is amended to read:

1.13 Subd. 19. **Net income.** (a) For a trust or estate taxable under section 290.03, and a  
1.14 corporation taxable under section 290.02, the term "net income" means the federal taxable  
1.15 income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through  
1.16 the date named in this subdivision, incorporating the federal effective dates of changes to  
1.17 the Internal Revenue Code and any elections made by the taxpayer in accordance with the  
1.18 Internal Revenue Code in determining federal taxable income for federal income tax  
1.19 purposes, and with the modifications provided in sections 290.0131 to 290.0136.

1.20 (b) For an individual, the term "net income" means federal adjusted gross income with  
1.21 the modifications provided in sections 290.0131, 290.0132, and 290.0135 to 290.0137.

1.22 (c) In the case of a regulated investment company or a fund thereof, as defined in section  
1.23 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment  
1.24 company taxable income as defined in section 852(b)(2) of the Internal Revenue Code,  
1.25 except that:

1.26 (1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal  
1.27 Revenue Code does not apply;

1.28 (2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue  
1.29 Code must be applied by allowing a deduction for capital gain dividends and exempt-interest  
1.30 dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code;  
1.31 and

2.1 (3) the deduction for dividends paid must also be applied in the amount of any  
2.2 undistributed capital gains which the regulated investment company elects to have treated  
2.3 as provided in section 852(b)(3)(D) of the Internal Revenue Code.

2.4 (d) The net income of a real estate investment trust as defined and limited by section  
2.5 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust  
2.6 taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

2.7 (e) The net income of a designated settlement fund as defined in section 468B(d) of the  
2.8 Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal  
2.9 Revenue Code.

2.10 (f) The Internal Revenue Code of 1986, as amended through May 1, 2023, applies for  
2.11 taxable years beginning after December 31, 1996, except the sections of federal law in  
2.12 section 290.0112 shall also apply.

2.13 (g) Except as otherwise provided, references to the Internal Revenue Code in this  
2.14 subdivision and sections 290.0131 to 290.0136 mean the code in effect for purposes of  
2.15 determining net income for the applicable year.

2.16 (h) In the case of a partnership electing to file a composite return under section 289A.08,  
2.17 subdivision 7, "net income" means the partner's share of federal adjusted gross income from  
2.18 the partnership modified by the additions provided in section 290.0131, subdivisions 8 to  
2.19 10, 16, and 17, and the subtractions provided in: (1) section 290.0132, subdivisions 9, 27,  
2.20 and 28, to the extent the amount is assignable or allocable to Minnesota under section 290.17;  
2.21 and (2) section 290.0132, subdivision 14. The subtraction allowed under section 290.0132,  
2.22 subdivision 9, is only allowed on the composite tax computation to the extent the electing  
2.23 partner would have been allowed the subtraction.

2.24 (i) In the case of a qualifying entity electing to pay the pass-through entity tax under  
2.25 section 289A.08, subdivision 7a, "net income" means the qualifying owner's share of federal  
2.26 adjusted gross income from the qualifying entity modified by the additions provided in  
2.27 section 290.0131, subdivisions 5, 8 to 10, 16, and 17, and the subtractions provided in: (1)  
2.28 section 290.0132, subdivisions 3, 9, 27, and 28, to the extent the amount is assignable or  
2.29 allocable to Minnesota under section 290.17; and (2) section 290.0132, subdivision 14. The  
2.30 subtraction allowed under section 290.0132, subdivision 9, is only allowed on the  
2.31 pass-through entity tax computation to the extent the qualifying owners would have been  
2.32 allowed the subtraction. The income of both a resident and nonresident qualifying owner  
2.33 is allocated and assigned to this state as provided for nonresident partners and shareholders  
2.34 under sections 290.17, 290.191, and 290.20.

3.1 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
3.2 the changes incorporated by federal changes are effective retroactively at the same time as  
3.3 the changes were effective for federal purposes.

3.4 Sec. 3. Minnesota Statutes 2024, section 290.01, subdivision 31, is amended to read:

3.5 Subd. 31. **Internal Revenue Code.** Unless specifically defined otherwise, "Internal  
3.6 Revenue Code" means the Internal Revenue Code of 1986, as amended through May 1,  
3.7 2023, except the sections of federal law in section 290.0112 shall also apply. Internal  
3.8 Revenue Code also includes any uncodified provision in federal law that relates to provisions  
3.9 of the Internal Revenue Code that are incorporated into Minnesota law.

3.10 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
3.11 the changes incorporated by federal changes are effective retroactively at the same time as  
3.12 the changes were effective for federal purposes.

3.13 Sec. 4. **[290.0112] CONFORMITY TO CERTAIN FEDERAL TAX CHANGES.**

3.14 Subdivision 1. **Adopting Internal Revenue Code changes.** For the purposes of this  
3.15 chapter, "Internal Revenue Code," as defined in section 290.01, subdivisions 19 and 31,  
3.16 includes the sections of federal law specified in this section as enacted or amended through  
3.17 March 1, 2026.

3.18 Subd. 2. **One Big Beautiful Bill Act, 2025.** "Internal Revenue Code" includes the  
3.19 following provisions in Public Law 119-21:

3.20 (1) section 70301;

3.21 (2) section 70307;

3.22 (3) section 70404;

3.23 (4) section 70405;

3.24 (5) section 70434; and

3.25 (6) section 70603.

3.26 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
3.27 the changes incorporated by federal changes are effective retroactively at the same time as  
3.28 the changes were effective for federal purposes.

4.1 Sec. 5. Minnesota Statutes 2024, section 290A.03, subdivision 15, is amended to read:

4.2 Subd. 15. **Internal Revenue Code.** "Internal Revenue Code" means the Internal Revenue  
4.3 Code of 1986, as amended through May 1, 2023, except the sections of federal law in section  
4.4 290.0112 shall also apply.

4.5 **EFFECTIVE DATE.** This section is effective the day following final enactment, except  
4.6 the changes incorporated by federal changes are effective retroactively at the same time as  
4.7 the changes were effective for federal purposes.

4.8 Sec. 6. Minnesota Statutes 2024, section 291.005, subdivision 1, is amended to read:

4.9 Subdivision 1. **Scope.** Unless the context otherwise clearly requires, the following terms  
4.10 used in this chapter shall have the following meanings:

4.11 (1) "Commissioner" means the commissioner of revenue or any person to whom the  
4.12 commissioner has delegated functions under this chapter.

4.13 (2) "Federal gross estate" means the gross estate of a decedent as required to be valued  
4.14 and otherwise determined for federal estate tax purposes under the Internal Revenue Code,  
4.15 increased by the value of any property in which the decedent had a qualifying income interest  
4.16 for life and for which an election was made under section 291.03, subdivision 1d, for  
4.17 Minnesota estate tax purposes, but was not made for federal estate tax purposes.

4.18 (3) "Internal Revenue Code" means the United States Internal Revenue Code of 1986,  
4.19 as amended through May 1, 2023, except the sections of federal law in section 290.0112  
4.20 shall also apply.

4.21 (4) "Minnesota gross estate" means the federal gross estate of a decedent after (a)  
4.22 excluding therefrom any property included in the estate which has its situs outside Minnesota,  
4.23 and (b) including any property omitted from the federal gross estate which is includable in  
4.24 the estate, has its situs in Minnesota, and was not disclosed to federal taxing authorities.

4.25 (5) "Nonresident decedent" means an individual whose domicile at the time of death  
4.26 was not in Minnesota.

4.27 (6) "Personal representative" means the executor, administrator or other person appointed  
4.28 by the court to administer and dispose of the property of the decedent. If there is no executor,  
4.29 administrator or other person appointed, qualified, and acting within this state, then any  
4.30 person in actual or constructive possession of any property having a situs in this state which  
4.31 is included in the federal gross estate of the decedent shall be deemed to be a personal

5.1 representative to the extent of the property and the Minnesota estate tax due with respect  
5.2 to the property.

5.3 (7) "Resident decedent" means an individual whose domicile at the time of death was  
5.4 in Minnesota. The provisions of section 290.01, subdivision 7, paragraphs (c) and (d), apply  
5.5 to determinations of domicile under this chapter.

5.6 (8) "Situs of property" means, with respect to:

5.7 (i) real property, the state or country in which it is located;

5.8 (ii) tangible personal property, the state or country in which it was normally kept or  
5.9 located at the time of the decedent's death or for a gift of tangible personal property within  
5.10 three years of death, the state or country in which it was normally kept or located when the  
5.11 gift was executed;

5.12 (iii) a qualified work of art, as defined in section 2503(g)(2) of the Internal Revenue  
5.13 Code, owned by a nonresident decedent and that is normally kept or located in this state  
5.14 because it is on loan to an organization, qualifying as exempt from taxation under section  
5.15 501(c)(3) of the Internal Revenue Code, that is located in Minnesota, the situs of the art is  
5.16 deemed to be outside of Minnesota, notwithstanding the provisions of item (ii); and

5.17 (iv) intangible personal property, the state or country in which the decedent was domiciled  
5.18 at death or for a gift of intangible personal property within three years of death, the state or  
5.19 country in which the decedent was domiciled when the gift was executed.

5.20 For a nonresident decedent with an ownership interest in a pass-through entity with  
5.21 assets that include real or tangible personal property, situs of the real or tangible personal  
5.22 property, including qualified works of art, is determined as if the pass-through entity does  
5.23 not exist and the real or tangible personal property is personally owned by the decedent. If  
5.24 the pass-through entity is owned by a person or persons in addition to the decedent, ownership  
5.25 of the property is attributed to the decedent in proportion to the decedent's capital ownership  
5.26 share of the pass-through entity.

5.27 (9) "Pass-through entity" includes the following:

5.28 (i) an entity electing S corporation status under section 1362 of the Internal Revenue  
5.29 Code;

5.30 (ii) an entity taxed as a partnership under subchapter K of the Internal Revenue Code;

6.1 (iii) a single-member limited liability company or similar entity, regardless of whether  
6.2 it is taxed as an association or is disregarded for federal income tax purposes under Code  
6.3 of Federal Regulations, title 26, section 301.7701-3; or

6.4 (iv) a trust to the extent the property is includable in the decedent's federal gross estate;  
6.5 but excludes

6.6 (v) an entity whose ownership interest securities are traded on an exchange regulated  
6.7 by the Securities and Exchange Commission as a national securities exchange under section  
6.8 6 of the Securities Exchange Act, United States Code, title 15, section 78f.

6.9 EFFECTIVE DATE. This section is effective the day following final enactment, except  
6.10 the changes incorporated by federal changes are effective retroactively at the same time as  
6.11 the changes were effective for federal purposes.

## 6.12 ARTICLE 2

### 6.13 INCOME AND CORPORATE FRANCHISE TAXES

6.14 Section 1. Minnesota Statutes 2024, section 41A.30, subdivision 1, is amended to read:

6.15 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
6.16 the meanings given.

6.17 (b) "Aircraft" has the meaning given in section 296A.01, subdivision 3.

6.18 (c) "Aviation gasoline" has the meaning given in section 296A.01, subdivision 7.

6.19 (d) "Commissioner" means the commissioner of agriculture.

6.20 (e) "Jet fuel" has the meaning given in section 296A.01, subdivision 8.

6.21 (f) "Qualifying taxpayer" means a taxpayer, as defined in section 290.01, subdivision  
6.22 6, that is engaged in the business of:

6.23 (1) producing sustainable aviation fuel; or

6.24 (2) blending sustainable aviation fuel with aviation gasoline or jet fuel.

6.25 (g) "Sustainable aviation fuel" means liquid fuel that:

6.26 (1) is derived from:

6.27 (i) biomass, as defined in section 41A.15, subdivision 2e, that is produced in the United  
6.28 States, provided that any agricultural feedstocks are from planted crops and crop residue  
6.29 harvested from agricultural land cleared or cultivated any time prior to December 19, 2007,  
6.30 that is either actively managed or fallow;

7.1 (ii) gaseous carbon oxides; or

7.2 (iii) hydrogen that has a carbon intensity not greater than four kilograms of carbon  
7.3 dioxide equivalent per kilogram of hydrogen produced;

7.4 (2) is not derived from palm fatty acid distillates; and

7.5 (3) achieves at least a 50 percent life cycle greenhouse gas emissions reduction in  
7.6 comparison with petroleum-based aviation gasoline, aviation turbine fuel, and jet fuel as  
7.7 determined by a test that shows:

7.8 (i) that the fuel production pathway achieves at least a 50 percent life cycle greenhouse  
7.9 gas emissions reduction in comparison with petroleum-based aviation gasoline, aviation  
7.10 turbine fuel, and jet fuel utilizing the most recent version of Argonne National Laboratory's  
7.11 Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies (GREET) model  
7.12 that accounts for reduced emissions throughout the fuel production process; or

7.13 (ii) that the fuel production pathway achieves at least a 50 percent reduction of the  
7.14 aggregate attributional core life cycle emissions and the positive induced land use change  
7.15 values under the life cycle methodology for sustainable aviation fuels adopted by the  
7.16 International Civil Aviation Organization with the agreement of the United States.

7.17 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
7.18 after December 31, 2024, for sustainable aviation fuel sold after June 30, 2025.

7.19 Sec. 2. Minnesota Statutes 2024, section 41A.30, subdivision 2, is amended to read:

7.20 Subd. 2. **Tax credit establishment.** (a) A qualifying taxpayer may claim a tax credit  
7.21 against the tax due under chapter 290 equal to \$1.50 for each gallon of sustainable aviation  
7.22 fuel that is:

7.23 (1) produced in Minnesota or blended with aviation or gasoline or jet fuel in Minnesota,  
7.24 provided that carbon oxides sequestered as part of the production process are not used as a  
7.25 tertiary injectant in a qualified enhanced oil recovery project; and

7.26 (2) sold in Minnesota to a purchaser who certifies that the sustainable aviation fuel is  
7.27 for use as fuel in an aircraft departing from an airport in Minnesota.

7.28 (b) The credit may be claimed only after approval and certification by the commissioner  
7.29 and is limited to the amount stated on the credit certificate issued under subdivision 3. A  
7.30 qualifying taxpayer must apply to the commissioner for certification and allocation of a  
7.31 credit in a form and manner prescribed by the commissioner.

8.1 (c) A qualifying taxpayer may claim a credit for blending or producing sustainable  
8.2 aviation fuel, but not both. If sustainable aviation fuel is blended with aviation gasoline or  
8.3 jet fuel, the credit is allowed only for the portion of sustainable aviation fuel that is included  
8.4 in the blended fuel.

8.5 (d) If the amount of credit that the taxpayer is eligible to receive under this section  
8.6 exceeds the liability for tax under chapter 290, the commissioner of revenue must refund  
8.7 the excess to the taxpayer.

8.8 (e) Subject to the commissioner's certification, a qualifying taxpayer may claim a  
8.9 supplemental tax credit against the tax due under chapter 290 equal to the rate of \$0.02 per  
8.10 gallon for each additional whole percentage carbon intensity reduction beyond 50 percent,  
8.11 but capped at \$2.00 per gallon.

8.12 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
8.13 after December 31, 2024, for sustainable aviation fuel sold after June 30, 2025.

8.14 Sec. 3. Minnesota Statutes 2025 Supplement, section 41A.30, subdivision 5, is amended  
8.15 to read:

8.16 Subd. 5. **Allocation limits.** (a) Subject to additional rollover allocation as provided in  
8.17 paragraph (b), for tax credits allowed under subdivision 2, the commissioner must not issue  
8.18 credit certificates for more than ~~\$11,600,000~~ \$36,900,000 in total, allocated as follows:

8.19 (1) \$7,400,000 for fiscal year 2025; and

8.20 (2) \$2,100,000 for each of fiscal years year 2026 and 2027;

8.21 (3) \$7,400,000 for fiscal year 2027;

8.22 (4) \$5,300,000 for fiscal year 2028; and

8.23 (5) \$2,100,000 for each fiscal year from 2029 through 2035.

8.24 (b) Any portion of a fiscal year's credits that is not allocated by the commissioner does  
8.25 not cancel and may be carried forward to subsequent fiscal years until ~~all credits have been~~  
8.26 ~~allocated~~ the entire allocation has been made, except that the commissioner must not issue  
8.27 any credit certificates for fiscal years beginning after June 30, ~~2030~~ 2035, and any unallocated  
8.28 amounts cancel on that date.

8.29 **EFFECTIVE DATE.** This section is effective retroactively for taxable years beginning  
8.30 after December 31, 2025.

9.1 Sec. 4. Minnesota Statutes 2024, section 41A.30, subdivision 7, is amended to read:

9.2 Subd. 7. **Expiration.** This section expires for taxable years beginning after December  
9.3 31, ~~2030~~ 2035.

9.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.5 Sec. 5. Minnesota Statutes 2025 Supplement, section 41B.0391, subdivision 2, is amended  
9.6 to read:

9.7 Subd. 2. **Tax credit for owners of agricultural assets.** (a) An owner of agricultural  
9.8 assets may take a credit against the tax due under chapter 290 for the sale or rental of  
9.9 agricultural assets to a beginning farmer ~~in the amount allocated by the authority under~~  
9.10 ~~subdivision 4~~. An owner of agricultural assets is eligible for allocation of a credit equal to:

9.11 (1) eight percent of the lesser of the sale price or the fair market value of the agricultural  
9.12 asset, up to a maximum of \$50,000;

9.13 (2) ten percent of the gross rental income in each of the first, second, and third years of  
9.14 a rental agreement, up to a maximum of \$7,000 per year; or

9.15 (3) 15 percent of the cash equivalent of the gross rental income in each of the first,  
9.16 second, and third years of a share rent agreement, up to a maximum of \$10,000 per year.

9.17 (b) A qualifying rental agreement includes cash rent of agricultural assets or a share rent  
9.18 agreement. The agricultural asset must be rented at prevailing community rates as determined  
9.19 by the authority.

9.20 (c) The credit may be claimed only after approval and certification by the authority, and  
9.21 is limited to the amount stated on the certificate issued under subdivision 4. An owner of  
9.22 agricultural assets must apply to the authority for certification and allocation of a credit, in  
9.23 a form and manner prescribed by the authority.

9.24 (d) An owner of agricultural assets or beginning farmer may terminate a rental agreement,  
9.25 including a share rent agreement, for reasonable cause upon approval of the authority. If a  
9.26 rental agreement is terminated without the fault of the owner of agricultural assets, the tax  
9.27 credits shall not be retroactively disallowed. In determining reasonable cause, the authority  
9.28 must look at which party was at fault in the termination of the agreement. If the authority  
9.29 determines the owner of agricultural assets did not have reasonable cause, the owner of  
9.30 agricultural assets must repay all credits received as a result of the rental agreement to the  
9.31 commissioner of revenue. The repayment is additional income tax for the taxable year in

10.1 which the authority makes its decision or when a final adjudication under subdivision 5,  
10.2 paragraph (a), is made, whichever is later.

10.3 (e) The credit is limited to the liability for tax as computed under chapter 290 for the  
10.4 taxable year. If the amount of the credit determined under this section for any taxable year  
10.5 exceeds this limitation, the excess is a beginning farmer incentive credit carryover according  
10.6 to section 290.06, subdivision 37.

10.7 (f) For purposes of the credit for the sale of agricultural land only, the family member  
10.8 definitional exclusions in subdivision 1, paragraph (c), clauses (4) and (5), do not apply.  
10.9 For a sale to a family member to qualify for the credit, the sales price of the agricultural  
10.10 land must equal or exceed the assessed value of the land as of the date of the sale. For  
10.11 purposes of this paragraph, "sale to a family member" means a sale to a beginning farmer  
10.12 in which the beginning farmer or the beginning farmer's spouse is a family member of:

10.13 (1) the owner of the agricultural land; or

10.14 (2) a partner, member, shareholder, or trustee of the owner of the agricultural land.

10.15 (g) For a sale to a limited land access farmer, the credit rate under paragraph (a), clause  
10.16 (1), is 12 percent rather than eight percent.

10.17 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
10.18 31, 2026.

10.19 Sec. 6. Minnesota Statutes 2025 Supplement, section 41B.0391, subdivision 4, is amended  
10.20 to read:

10.21 Subd. 4. **Authority duties.** (a) The authority shall:

10.22 (1) approve and certify or recertify beginning farmers as eligible for the program under  
10.23 this section;

10.24 (2) approve and certify or recertify owners of agricultural assets as eligible for the tax  
10.25 credit under subdivision 2 ~~subject to the allocation limits in paragraph (e);~~

10.26 (3) provide necessary and reasonable assistance and support to beginning farmers for  
10.27 qualification and participation in financial management programs approved by the authority;

10.28 (4) refer beginning farmers to agencies and organizations that may provide additional  
10.29 pertinent information and assistance; and

10.30 (5) notwithstanding section 41B.211, the Rural Finance Authority must share information  
10.31 with the commissioner of revenue to the extent necessary to administer provisions under

11.1 this subdivision and section 290.06, subdivisions 37 and 38. The Rural Finance Authority  
11.2 must annually notify the commissioner of revenue of approval and certification or  
11.3 recertification of beginning farmers and owners of agricultural assets under this section.  
11.4 For credits under subdivision 2, the notification must include the amount of credit approved  
11.5 by the authority and stated on the credit certificate.

11.6 (b) The certification of a beginning farmer or an owner of agricultural assets under this  
11.7 section is valid for the year of the certification and the two following years, after which  
11.8 time the beginning farmer or owner of agricultural assets must apply to the authority for  
11.9 recertification.

11.10 ~~(e) For credits for owners of agricultural assets allowed under subdivision 2, the authority~~  
11.11 ~~must not allocate more than \$6,500,000 for taxable years beginning after December 31,~~  
11.12 ~~2022, and before January 1, 2024, and \$4,000,000 for taxable years beginning after December~~  
11.13 ~~31, 2023. The authority must allocate credits on a first-come, first-served basis beginning~~  
11.14 ~~on January 1 of each year, except that recertifications for the second and third years of~~  
11.15 ~~credits under subdivision 2, paragraph (a), clauses (1) and (2), have first priority. Any~~  
11.16 ~~amount authorized but not allocated for taxable years ending before January 1, 2023, is~~  
11.17  ~~canceled and is not allocated for future taxable years. For taxable years beginning after~~  
11.18  ~~December 31, 2022, any amount authorized but not allocated in any taxable year does not~~  
11.19  ~~cancel and is added to the allocation for the next taxable year. For each taxable year, 50~~  
11.20  ~~percent of newly allocated credits must be allocated to limited land access farmers. Any~~  
11.21  ~~portion of a taxable year's newly allocated credits that is reserved for limited land access~~  
11.22  ~~farmers that is not allocated by September 30 of the taxable year is available for allocation~~  
11.23  ~~to other credit allocations beginning on October 1.~~

11.24 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
11.25 31, 2026.

11.26 Sec. 7. Minnesota Statutes 2025 Supplement, section 41B.0391, subdivision 6a, is amended  
11.27 to read:

11.28 Subd. 6a. **Report to legislature.** (a) No later than February 1 each year the Rural Finance  
11.29 Authority, in consultation with the commissioner of revenue, must provide a report to the  
11.30 chairs and ranking minority members of the legislative committees having jurisdiction over  
11.31 agriculture, economic development, rural development, and taxes, in compliance with  
11.32 sections 3.195 and 3.197, on the beginning farmer tax credits under this section.

12.1 (b) The report must include background information on beginning farmers in Minnesota  
12.2 and any other information the commissioner and authority find relevant to evaluating the  
12.3 effect of the credits on increasing opportunities for and the number of beginning farmers.

12.4 (c) For credits issued under subdivision 2, paragraph (a), clauses (1) to (3), the report  
12.5 must include:

12.6 (1) the number and amount of credits issued under each clause;

12.7 (2) the geographic distribution of credits issued under each clause;

12.8 (3) the type of agricultural assets for which credits were issued under clause (1);

12.9 (4) the number and geographic distribution of beginning farmers whose purchase or  
12.10 rental of assets resulted in credits for the seller or owner of the asset;

12.11 (5) the number and amount of credits disallowed under subdivision 2, paragraph (d);  
12.12 and

12.13 (6) data on the number of beginning farmers by geographic region, including:

12.14 (i) the number of beginning farmers by race and ethnicity, as those terms are applied in  
12.15 the 2020 United States Census; and

12.16 (ii) to the extent available, the number of beginning farmers who are limited land access  
12.17 farmers; ~~and.~~

12.18 ~~(7) the number and amount of credit applications that exceeded the allocation available~~  
12.19 ~~in each year.~~

12.20 (d) For credits issued under subdivision 3, the report must include:

12.21 (1) the number and amount of credits issued;

12.22 (2) the geographic distribution of credits;

12.23 (3) a listing and description of each approved financial management program for which  
12.24 credits were issued; and

12.25 (4) a description of the approval procedure for financial management programs not on  
12.26 the list maintained by the authority, as provided in subdivision 3, paragraph (a).

12.27 **EFFECTIVE DATE.** This section is effective for reports due for credits issued for  
12.28 taxable years beginning after December 31, 2026.

13.1 Sec. 8. Minnesota Statutes 2024, section 116U.27, subdivision 1, is amended to read:

13.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
13.3 the meanings given.

13.4 (b) "~~Allocation certificate~~ letter" means a ~~certificate~~ letter issued by the commissioner  
13.5 to a taxpayer upon receipt and approval of an initial application for a credit for a project  
13.6 that has not yet been completed.

13.7 (c) "Application" means the application for a credit under subdivision 4.

13.8 (d) "Below-the-line crew position" means a position that handles the technical execution  
13.9 of film production, including camera operators, sound technicians, grips, electricians, and  
13.10 other specialized crafts positions.

13.11 ~~(d)~~ (e) "Credit certificate" means a certificate issued by the commissioner upon receipt  
13.12 and approval of the cost verification report in subdivision 4, paragraph (e).

13.13 ~~(e)~~ (f) "Director" means the director of Explore Minnesota.

13.14 ~~(f)~~ (g) "Eligible production costs" means eligible production costs as defined in section  
13.15 116U.26, paragraph (b), clause (1), incurred in Minnesota that are directly attributable to  
13.16 the production of a film project in Minnesota.

13.17 ~~(g)~~ (h) "Film" has the meaning given in section 116U.26, paragraph (b), clause (2).

13.18 (i) "Key creative role" means a project director, producer, showrunner, editor, actor,  
13.19 writer, director of photography, production designer, cinematographer, or equivalent project  
13.20 role.

13.21 (j) "Minnesota script or screenplay production" means a script or screenplay created by  
13.22 a Minnesota resident that is produced into a film.

13.23 ~~(h)~~ (k) "Project" means a film, including television programming:

13.24 (1) that includes the promotion of Minnesota;

13.25 (2) for which the taxpayer has expended at least ~~\$1,000,000~~ \$400,000 in any consecutive  
13.26 12-month period beginning after expenditures are first paid in Minnesota for eligible  
13.27 production costs; and

13.28 (3) to the extent practicable, that employs Minnesota residents.

13.29 ~~Television commercials are exempt from the requirement under clause (1).~~

13.30 Project also includes a television commercial or Minnesota script or screenplay production  
13.31 for which the taxpayer has expended at least \$150,000 in any consecutive 12-month period

14.1 beginning after expenditures are first paid in Minnesota for eligible production costs and,  
 14.2 to the extent practicable, that employs Minnesota residents.

14.3 (+) (l) "Promotion of Minnesota" or "promotion" means visible display of a static or  
 14.4 animated logo, approved by the director, that promotes Minnesota within its presentation  
 14.5 in the end credits for the life of the project.

14.6 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 14.7 31, 2026.

14.8 Sec. 9. Minnesota Statutes 2025 Supplement, section 116U.27, subdivision 2, is amended  
 14.9 to read:

14.10 Subd. 2. **Credit allowed.** (a) A taxpayer is eligible for a credit up to ~~25~~ 40 percent of  
 14.11 eligible production costs paid in any consecutive 12-month period as described in subdivision  
 14.12 1, ~~paragraph (h).~~ A taxpayer may only claim a credit if the taxpayer was issued a credit  
 14.13 certificate under subdivision 4.

14.14 (b) A taxpayer is eligible for an additional five percent credit totaling up to 45 percent  
 14.15 if the project meets the requirements of paragraph (a), and:

14.16 (1) employs a Minnesota resident in a key creative role;

14.17 (2) films outside of the seven-county metropolitan area, as defined in section 473.121,  
 14.18 subdivision 2; or

14.19 (3) hires a majority of Minnesota residents in below-the-line crew positions.

14.20 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 14.21 31, 2026.

14.22 Sec. 10. Minnesota Statutes 2024, section 116U.27, subdivision 4, is amended to read:

14.23 Subd. 4. **Applications; allocations.** (a) To qualify for a credit under this section, a  
 14.24 taxpayer must submit to the director an application for a credit in the form prescribed by  
 14.25 the director, in consultation with the commissioner of revenue.

14.26 (b) Upon approving an application for a credit that meets the requirements of this section,  
 14.27 the director shall issue allocation ~~certificates~~ letters that:

14.28 (1) verify eligibility for the credit;

14.29 (2) state the amount of credit anticipated for the eligible project, with the credit amount  
 14.30 up to ~~25~~ 45 percent of eligible project costs; and

15.1 (3) state the taxable year in which the credit is allocated.

15.2 (c) The director must not issue allocation ~~certificates~~ letters for more than \$24,950,000  
15.3 of credits each year. If the entire amount is not allocated in that taxable year, any remaining  
15.4 amount is available for allocation for the four following taxable years until the entire  
15.5 allocation has been made. The director must not award any credits for taxable years beginning  
15.6 after December 31, 2030, and any unallocated amounts cancel on that date.

15.7 (d) The director must allocate credits on a first-come, first-served basis.

15.8 (e) Upon completion of a project, the taxpayer shall submit to the director a report  
15.9 prepared by an independent certified public accountant licensed in the state of Minnesota  
15.10 to verify the amount of eligible production costs related to the project. The report must be  
15.11 prepared in accordance with generally accepted accounting principles. Upon receipt and  
15.12 approval of the cost verification report and other documents required by the director, the  
15.13 director shall determine the final amount of eligible production costs and issue a credit  
15.14 certificate to the taxpayer. The credit may not exceed the anticipated credit amount on the  
15.15 allocation ~~certificate~~ letter. If the credit is less than the anticipated amount on the allocation  
15.16 credit, the difference is returned to the amount available for allocation under paragraph (c).  
15.17 To claim the credit under section 290.06, subdivision 39, or 297I.20, subdivision 4, a taxpayer  
15.18 must include a copy of the credit certificate as part of the taxpayer's return.

15.19 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
15.20 31, 2026.

15.21 Sec. 11. Minnesota Statutes 2024, section 116U.27, subdivision 5, is amended to read:

15.22 Subd. 5. **Report required.** By January 15, 2025 March 1, 2027, and each year thereafter,  
15.23 the commissioner of revenue, in consultation with the director, must provide a report to the  
15.24 chairs and ranking minority members of the legislative committees with jurisdiction over  
15.25 economic development and taxes. The report must comply with sections 3.195 and 3.197,  
15.26 and must detail the following:

15.27 (1) the amount of credit certifications issued annually;

15.28 (2) the number of applications submitted, the number of allocation ~~certificates~~ letters  
15.29 issued, the amount of allocation ~~certificates~~ letters issued, the number of reports submitted  
15.30 upon completion of a project, and the number of credit certificates issued;

15.31 (3) the types of projects eligible for the credit;

16.1 (4) the total economic impact of the credit in Minnesota, including the calendar year  
 16.2 over calendar year percentage changes in the number of jobs held by Minnesota residents  
 16.3 in businesses having a primary North American Industry Classification System code of  
 16.4 512110 as reported to the commissioner, for calendar years ~~2019~~ 2027 through ~~2023~~ 2030;

16.5 (5) the number of taxpayers per tax type which are assignees of credit certificates under  
 16.6 subdivision 3;

16.7 (6) annual Minnesota taxes paid by businesses having a primary North American Industry  
 16.8 Classification System code of 512110, for taxable years beginning after December 31, ~~2018~~  
 16.9 2026, and before January 1, ~~2024~~ 2031; and

16.10 (7) any other information the commissioner of revenue, in consultation with the director,  
 16.11 deems necessary for purposes of claiming and administering the credit.

16.12 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.13 Sec. 12. Minnesota Statutes 2024, section 290.0132, subdivision 11, is amended to read:

16.14 Subd. 11. **National Guard and reserve compensation.** (a) Compensation paid to  
 16.15 members of the Minnesota National Guard, the National Guard of a neighboring state, or  
 16.16 other reserve components of the United States military for active service, including  
 16.17 compensation for services performed under the Active Guard Reserve (AGR) program, is  
 16.18 a subtraction.

16.19 (b) For purposes of this subdivision, ~~"active service"~~ means the following terms have  
 16.20 the meanings given:

16.21 (1) ~~state active service as defined in section 190.05, subdivision 5a, clause (1)~~ "active  
 16.22 service" means:

16.23 (i) service or duty on behalf of the state or neighboring states in case of actual or  
 16.24 threatened public disaster, war, riot, tumult, breach of the peace, resistance of process, or  
 16.25 whenever called upon in aid of state civil authority;

16.26 (ii) service or duty under United States Code, title 32, as amended through December  
 16.27 31, 1983, and travel to or from that service or duty; or

16.28 (iii) service performed under section 190.08, subdivision 3; and

16.29 (2) ~~federally funded state active service as defined in section 190.05, subdivision 5b,~~  
 16.30 ~~and includes service performed under section 190.08, subdivision 3~~ "neighboring state"  
 16.31 means North Dakota, South Dakota, Iowa, or Wisconsin.

17.1 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
17.2 31, 2025.

17.3 Sec. 13. Minnesota Statutes 2024, section 290.0681, subdivision 3, is amended to read:

17.4 Subd. 3. **Applications; allocations.** (a) To qualify for a credit or grant under this section,  
17.5 the developer of a project must apply to the office before the rehabilitation begins. The  
17.6 application must contain the information and be in the form prescribed by the office. The  
17.7 office may collect a fee for application of up to 0.5 percent of qualified rehabilitation  
17.8 expenditures, up to \$40,000, based on estimated qualified rehabilitation expenditures, to  
17.9 offset costs associated with personnel and administrative expenses related to administering  
17.10 the credit and preparing the economic impact report in subdivision 9. Application fees are  
17.11 deposited in the account. The application must indicate if the application is for a credit or  
17.12 a grant in lieu of the credit or a combination of the two and designate the taxpayer qualifying  
17.13 for the credit or the recipient of the grant.

17.14 (b) Upon approving an application for credit, the office shall issue allocation certificates  
17.15 that:

17.16 (1) verify eligibility for the credit or grant;

17.17 (2) state the amount of credit or grant anticipated with the project, with the credit amount  
17.18 equal to 100 percent and the grant amount equal to 90 percent of the federal credit anticipated  
17.19 in the application;

17.20 (3) state that the credit or grant allowed may increase or decrease if the federal credit  
17.21 the project receives at the time it is placed in service is different than the amount anticipated  
17.22 at the time the allocation certificate is issued; and

17.23 (4) state the fiscal year in which the credit or grant is allocated, and that the taxpayer or  
17.24 grant recipient is entitled to receive one-fifth of the total amount of either the credit or the  
17.25 grant at the time the project is placed in service, provided that date is within ~~three~~ six calendar  
17.26 years following the issuance of the allocation certificate.

17.27 (c) The office, in consultation with the commissioner, shall determine if the project is  
17.28 eligible for a credit or a grant under this section and must notify the developer in writing  
17.29 of its determination. Eligibility for the credit is subject to review and audit by the  
17.30 commissioner.

17.31 (d) The federal credit recapture and repayment requirements under section 50 of the  
17.32 Internal Revenue Code do not apply to the credit allowed under this section.

18.1 (e) Any decision of the office under paragraph (c) may be challenged as a contested case  
18.2 under chapter 14. The contested case proceeding must be initiated within 45 days of the  
18.3 date of written notification by the office.

18.4 **EFFECTIVE DATE.** This section is effective retroactively for projects for which an  
18.5 allocation certificate was issued after June 30, 2021.

18.6 Sec. 14. Minnesota Statutes 2024, section 290.0681, subdivision 4, is amended to read:

18.7 Subd. 4. **Credit certificates; grants.** (a)(1) The developer of a project for which the  
18.8 office has issued an allocation certificate must notify the office when the project is placed  
18.9 in service. Upon verifying that the project has been placed in service, and was allowed a  
18.10 federal credit, the office must issue a credit certificate to the taxpayer designated in the  
18.11 application or must issue a grant to the recipient designated in the application. The credit  
18.12 certificate must state the amount of the credit.

18.13 (2) The credit amount equals the federal credit allowed for the project.

18.14 (3) The grant amount equals 90 percent of the federal credit allowed for the project.

18.15 (b) The recipient of a credit certificate may assign the certificate to another taxpayer  
18.16 before the first one-fifth payment is claimed, which is then allowed the credit under this  
18.17 section or section 297I.20, subdivision 3. Before the payment is claimed but after the first  
18.18 assignment, the first assignee may assign the credit certificate in whole to a second assignee.  
18.19 An assignment is not valid unless the assignee notifies the commissioner within 30 days of  
18.20 the date that the assignment is made. The commissioner shall prescribe the forms necessary  
18.21 for notifying the commissioner of the assignment of a credit certificate and for claiming a  
18.22 credit by assignment. The original credit certificate recipient and each assignee must file a  
18.23 return with the commissioner for the taxable year that the project is placed in service.

18.24 (c) Credits passed through to partners, members, shareholders, or owners pursuant to  
18.25 subdivision 5 are not an assignment of a credit certificate under this subdivision.

18.26 (d) A grant agreement between the office and the recipient of a grant may allow the  
18.27 grant to be issued to another individual or entity.

18.28 **EFFECTIVE DATE.** This section is effective for applications for allocation certificates  
18.29 submitted after June 30, 2026.

19.1 Sec. 15. Minnesota Statutes 2024, section 290.0683, subdivision 1, is amended to read:

19.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the following terms have  
19.3 the meanings given.

19.4 (b) "Agency" means the Minnesota Housing Finance Agency.

19.5 (c) "Greater Minnesota" means the area of Minnesota located outside of the metropolitan  
19.6 area.

19.7 (d) "Metropolitan area" has the meaning given in section 473.121, subdivision 2.

19.8 ~~(e)~~ (e) "Minnesota housing tax credit contribution account" or "account" means the  
19.9 account established in section 462A.40.

19.10 ~~(d)~~ (f) "Qualified project" means a project that qualifies for a grant or loan under section  
19.11 462A.40.

19.12 ~~(e)~~ (g) "Taxpayer" means a taxpayer as defined in section 290.01, subdivision 6, or a  
19.13 taxpayer as defined in section 297I.01, subdivision 16.

19.14 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
19.15 31, 2026.

19.16 Sec. 16. Minnesota Statutes 2024, section 290.0683, subdivision 3, is amended to read:

19.17 Subd. 3. **Allocation.** (a) To qualify for the credit, a taxpayer must contribute to the  
19.18 Minnesota housing tax credit contribution account. A taxpayer may indicate that a  
19.19 contribution is intended for a specific qualified project, subject to the limitations in paragraph  
19.20 (b). A taxpayer is prohibited from contributing to certain projects as provided in section  
19.21 462A.40, subdivision 3.

19.22 (b) For each taxable year, the agency must reserve 50 percent of credits for contributions  
19.23 to qualified projects located in greater Minnesota. Any portion of a taxable year's credits  
19.24 reserved for contributions to qualified projects located in greater Minnesota that is not  
19.25 allocated by the agency by September 30 of each year is available for allocation to credit  
19.26 applications for contributions to other qualified projects beginning on October 1.

19.27 ~~(b)~~ (c) The aggregate amount of tax credits allowed to all eligible contributors is limited  
19.28 to \$9,900,000 annually.

19.29 ~~(e)~~ (d) Within 30 days after a taxpayer contributes to the account, the agency must file  
19.30 with the contributing taxpayer a credit certificate statement or return any amounts to the  
19.31 taxpayer as provided in this paragraph. The agency must send a copy of the credit certificate

20.1 to the commissioner. If there are insufficient credits to match the contribution, the agency  
 20.2 must not issue a credit certificate for the amount of the contribution for which there are  
 20.3 insufficient credits, and must return that amount to the taxpayer before issuing any credit  
 20.4 certificate.

20.5 ~~(d)~~ (e) The credit certificate must state the dollar amount of the contribution made by  
 20.6 the taxpayer and the date the payment was received by the account, and indicate if the  
 20.7 contribution was intended for a specific qualified project.

20.8 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 20.9 31, 2026.

20.10 Sec. 17. Minnesota Statutes 2024, section 290.92, is amended by adding a subdivision to  
 20.11 read:

20.12 **Subd. 32. Nonconformity to certain worker classification rules.** For purposes of  
 20.13 employee classification under this section, "Internal Revenue Code" does not include section  
 20.14 530 of Public Law 95-600, as amended.

20.15 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
 20.16 31, 2026.

### 20.17 **ARTICLE 3**

### 20.18 **PROPERTY TAXES**

20.19 Section 1. Minnesota Statutes 2024, section 272.01, subdivision 2, is amended to read:

20.20 Subd. 2. **Exempt property used by private entity for profit.** (a) When any real or  
 20.21 personal property which is exempt from ad valorem taxes, and taxes in lieu thereof, is leased,  
 20.22 loaned, or otherwise made available and used by a private individual, association, or  
 20.23 corporation in connection with a business conducted for profit, there shall be imposed a  
 20.24 tax, for the privilege of so using or possessing such real or personal property, in the same  
 20.25 amount and to the same extent as though the lessee or user was the owner of such property.

20.26 (b) The tax imposed by this subdivision shall not apply to:

20.27 (1) property leased or used as a concession in or relative to the use in whole or part of  
 20.28 a public park, market, fairgrounds, port authority, economic development authority  
 20.29 established under chapter 469, municipal auditorium, municipal parking facility, municipal  
 20.30 museum, or municipal stadium;

20.31 (2) property of an airport owned by a city, town, county, or group thereof which is:

21.1 (i) leased to or used by any person or entity including a fixed base operator; and

21.2 (ii) used as a hangar for the storage ~~or~~, repair, or manufacture of aircraft or to provide  
21.3 aviation goods, services, or facilities to the airport or general public;

21.4 ~~the exception from taxation provided in this clause does not apply to:~~

21.5 ~~(i) property located at an airport owned or operated by the Metropolitan Airports~~  
21.6 ~~Commission or by a city of over 50,000 population according to the most recent federal~~  
21.7 ~~census or such a city's airport authority; or~~

21.8 ~~(ii) hangars leased by a private individual, association, or corporation in connection with~~  
21.9 ~~a business conducted for profit other than an aviation-related business;~~

21.10 (3) property constituting or used as a public pedestrian ramp or concourse in connection  
21.11 with a public airport;

21.12 (4) except as provided in paragraph (f), property constituting or used as a passenger  
21.13 check-in area or ticket sale counter, boarding area, or luggage claim area in connection with  
21.14 a public airport but not the airports owned or operated by the Metropolitan Airports  
21.15 Commission or cities of over 50,000 population or an airport authority therein. Real estate  
21.16 owned by a municipality in connection with the operation of a public airport and leased or  
21.17 used for agricultural purposes is not exempt;

21.18 (5) property leased, loaned, or otherwise made available to a private individual,  
21.19 corporation, or association under a cooperative farming agreement made pursuant to section  
21.20 97A.135; ~~or~~

21.21 (6) property leased, loaned, or otherwise made available to a private individual,  
21.22 corporation, or association under section 272.68, subdivision 4; or

21.23 (7) property owned by a nonprofit conservation organization that is leased, loaned, or  
21.24 otherwise made available to a private individual, corporation, or association for grazing  
21.25 activities that further the nonprofit conservation organization's conservation objectives for  
21.26 the property, as documented in the organization's management or restoration plan.

21.27 (c) Except as provided in paragraph (f), the exception from taxation provided in paragraph  
21.28 (b), clause (2), does not apply to:

21.29 (1) property located at an airport owned or operated by the Metropolitan Airports  
21.30 Commission or by a city of over 50,000 population according to the most recent federal  
21.31 census or such a city's airport authority; or

22.1 (2) hangars leased by a private individual, association, or corporation in connection with  
22.2 a business conducted for profit other than an aviation-related business.

22.3 ~~(e)~~ (d) Taxes imposed by this subdivision are payable as in the case of personal property  
22.4 taxes and shall be assessed to the lessees or users of real or personal property in the same  
22.5 manner as taxes assessed to owners of real or personal property, except that such taxes shall  
22.6 not become a lien against the property. When due, the taxes shall constitute a debt due from  
22.7 the lessee or user to the state, township, city, county, and school district for which the taxes  
22.8 were assessed and shall be collected in the same manner as personal property taxes. If  
22.9 property subject to the tax imposed by this subdivision is leased or used jointly by two or  
22.10 more persons, each lessee or user shall be jointly and severally liable for payment of the  
22.11 tax.

22.12 ~~(d)~~ (e) The tax on real property of the federal government, the state or any of its political  
22.13 subdivisions that is leased, loaned, or otherwise made available to a private individual,  
22.14 association, or corporation and becomes taxable under this subdivision or other provision  
22.15 of law must be assessed and collected as a personal property assessment. The taxes do not  
22.16 become a lien against the real property.

22.17 (f) Property of an airport that is:

22.18 (1) located at an airport owned or operated by a city of over 50,000 but under 150,000  
22.19 in population according to the most recent federal census or such a city's airport authority;

22.20 (2) not owned or operated by the Metropolitan Airports Commission; and

22.21 (3) used as a hangar for the storage, repair, or manufacture of aircraft or to provide  
22.22 aviation goods, services, or facilities to the airport or general public, or used as a passenger  
22.23 check-in area or ticket sale counter, boarding area, or luggage claim area, shall have the tax  
22.24 imposed by this subdivision calculated as follows: for property taxes payable in 2027 through  
22.25 2038, the net tax capacity of such property shall be reduced by 50 percent.

22.26 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
22.27 in 2027. For assessment year 2026 only, an exemption application under this section must  
22.28 be filed with the county assessor by July 1, 2026.

22.29 Sec. 2. Minnesota Statutes 2024, section 272.02, subdivision 101, is amended to read:

22.30 Subd. 101. **Certain property owned by an Indian tribe.** (a) Property is exempt that:

22.31 (1) is located in a city of the first class with a population less than 100,000 as of the  
22.32 2010 federal census;

23.1 (2) was on January 1, 2016, and is for the current assessment, owned by a federally  
23.2 recognized Indian tribe, or its instrumentality, that is located within the state of Minnesota;  
23.3 and

23.4 (3) is used exclusively as a medical clinic or for a parking lot used exclusively to serve  
23.5 the medical clinic.

23.6 (b) Property that qualifies for the exemption under this subdivision is limited to no more  
23.7 than ~~two contiguous~~ five parcels and structures that do not exceed, in the aggregate, 30,000  
23.8 square feet. Property acquired for single-family housing, market-rate apartments, agriculture,  
23.9 or forestry does not qualify for this exemption. The exemption created by this subdivision  
23.10 expires with taxes payable in ~~2028~~ 2038.

23.11 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2027.

23.12 Sec. 3. Minnesota Statutes 2024, section 272.02, is amended by adding a subdivision to  
23.13 read:

23.14 **Subd. 109. Electric generation facility; personal property.** (a) Notwithstanding  
23.15 subdivision 9, clause (a), attached machinery and other personal property that are part of  
23.16 an electric generation facility with more than 40 megawatts and less than 50 megawatts of  
23.17 installed capacity and that meet the requirements of this subdivision are exempt from taxation  
23.18 and payments in lieu of taxation. The facility must:

23.19 (1) be designed to utilize natural gas as a primary fuel;

23.20 (2) be owned and operated by a municipal power agency as defined in section 453.52,  
23.21 subdivision 8;

23.22 (3) be located within 1,000 feet of an existing natural gas pipeline;

23.23 (4) satisfy a resource deficiency identified in an integrated resource plan filed under  
23.24 section 216B.2422;

23.25 (5) be located outside of the metropolitan area as defined in section 473.121, subdivision  
23.26 2; and

23.27 (6) have received, by resolution, the approval of the governing bodies of the city and  
23.28 county in which the facility is located for the exemption of personal property provided in  
23.29 this subdivision.

23.30 (b) Construction of the facility must have commenced after January 1, 2026, and before  
23.31 January 1, 2030. Property eligible for this exemption does not include electric transmission

24.1 lines and interconnections or gas pipelines and interconnections appurtenant to the property  
24.2 or the facility.

24.3 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
24.4 in 2029.

24.5 Sec. 4. Minnesota Statutes 2024, section 272.02, is amended by adding a subdivision to  
24.6 read:

24.7 Subd. 110. **Certain property owned by an Indian Tribe.** (a) Property is exempt that:

24.8 (1) is located in a city with a population greater than 12,400 but less than 12,800  
24.9 according to the 2020 federal census;

24.10 (2) was on January 1, 2026, and is for the current assessment, owned by a federally  
24.11 recognized Indian Tribe, or its instrumentality, that is located within the state; and

24.12 (3) is used to store medical clinic equipment and materials.

24.13 (b) Property that qualifies for exemption under this subdivision is limited to one parcel.  
24.14 Any portion of the property used for housing, parking facilities, agriculture, or forestry does  
24.15 not qualify for this exemption.

24.16 **EFFECTIVE DATE.** This section is effective beginning with property taxes payable  
24.17 in 2027. For assessment year 2026 only, an exemption application under this section must  
24.18 be filed with the county assessor by July 1, 2026.

24.19 Sec. 5. Minnesota Statutes 2024, section 273.124, subdivision 14, is amended to read:

24.20 Subd. 14. **Agricultural homesteads; special provisions.** (a) Real estate of less than ten  
24.21 acres that is the homestead of its owner must be classified as class 2a under section 273.13,  
24.22 subdivision 23, paragraph (a), if:

24.23 (1) the parcel on which the house is located is contiguous on at least two sides to (i)  
24.24 agricultural land, (ii) land owned or administered by the United States Fish and Wildlife  
24.25 Service, or (iii) land administered by the Department of Natural Resources on which in lieu  
24.26 taxes are paid under sections 477A.11 to 477A.14 or section 477A.17;

24.27 (2) its owner also owns a noncontiguous parcel of agricultural land that is at least 20  
24.28 acres;

24.29 (3) the noncontiguous land is located not farther than four townships or cities, or a  
24.30 combination of townships or cities from the homestead; and

25.1 (4) the agricultural use value of the noncontiguous land and farm buildings is equal to  
 25.2 at least 50 percent of the market value of the house, garage, and one acre of land.

25.3 Homesteads initially classified as class 2a under the provisions of this paragraph shall  
 25.4 remain classified as class 2a, irrespective of subsequent changes in the use of adjoining  
 25.5 properties, as long as the homestead remains under the same ownership, the owner owns a  
 25.6 noncontiguous parcel of agricultural land that is at least 20 acres, and the agricultural use  
 25.7 value qualifies under clause (4). Homestead classification under this paragraph is limited  
 25.8 to property that qualified under this paragraph for the 1998 assessment.

25.9 ~~(b)(i)~~ (b)(1) Agricultural property shall be classified as the owner's homestead, to the  
 25.10 same extent as other agricultural homestead property, if all of the following criteria are met:

25.11 ~~(1)~~ (i) the agricultural property consists of at least 40 acres including undivided  
 25.12 government lots and correctional 40's;

25.13 ~~(2)~~ (ii) the owner, the owner's spouse, or grandparent, a grandchild, child, stepchild,  
 25.14 sibling, ~~or~~ uncle, aunt, nephew, niece, parent, or stepparent of the owner or of the owner's  
 25.15 spouse, is actively farming the agricultural property, either on the person's own behalf as  
 25.16 an individual or on behalf of a partnership operating a family farm, family farm corporation,  
 25.17 joint family farm venture, or limited liability company of which the person is a partner,  
 25.18 shareholder, or member;

25.19 ~~(3)~~ (iii) both the owner of the agricultural property and the person who is actively farming  
 25.20 the agricultural property under ~~clause (2)~~ item (ii), are Minnesota residents;

25.21 ~~(4)~~ (iv) neither the owner nor the spouse of the owner claims another agricultural  
 25.22 homestead in Minnesota; and

25.23 ~~(5)~~ (v) neither the owner nor the person actively farming the agricultural property lives  
 25.24 ~~farther than four townships or cities, or a combination of four townships or cities, from the~~  
 25.25 ~~agricultural property, except that if the owner or the owner's spouse is required to live in~~  
 25.26 ~~employer-provided housing, the owner or owner's spouse, whichever is actively farming~~  
 25.27 ~~the agricultural property, may live more than four townships or cities, or combination of~~  
 25.28 ~~four townships or cities from the agricultural property~~outside the county where the  
 25.29 agricultural property is located, or lives outside a county that is adjacent to the county where  
 25.30 the agricultural property is located.

25.31 The relationship under this paragraph may be either by blood or marriage.

26.1        ~~(ii)~~ (2) Property containing the residence of an owner who owns qualified property under  
26.2 clause ~~(i)~~ (1) shall be classified as part of the owner's agricultural homestead, if that property  
26.3 is also used for noncommercial storage or drying of agricultural crops.

26.4        ~~(iii)~~ (3) As used in this paragraph, "agricultural property" means class 2a property and  
26.5 any class 2b property that is contiguous to and under the same ownership as the class 2a  
26.6 property.

26.7        (c) Noncontiguous land shall be included as part of a homestead under section 273.13,  
26.8 subdivision 23, paragraph (a), only if the homestead is classified as class 2a and the detached  
26.9 land is located in the same township or city, or not farther than four townships or cities or  
26.10 combination thereof from the homestead. Any taxpayer of these noncontiguous lands must  
26.11 notify the county assessor that the noncontiguous land is part of the taxpayer's homestead,  
26.12 and, if the homestead is located in another county, the taxpayer must also notify the assessor  
26.13 of the other county.

26.14        (d) Agricultural land used for purposes of a homestead and actively farmed by a person  
26.15 holding a vested remainder interest in it must be classified as a homestead under section  
26.16 273.13, subdivision 23, paragraph (a). If agricultural land is classified class 2a, any other  
26.17 dwellings on the land used for purposes of a homestead by persons holding vested remainder  
26.18 interests who are actively engaged in farming the property, and up to one acre of the land  
26.19 surrounding each homestead and reasonably necessary for the use of the dwelling as a home,  
26.20 must also be assessed class 2a.

26.21        (e) Agricultural land and buildings that were class 2a homestead property under section  
26.22 273.13, subdivision 23, paragraph (a), for the 1997 assessment shall remain classified as  
26.23 agricultural homesteads for subsequent assessments if:

26.24        (1) the property owner abandoned the homestead dwelling located on the agricultural  
26.25 homestead as a result of the April 1997 floods;

26.26        (2) the property is located in the county of Polk, Clay, Kittson, Marshall, Norman, or  
26.27 Wilkin;

26.28        (3) the agricultural land and buildings remain under the same ownership for the current  
26.29 assessment year as existed for the 1997 assessment year and continue to be used for  
26.30 agricultural purposes;

26.31        (4) the dwelling occupied by the owner is located in Minnesota and is within 30 miles  
26.32 of one of the parcels of agricultural land that is owned by the taxpayer; and

27.1 (5) the owner notifies the county assessor that the relocation was due to the 1997 floods,  
27.2 and the owner furnishes the assessor any information deemed necessary by the assessor in  
27.3 verifying the change in dwelling. Further notifications to the assessor are not required if the  
27.4 property continues to meet all the requirements in this paragraph and any dwellings on the  
27.5 agricultural land remain uninhabited.

27.6 (f) Agricultural land and buildings that were class 2a homestead property under section  
27.7 273.13, subdivision 23, paragraph (a), for the 1998 assessment shall remain classified  
27.8 agricultural homesteads for subsequent assessments if:

27.9 (1) the property owner abandoned the homestead dwelling located on the agricultural  
27.10 homestead as a result of damage caused by a March 29, 1998, tornado;

27.11 (2) the property is located in the county of Blue Earth, Brown, Cottonwood, Le Sueur,  
27.12 Nicollet, Nobles, or Rice;

27.13 (3) the agricultural land and buildings remain under the same ownership for the current  
27.14 assessment year as existed for the 1998 assessment year;

27.15 (4) the dwelling occupied by the owner is located in this state and is within 50 miles of  
27.16 one of the parcels of agricultural land that is owned by the taxpayer; and

27.17 (5) the owner notifies the county assessor that the relocation was due to a March 29,  
27.18 1998, tornado, and the owner furnishes the assessor any information deemed necessary by  
27.19 the assessor in verifying the change in homestead dwelling. For taxes payable in 1999, the  
27.20 owner must notify the assessor by December 1, 1998. Further notifications to the assessor  
27.21 are not required if the property continues to meet all the requirements in this paragraph and  
27.22 any dwellings on the agricultural land remain uninhabited.

27.23 (g) Agricultural property of a family farm corporation, joint family farm venture, family  
27.24 farm limited liability company, or partnership operating a family farm as described under  
27.25 subdivision 8 shall be classified homestead, to the same extent as other agricultural homestead  
27.26 property, if all of the following criteria are met:

27.27 (1) the property consists of at least 40 acres including undivided government lots and  
27.28 correctional 40's;

27.29 (2) a shareholder, member, or partner of that entity is actively farming the agricultural  
27.30 property;

27.31 (3) that shareholder, member, or partner who is actively farming the agricultural property  
27.32 is a Minnesota resident;

28.1 (4) neither that shareholder, member, or partner, nor the spouse of that shareholder,  
28.2 member, or partner claims another agricultural homestead in Minnesota; and

28.3 (5) that shareholder, member, or partner does not live farther than four townships or  
28.4 cities, or a combination of four townships or cities, from the agricultural property.

28.5 Homestead treatment applies under this paragraph even if:

28.6 (i) the shareholder, member, or partner of that entity is actively farming the agricultural  
28.7 property on the shareholder's, member's, or partner's own behalf; or

28.8 (ii) the family farm is operated by a family farm corporation, joint family farm venture,  
28.9 partnership, or limited liability company other than the family farm corporation, joint family  
28.10 farm venture, partnership, or limited liability company that owns the land, provided that:

28.11 (A) the shareholder, member, or partner of the family farm corporation, joint family  
28.12 farm venture, partnership, or limited liability company that owns the land who is actively  
28.13 farming the land is a shareholder, member, or partner of the family farm corporation, joint  
28.14 family farm venture, partnership, or limited liability company that is operating the farm;  
28.15 and

28.16 (B) more than half of the shareholders, members, or partners of each family farm  
28.17 corporation, joint family farm venture, partnership, or limited liability company are persons  
28.18 or spouses of persons who are a qualifying relative under section 273.124, subdivision 1,  
28.19 paragraphs (c) and (d).

28.20 Homestead treatment applies under this paragraph for property leased to a family farm  
28.21 corporation, joint farm venture, limited liability company, or partnership operating a family  
28.22 farm if legal title to the property is in the name of an individual who is a member, shareholder,  
28.23 or partner in the entity.

28.24 (h) To be eligible for the special agricultural homestead under this subdivision, an initial  
28.25 full application must be submitted to the county assessor where the property is located.  
28.26 Owners and the persons who are actively farming the property shall be required to complete  
28.27 only a one-page abbreviated version of the application in each subsequent year provided  
28.28 that none of the following items have changed since the initial application:

28.29 (1) the day-to-day operation, administration, and financial risks remain the same;

28.30 (2) the owners and the persons actively farming the property continue to live within the  
28.31 four townships or city criteria and are Minnesota residents;

28.32 (3) the same operator of the agricultural property is listed with the Farm Service Agency;

29.1 (4) a Schedule F or equivalent income tax form was filed for the most recent year;

29.2 (5) the property's acreage is unchanged; and

29.3 (6) none of the property's acres have been enrolled in a federal or state farm program  
29.4 since the initial application.

29.5 The owners and any persons who are actively farming the property must include the  
29.6 appropriate Social Security numbers or individual taxpayer identification numbers, and sign  
29.7 and date the application. If any of the specified information has changed since the full  
29.8 application was filed, the owner must notify the assessor, and must complete a new  
29.9 application to determine if the property continues to qualify for the special agricultural  
29.10 homestead. The commissioner of revenue shall prepare a standard reapplication form for  
29.11 use by the assessors.

29.12 (i) Agricultural land and buildings that were class 2a homestead property under section  
29.13 273.13, subdivision 23, paragraph (a), for the 2007 assessment shall remain classified  
29.14 agricultural homesteads for subsequent assessments if:

29.15 (1) the property owner abandoned the homestead dwelling located on the agricultural  
29.16 homestead as a result of damage caused by the August 2007 floods;

29.17 (2) the property is located in the county of Dodge, Fillmore, Houston, Olmsted, Steele,  
29.18 Wabasha, or Winona;

29.19 (3) the agricultural land and buildings remain under the same ownership for the current  
29.20 assessment year as existed for the 2007 assessment year;

29.21 (4) the dwelling occupied by the owner is located in this state and is within 50 miles of  
29.22 one of the parcels of agricultural land that is owned by the taxpayer; and

29.23 (5) the owner notifies the county assessor that the relocation was due to the August 2007  
29.24 floods, and the owner furnishes the assessor any information deemed necessary by the  
29.25 assessor in verifying the change in homestead dwelling. For taxes payable in 2009, the  
29.26 owner must notify the assessor by December 1, 2008. Further notifications to the assessor  
29.27 are not required if the property continues to meet all the requirements in this paragraph and  
29.28 any dwellings on the agricultural land remain uninhabited.

29.29 (j) Agricultural land and buildings that were class 2a homestead property under section  
29.30 273.13, subdivision 23, paragraph (a), for the 2008 assessment shall remain classified as  
29.31 agricultural homesteads for subsequent assessments if:

30.1 (1) the property owner abandoned the homestead dwelling located on the agricultural  
30.2 homestead as a result of the March 2009 floods;

30.3 (2) the property is located in the county of Marshall;

30.4 (3) the agricultural land and buildings remain under the same ownership for the current  
30.5 assessment year as existed for the 2008 assessment year and continue to be used for  
30.6 agricultural purposes;

30.7 (4) the dwelling occupied by the owner is located in Minnesota and is within 50 miles  
30.8 of one of the parcels of agricultural land that is owned by the taxpayer; and

30.9 (5) the owner notifies the county assessor that the relocation was due to the 2009 floods,  
30.10 and the owner furnishes the assessor any information deemed necessary by the assessor in  
30.11 verifying the change in dwelling. Further notifications to the assessor are not required if the  
30.12 property continues to meet all the requirements in this paragraph and any dwellings on the  
30.13 agricultural land remain uninhabited.

30.14 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2027.

30.15 Sec. 6. Minnesota Statutes 2025 Supplement, section 273.13, subdivision 22, is amended  
30.16 to read:

30.17 Subd. 22. **Class 1.** (a) Except as provided in subdivision 23 and in paragraphs (b) and  
30.18 (c), real estate which is residential and used for homestead purposes is class 1a. In the case  
30.19 of a duplex or triplex in which one of the units is used for homestead purposes, the entire  
30.20 property is deemed to be used for homestead purposes. The market value of class 1a property  
30.21 must be determined based upon the value of the house, garage, and land.

30.22 The first \$500,000 of market value of class 1a property has a net classification rate of  
30.23 one percent of its market value; and the market value of class 1a property that exceeds  
30.24 \$500,000 has a classification rate of 1.25 percent of its market value.

30.25 (b) Class 1b property includes homestead real estate or homestead manufactured homes  
30.26 used for the purposes of a homestead by:

30.27 (1) any person who is blind as defined in section 256D.35, or the person who is blind  
30.28 and the spouse of the person who is blind;

30.29 (2) any person who is permanently and totally disabled or by the person with a disability  
30.30 and the spouse of the person with a disability; or

30.31 (3) the surviving spouse of a veteran who was permanently and totally disabled  
30.32 homesteading a property classified under this paragraph for taxes payable in 2008.

31.1 Property is classified and assessed under clause (2) only if the government agency or  
31.2 income-providing source certifies, upon the request of the homestead occupant, that the  
31.3 homestead occupant satisfies the disability requirements of this paragraph, and that the  
31.4 property is not eligible for the valuation exclusion under subdivision 34.

31.5 Property is classified and assessed under paragraph (b) only if the commissioner of  
31.6 revenue or the county assessor certifies that the homestead occupant satisfies the requirements  
31.7 of this paragraph.

31.8 Permanently and totally disabled for the purpose of this subdivision means a condition  
31.9 which is permanent in nature and totally incapacitates the person from working at an  
31.10 occupation which brings the person an income. The first \$50,000 market value of class 1b  
31.11 property has a net classification rate of 0.45 percent of its market value. The remaining  
31.12 market value of class 1b property is classified as class 1a property, class 2a property, or  
31.13 class 4d(2) property, whichever is appropriate.

31.14 (c) Class 1c property is commercial use real and personal property that abuts public  
31.15 water as defined in section 103G.005, subdivision 15, or abuts a state trail administered by  
31.16 the Department of Natural Resources, and is devoted to temporary and seasonal residential  
31.17 occupancy for recreational purposes but not devoted to commercial purposes for more than  
31.18 250 days in the year preceding the year of assessment, and that includes a portion used as  
31.19 a homestead by the owner, which includes a dwelling occupied as a homestead by a  
31.20 shareholder of a corporation that owns the resort, a partner in a partnership that owns the  
31.21 resort, or a member of a limited liability company that owns the resort even if the title to  
31.22 the homestead is held by the corporation, partnership, or limited liability company. For  
31.23 purposes of this paragraph, property is devoted to a commercial purpose on a specific day  
31.24 if any portion of the property, excluding the portion used exclusively as a homestead, is  
31.25 used for residential occupancy and a fee is charged for residential occupancy. Class 1c  
31.26 property must contain three or more rental units. A "rental unit" is defined as a cabin,  
31.27 condominium, townhouse, sleeping room, or individual camping site equipped with water  
31.28 and electrical hookups for recreational vehicles. Class 1c property must provide recreational  
31.29 activities such as the rental of ice fishing houses, boats and motors, snowmobiles, downhill  
31.30 or cross-country ski equipment; provide marina services, launch services, or guide services;  
31.31 or sell bait and fishing tackle. Any unit in which the right to use the property is transferred  
31.32 to an individual or entity by deeded interest, or the sale of shares or stock, no longer qualifies  
31.33 for class 1c even though it may remain available for rent. A camping pad offered for rent  
31.34 by a property that otherwise qualifies for class 1c is also class 1c, regardless of the term of  
31.35 the rental agreement, as long as the use of the camping pad does not exceed 250 days. If

32.1 the same owner owns two separate parcels that are located in the same township, and one  
32.2 of those properties is classified as a class 1c property and the other would be eligible to be  
32.3 classified as a class 1c property if it was used as the homestead of the owner, both properties  
32.4 will be assessed as a single class 1c property; for purposes of this sentence, properties are  
32.5 deemed to be owned by the same owner if each of them is owned by a limited liability  
32.6 company, and both limited liability companies have the same membership. The portion of  
32.7 the property used as a homestead is class 1a property under paragraph (a). The remainder  
32.8 of the property is classified as follows: the first ~~\$600,000~~ \$1,500,000 of market value is tier  
32.9 I, the next ~~\$1,700,000~~ \$3,000,000 of market value is tier II, and any remaining market value  
32.10 is tier III. The classification rates for class 1c are: tier I, 0.50 percent; tier II, 1.0 percent;  
32.11 and tier III, 1.25 percent. Owners of real and personal property devoted to temporary and  
32.12 seasonal residential occupancy for recreation purposes in which all or a portion of the  
32.13 property was devoted to commercial purposes for not more than 250 days in the year  
32.14 preceding the year of assessment desiring classification as class 1c, must submit a declaration  
32.15 to the assessor designating the cabins or units occupied for 250 days or less in the year  
32.16 preceding the year of assessment by January 15 of the assessment year. Those cabins or  
32.17 units and a proportionate share of the land on which they are located must be designated as  
32.18 class 1c as otherwise provided. The remainder of the cabins or units and a proportionate  
32.19 share of the land on which they are located must be designated as class 3a commercial. The  
32.20 owner of property desiring designation as class 1c property must provide guest registers or  
32.21 other records demonstrating that the units for which class 1c designation is sought were not  
32.22 occupied for more than 250 days in the year preceding the assessment if so requested. The  
32.23 portion of a property operated as a (1) restaurant, (2) bar, (3) gift shop, (4) conference center  
32.24 or meeting room, and (5) other nonresidential facility operated on a commercial basis not  
32.25 directly related to temporary and seasonal residential occupancy for recreation purposes  
32.26 does not qualify for class 1c.

32.27 (d) Class 1d property includes structures that meet all of the following criteria:

32.28 (1) the structure is located on property that is classified as agricultural property under  
32.29 section 273.13, subdivision 23;

32.30 (2) the structure is occupied exclusively by seasonal farm workers during the time when  
32.31 they work on that farm, and the occupants are not charged rent for the privilege of occupying  
32.32 the property, provided that use of the structure for storage of farm equipment and produce  
32.33 does not disqualify the property from classification under this paragraph;

32.34 (3) the structure meets all applicable health and safety requirements for the appropriate  
32.35 season; and

33.1 (4) the structure is not salable as residential property because it does not comply with  
33.2 local ordinances relating to location in relation to streets or roads.

33.3 The market value of class 1d property has the same classification rates as class 1a property  
33.4 under paragraph (a).

33.5 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2027.

33.6 Sec. 7. Minnesota Statutes 2025 Supplement, section 273.13, subdivision 23, is amended  
33.7 to read:

33.8 Subd. 23. **Class 2.** (a) An agricultural homestead consists of class 2a agricultural land  
33.9 that is homesteaded, along with any class 2b rural vacant land that is contiguous to the class  
33.10 2a land under the same ownership. The market value of the house and garage and immediately  
33.11 surrounding one acre of land has the same classification rates as class 1a or 1b property  
33.12 under subdivision 22. The value of the remaining land including improvements up to the  
33.13 first tier valuation limit of agricultural homestead property has a classification rate of 0.5  
33.14 percent of market value. The remaining property over the first tier has a classification rate  
33.15 of one percent of market value. For purposes of this subdivision, the "first tier valuation  
33.16 limit of agricultural homestead property" and "first tier" means the limit certified under  
33.17 section 273.11, subdivision 23.

33.18 (b) Class 2a agricultural land consists of parcels of property, or portions thereof, that  
33.19 are agricultural land and buildings. Class 2a property has a classification rate of one percent  
33.20 of market value, unless it is part of an agricultural homestead under paragraph (a). Class 2a  
33.21 property must also include any property that would otherwise be classified as 2b, but is  
33.22 interspersed with class 2a property, including but not limited to sloughs, wooded wind  
33.23 shelters, acreage abutting ditches, ravines, rock piles, land subject to a setback requirement,  
33.24 and other similar land that is impractical for the assessor to value separately from the rest  
33.25 of the property or that is unlikely to be able to be sold separately from the rest of the property.

33.26 An assessor may classify the part of a parcel described in this subdivision that is used  
33.27 for agricultural purposes as class 2a and the remainder in the class appropriate to its use.

33.28 (c) Class 2b rural vacant land consists of parcels of property, or portions thereof, that  
33.29 are unplatted real estate, rural in character and not used for agricultural purposes, including  
33.30 land used for growing trees for timber, lumber, and wood and wood products, that is not  
33.31 improved with a structure. The presence of a minor, ancillary nonresidential structure as  
33.32 defined by the commissioner of revenue does not disqualify the property from classification  
33.33 under this paragraph. Any parcel of 20 acres or more improved with a structure that is not

34.1 a minor, ancillary nonresidential structure must be split-classified, and ten acres must be  
34.2 assigned to the split parcel containing the structure. If a parcel of 20 acres or more is enrolled  
34.3 in the sustainable forest management incentive program under chapter 290C, the number  
34.4 of acres assigned to the split parcel improved with a structure that is not a minor, ancillary  
34.5 nonresidential structure must equal three acres or the number of acres excluded from the  
34.6 sustainable forest incentive act covenant due to the structure, whichever is greater. Class  
34.7 2b property has a classification rate of one percent of market value unless it is part of an  
34.8 agricultural homestead under paragraph (a), or qualifies as class 2c under paragraph (d).

34.9 (d) Class 2c managed forest land consists of no less than 20 and no more than 1,920  
34.10 acres statewide per taxpayer that is being managed under a forest management plan that  
34.11 meets the requirements of ~~chapter 290C~~ section 290C.02, subdivision 7, prepared by an  
34.12 approved plan writer as defined in section 290C.02, subdivision 2, but and is not enrolled  
34.13 in the sustainable forest resource management incentive program. It has a classification rate  
34.14 of .65 percent, provided that the owner of the property must apply to the assessor in order  
34.15 for the property to initially qualify for the reduced rate and provide the information required  
34.16 by the assessor to verify that the property qualifies for the reduced rate. If the assessor  
34.17 receives the application and information before May 1 in an assessment year, the property  
34.18 qualifies beginning with that assessment year. If the assessor receives the application and  
34.19 information after April 30 in an assessment year, the property may not qualify until the next  
34.20 assessment year. The commissioner of natural resources must concur that the land is qualified.  
34.21 The commissioner of natural resources shall annually provide county assessors verification  
34.22 information on a timely basis. The presence of a minor, ancillary nonresidential structure  
34.23 as defined by the commissioner of revenue does not disqualify the property from  
34.24 classification under this paragraph. Notwithstanding any law to the contrary, managed forest  
34.25 land that is otherwise eligible to be classified as class 2c under this paragraph is eligible  
34.26 regardless of whether it is wholly or partially subject to a conservation easement.

34.27 (e) Agricultural land as used in this section means:

34.28 (1) contiguous acreage of ten acres or more, used during the preceding year for  
34.29 agricultural purposes; or

34.30 (2) contiguous acreage used during the preceding year for an intensive livestock or  
34.31 poultry confinement operation, provided that land used only for pasturing or grazing does  
34.32 not qualify under this clause.

34.33 "Agricultural purposes" as used in this section means the raising, cultivation, drying, or  
34.34 storage of agricultural products for sale, or the storage of machinery or equipment used in

35.1 support of agricultural production by the same farm entity. For a property to be classified  
35.2 as agricultural based only on the drying or storage of agricultural products, the products  
35.3 being dried or stored must have been produced by the same farm entity as the entity operating  
35.4 the drying or storage facility. "Agricultural purposes" also includes (i) enrollment in a local  
35.5 conservation program or the Reinvest in Minnesota program under sections 103F.501 to  
35.6 103F.535 or the federal Conservation Reserve Program as contained in Public Law 99-198  
35.7 or a similar state or federal conservation program if the property was classified as agricultural  
35.8 (A) under this subdivision for taxes payable in 2003 because of its enrollment in a qualifying  
35.9 program and the land remains enrolled or (B) in the year prior to its enrollment, or (ii) use  
35.10 of land, not to exceed three acres, to provide environmental benefits such as buffer strips,  
35.11 old growth forest restoration or retention, or retention ponds to prevent soil erosion. For  
35.12 purposes of this section, a "local conservation program" means a program administered by  
35.13 a town, statutory or home rule charter city, or county, including a watershed district, water  
35.14 management organization, or soil and water conservation district, in which landowners  
35.15 voluntarily enroll land and receive incentive payments equal to at least \$50 per acre in  
35.16 exchange for use or other restrictions placed on the land. In order for property to qualify  
35.17 under the local conservation program provision, a taxpayer must apply to the assessor by  
35.18 February 1 of the assessment year and must submit the information required by the assessor,  
35.19 including but not limited to a copy of the program requirements, the specific agreement  
35.20 between the land owner and the local agency, if applicable, and a map of the conservation  
35.21 area. Agricultural classification shall not be based upon the market value of any residential  
35.22 structures on the parcel or contiguous parcels under the same ownership.

35.23 "Contiguous acreage," for purposes of this paragraph, means all of, or a contiguous  
35.24 portion of, a tax parcel as described in section 272.193, or all of, or a contiguous portion  
35.25 of, a set of contiguous tax parcels under that section that are owned by the same person.

35.26 (f) Agricultural land under this section also includes:

35.27 (1) contiguous acreage that is less than ten acres in size and exclusively used in the  
35.28 preceding year for raising or cultivating agricultural products;

35.29 (2) contiguous acreage that contains a residence and is less than 11 acres in size, if the  
35.30 contiguous acreage exclusive of the house, garage, and surrounding one acre of land was  
35.31 used in the preceding year for one or more of the following three uses:

35.32 (i) for an intensive grain drying or storage operation, or for intensive machinery or  
35.33 equipment storage activities used to support agricultural activities on other parcels of property  
35.34 operated by the same farming entity;

36.1 (ii) as a nursery, provided that only those acres used intensively to produce nursery stock  
36.2 are considered agricultural land; or

36.3 (iii) for intensive market farming; ~~or~~

36.4 (3) contiguous acreage that contains a residence and is less than 15 acres in size, if the  
36.5 contiguous acreage inclusive of the house, garage, and surrounding one acre of land was  
36.6 used in the preceding year for market farming and the owner provides the county assessor  
36.7 with the filed federal Schedule F (Form 1040) for the most recent completed tax year that  
36.8 reports gross income of at least \$20,000; or

36.9 (4) contiguous acreage that contains a farm winery licensed under section 340A.315.

36.10 For purposes of this paragraph, "market farming" means the cultivation of one or more  
36.11 fruits or vegetables or production of animal or other agricultural products for sale to local  
36.12 markets by the farmer or an organization with which the farmer is affiliated, and "contiguous  
36.13 acreage" means all of a tax parcel as described in section 272.193, or all of a set of contiguous  
36.14 tax parcels under that section that are owned by the same person.

36.15 (g) Land shall be classified as agricultural even if all or a portion of the agricultural use  
36.16 of that property is the leasing to, or use by another person for agricultural purposes.

36.17 Classification under this subdivision is not determinative for qualifying under section  
36.18 273.111.

36.19 (h) The property classification under this section supersedes, for property tax purposes  
36.20 only, any locally administered agricultural policies or land use restrictions that define  
36.21 minimum or maximum farm acreage.

36.22 (i) The term "agricultural products" as used in this subdivision includes production for  
36.23 sale of:

36.24 (1) livestock, dairy animals, dairy products, poultry and poultry products, fur-bearing  
36.25 animals, horticultural and nursery stock, floriculture, fruit of all kinds, vegetables, forage,  
36.26 grains, bees, and apiary products by the owner;

36.27 (2) aquacultural products for sale and consumption, as defined under section 17.47, if  
36.28 the aquaculture occurs on land zoned for agricultural use;

36.29 (3) the commercial boarding of horses, which may include related horse training and  
36.30 riding instruction, if the boarding is done on property that is also used for raising pasture  
36.31 to graze horses or raising or cultivating other agricultural products as defined in clause (1);

37.1 (4) property which is owned and operated by nonprofit organizations used for equestrian  
37.2 activities, excluding racing;

37.3 (5) game birds and waterfowl bred and raised (i) on a game farm licensed under section  
37.4 97A.105, provided that the annual licensing report to the Department of Natural Resources,  
37.5 which must be submitted annually by March 30 to the assessor, indicates that at least 500  
37.6 birds were raised or used for breeding stock on the property during the preceding year and  
37.7 that the owner provides a copy of the owner's most recent schedule F; or (ii) for use on a  
37.8 shooting preserve licensed under section 97A.115;

37.9 (6) insects primarily bred to be used as food for animals;

37.10 (7) trees, grown for sale as a crop, including short rotation woody crops, and not sold  
37.11 for timber, lumber, wood, or wood products; ~~and~~

37.12 (8) maple syrup taken from trees grown by a person licensed by the Minnesota  
37.13 Department of Agriculture under chapter 28A as a food processor; and

37.14 (9) wine for sale and consumption if production occurs on a farm winery licensed under  
37.15 section 340A.315.

37.16 (j) If a parcel used for agricultural purposes is also used for commercial or industrial  
37.17 purposes, including but not limited to:

37.18 (1) wholesale and retail sales;

37.19 (2) processing of raw agricultural products or other goods;

37.20 (3) warehousing or storage of processed goods; and

37.21 (4) office facilities for the support of the activities enumerated in clauses (1), (2), and  
37.22 (3), the assessor shall classify the part of the parcel used for agricultural purposes as class  
37.23 1b, 2a, or 2b, whichever is appropriate, and the remainder in the class appropriate to its use.  
37.24 The grading, sorting, and packaging of raw agricultural products for first sale is considered  
37.25 an agricultural purpose. A greenhouse or other building where floricultural, horticultural  
37.26 or nursery products are grown that is also used for the conduct of retail sales must be  
37.27 classified as agricultural if it is primarily used for the growing of floricultural, horticultural  
37.28 or nursery products from seed, cuttings, or roots and occasionally as a showroom for the  
37.29 retail sale of those products. Use of a greenhouse or building only for the display of already  
37.30 grown floricultural, horticultural or nursery products does not qualify as an agricultural  
37.31 purpose.

38.1 "Floriculture," for the purposes of this paragraph, includes production of bedding and garden  
38.2 plants, foliage plants, potted flowering plants, and cut flowers.

38.3 (k) The assessor shall determine and list separately on the records the market value of  
38.4 the homestead dwelling and the one acre of land on which that dwelling is located. If any  
38.5 farm buildings or structures are located on this homesteaded acre of land, their market value  
38.6 shall not be included in this separate determination.

38.7 (l) Class 2d airport landing area consists of a landing area or public access area of a  
38.8 privately owned public use airport. It has a classification rate of one percent of market value.  
38.9 To qualify for classification under this paragraph, a privately owned public use airport must  
38.10 be licensed as a public airport under section 360.018. For purposes of this paragraph, "landing  
38.11 area" means that part of a privately owned public use airport properly cleared, regularly  
38.12 maintained, and made available to the public for use by aircraft and includes runways,  
38.13 taxiways, aprons, and sites upon which are situated landing or navigational aids. A landing  
38.14 area also includes land underlying both the primary surface and the approach surfaces that  
38.15 comply with all of the following:

38.16 (i) the land is properly cleared and regularly maintained for the primary purposes of the  
38.17 landing, taking off, and taxiing of aircraft; but that portion of the land that contains facilities  
38.18 for servicing, repair, or maintenance of aircraft is not included as a landing area;

38.19 (ii) the land is part of the airport property; and

38.20 (iii) the land is not used for commercial or residential purposes.

38.21 The land contained in a landing area under this paragraph must be described and certified  
38.22 by the commissioner of transportation. The certification is effective until it is modified, or  
38.23 until the airport or landing area no longer meets the requirements of this paragraph. For  
38.24 purposes of this paragraph, "public access area" means property used as an aircraft parking  
38.25 ramp, apron, or storage hangar, or an arrival and departure building in connection with the  
38.26 airport.

38.27 (m) Class 2e consists of land with a commercial aggregate deposit that is not actively  
38.28 being mined and is not otherwise classified as class 2a or 2b, provided that the land is not  
38.29 located in a county that has elected to opt-out of the aggregate preservation program as  
38.30 provided in section 273.1115, subdivision 6. It has a classification rate of one percent of  
38.31 market value. To qualify for classification under this paragraph, the property must be at  
38.32 least ten contiguous acres in size and the owner of the property must record with the county  
38.33 recorder of the county in which the property is located an affidavit containing:

39.1 (1) a legal description of the property;

39.2 (2) a disclosure that the property contains a commercial aggregate deposit that is not  
39.3 actively being mined but is present on the entire parcel enrolled;

39.4 (3) documentation that the conditional use under the county or local zoning ordinance  
39.5 of this property is for mining; and

39.6 (4) documentation that a permit has been issued by the local unit of government or the  
39.7 mining activity is allowed under local ordinance. The disclosure must include a statement  
39.8 from a registered professional geologist, engineer, or soil scientist delineating the deposit  
39.9 and certifying that it is a commercial aggregate deposit.

39.10 For purposes of this section and section 273.1115, "commercial aggregate deposit"  
39.11 means a deposit that will yield crushed stone or sand and gravel that is suitable for use as  
39.12 a construction aggregate; and "actively mined" means the removal of top soil and overburden  
39.13 in preparation for excavation or excavation of a commercial deposit.

39.14 (n) When any portion of the property under this subdivision or subdivision 22 begins to  
39.15 be actively mined, the owner must file a supplemental affidavit within 60 days from the  
39.16 day any aggregate is removed stating the number of acres of the property that is actively  
39.17 being mined. The acres actively being mined must be (1) valued and classified under  
39.18 subdivision 24 in the next subsequent assessment year, and (2) removed from the aggregate  
39.19 resource preservation property tax program under section 273.1115, if the land was enrolled  
39.20 in that program. Copies of the original affidavit and all supplemental affidavits must be  
39.21 filed with the county assessor, the local zoning administrator, and the Department of Natural  
39.22 Resources, Division of Land and Minerals. A supplemental affidavit must be filed each  
39.23 time a subsequent portion of the property is actively mined, provided that the minimum  
39.24 acreage change is five acres, even if the actual mining activity constitutes less than five  
39.25 acres.

39.26 (o) The definitions prescribed by the commissioner under paragraphs (c) and (d) are not  
39.27 rules and are exempt from the rulemaking provisions of chapter 14, and the provisions in  
39.28 section 14.386 concerning exempt rules do not apply.

39.29 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2027.

39.30 Sec. 8. Minnesota Statutes 2024, section 273.13, subdivision 34, is amended to read:

39.31 Subd. 34. **Homestead of veteran with a disability or family caregiver.** (a) All or a  
39.32 portion of the market value of property owned by a veteran and serving as the veteran's  
39.33 homestead under this section is excluded in determining the property's taxable market value

40.1 if the veteran has a service-connected disability of 70 percent or more as certified by the  
40.2 United States Department of Veterans Affairs. To qualify for exclusion under this subdivision,  
40.3 the veteran must have been honorably discharged from the United States armed forces, as  
40.4 indicated by United States Government Form DD214 or other official military discharge  
40.5 papers.

40.6 (b)(1) For a disability rating of 70 percent or more, ~~\$150,000~~ \$175,000 of market value  
40.7 is excluded, except as provided in clause (2); and

40.8 (2) for a total (100 percent) and permanent disability, ~~\$300,000~~ \$350,000 of market  
40.9 value is excluded.

40.10 (c) If a veteran with a disability qualifying for a valuation exclusion under paragraph  
40.11 (b), clause (2), predeceases the veteran's spouse, and if upon the death of the veteran the  
40.12 spouse holds the legal or beneficial title to the homestead and permanently resides there,  
40.13 the exclusion shall carry over to the benefit of the veteran's spouse until such time as the  
40.14 spouse remarries, or sells, transfers, or otherwise disposes of the property, except as otherwise  
40.15 provided in paragraph (n). Qualification under this paragraph requires an application under  
40.16 paragraph (h), and a spouse must notify the assessor if there is a change in the spouse's  
40.17 marital status, ownership of the property, or use of the property as a permanent residence.

40.18 (d) If the spouse of a member of any branch or unit of the United States armed forces  
40.19 who dies due to a service-connected cause while serving honorably in active service, as  
40.20 indicated on United States Government Form DD1300 or DD2064, holds the legal or  
40.21 beneficial title to a homestead and permanently resides there, the spouse is entitled to the  
40.22 benefit described in paragraph (b), clause (2), until such time as the spouse remarries or  
40.23 sells, transfers, or otherwise disposes of the property, except as otherwise provided in  
40.24 paragraph (n).

40.25 (e) If a veteran meets the disability criteria of paragraph (a) but does not own property  
40.26 classified as homestead in the state of Minnesota, then the homestead of the veteran's primary  
40.27 family caregiver, if any, is eligible for the exclusion that the veteran would otherwise qualify  
40.28 for under paragraph (b).

40.29 (f) In the case of an agricultural homestead, only the portion of the property consisting  
40.30 of the house and garage and immediately surrounding one acre of land qualifies for the  
40.31 valuation exclusion under this subdivision.

40.32 (g) A property qualifying for a valuation exclusion under this subdivision is not eligible  
40.33 for the market value exclusion under subdivision 35, or classification under subdivision 22,  
40.34 paragraph (b).

41.1 (h) To qualify for a valuation exclusion under this subdivision a property owner must  
41.2 apply to the assessor by December 31 of the first assessment year for which the exclusion  
41.3 is sought. Except as provided in paragraph (c), the owner of a property that has been accepted  
41.4 for a valuation exclusion must notify the assessor if there is a change in ownership of the  
41.5 property or in the use of the property as a homestead.

41.6 (i) A first-time application by a qualifying spouse for the market value exclusion under  
41.7 paragraph (d) must be made any time within two years of the death of the service member.

41.8 (j) For purposes of this subdivision:

41.9 (1) "active service" has the meaning given in section 190.05;

41.10 (2) "own" means that the person's name is present as an owner on the property deed;

41.11 (3) "primary family caregiver" means a person who is approved by the secretary of the  
41.12 United States Department of Veterans Affairs for assistance as the primary provider of  
41.13 personal care services for an eligible veteran under the Program of Comprehensive Assistance  
41.14 for Family Caregivers, codified as United States Code, title 38, section 1720G; and

41.15 (4) "veteran" has the meaning given the term in section 197.447.

41.16 (k) If a veteran did not apply for or receive the exclusion under paragraph (b), clause  
41.17 (2), before dying, or the exclusion under paragraph (b), clause (2), did not exist at the time  
41.18 of the veterans death, the veteran's spouse is entitled to the benefit under paragraph (b),  
41.19 clause (2), until the spouse remarries or sells, transfers, or otherwise disposes of the property,  
41.20 except as otherwise provided in paragraph (n), if:

41.21 (1) the spouse files a first-time application;

41.22 (2) upon the death of the veteran, the spouse holds the legal or beneficial title to the  
41.23 homestead and permanently resides there;

41.24 (3) the veteran met the honorable discharge requirements of paragraph (a); and

41.25 (4) the United States Department of Veterans Affairs certifies that:

41.26 (i) the veteran met the total (100 percent) and permanent disability requirement under  
41.27 paragraph (b), clause (2); or

41.28 (ii) the spouse has been awarded dependency and indemnity compensation.

41.29 (l) The purpose of this provision of law providing a level of homestead property tax  
41.30 relief for veterans with a disability, their primary family caregivers, and their surviving

42.1 spouses is to help ease the burdens of war for those among our state's citizens who bear  
42.2 those burdens most heavily.

42.3 (m) By July 1, the county veterans service officer must certify the disability rating and  
42.4 permanent address of each veteran receiving the benefit under paragraph (b) to the assessor.

42.5 (n) A spouse who received the benefit in paragraph (c), (d), or (k) but no longer holds  
42.6 the legal or beneficial title to the property may continue to receive the exclusion for a  
42.7 property other than the property for which the exclusion was initially granted until the spouse  
42.8 remarries or sells, transfers, or otherwise disposes of the property, provided that:

42.9 (1) the spouse applies under paragraph (h) for the continuation of the exclusion allowed  
42.10 under this paragraph;

42.11 (2) the spouse holds the legal or beneficial title to the property for which the continuation  
42.12 of the exclusion is sought under this paragraph, and permanently resides there;

42.13 (3) the estimated market value of the property for which the exclusion is sought under  
42.14 this paragraph is less than or equal to the estimated market value of the property that first  
42.15 received the exclusion, based on the value of each property on the date of the sale of the  
42.16 property that first received the exclusion; and

42.17 (4) the spouse has not previously received the benefit under this paragraph for a property  
42.18 other than the property for which the exclusion is sought.

42.19 (o) If a spouse had previously received the exclusion under paragraph (c) or (d) and the  
42.20 exclusion expired prior to taxes payable in 2020, the spouse may reapply under this section  
42.21 for the exclusion under paragraph (c) or (d).

42.22 **EFFECTIVE DATE.** This section is effective beginning with assessment year 2026.

42.23 Sec. 9. Minnesota Statutes 2024, section 469.171, subdivision 1, is amended to read:

42.24 Subdivision 1. **Authorized types.** (a) The following types of tax reductions or  
42.25 reimbursements may be approved by the commissioner for businesses located in a border  
42.26 city enterprise zone, after the governing body of the border city has designated an area or  
42.27 ~~areas, each consisting of at least 100 acres, of the city not in excess of a total of 400 acres~~  
42.28 in which the tax reductions may be provided:

42.29 (1) an exemption from the general sales tax imposed by chapter 297A for purchases of  
42.30 construction materials or equipment for use in the zone if the purchase was made after the  
42.31 date of application for the zone;

43.1 (2) a credit against the income tax of an employer for additional workers employed in  
 43.2 the zone, other than workers employed in construction, up to a maximum of \$3,000 per  
 43.3 employee per year;

43.4 (3) an income tax credit for a percentage of the cost of debt financing to construct new  
 43.5 or expanded facilities in the zone; ~~and~~

43.6 (4) a state paid property tax credit for a portion of the property taxes paid by a new  
 43.7 commercial or industrial facility or the additional property taxes paid by an expansion of  
 43.8 an existing commercial or industrial facility in the zone; and

43.9 (5) reimbursement of land acquisition costs for business expansion within the zone if  
 43.10 the municipality determines that expansion was necessary to prevent relocation outside the  
 43.11 state.

43.12 (b) An application for a tax reduction or reimbursement under this subdivision may not  
 43.13 be approved unless the governing body finds both: (1) that the construction or improvement  
 43.14 of the facility is not likely to have the effect of transferring existing employment from a  
 43.15 location outside of the municipality but within the state; and (2) that the facility is in  
 43.16 compliance with all applicable municipal licensing and municipal regulatory requirements.

43.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

43.18 Sec. 10. Minnesota Statutes 2024, section 469.171, subdivision 4, is amended to read:

43.19 Subd. 4. **Restriction.** The tax reductions provided by this section shall not apply to (1)  
 43.20 ~~a facility the primary purpose of which is one of the following: the provision of recreation~~  
 43.21 ~~or entertainment, or a private or commercial golf course, country club, massage parlor,~~  
 43.22 ~~tennis club, skating facility including roller skating, skateboard, and ice skating, racquet~~  
 43.23 ~~sports facility, including any handball or racquetball court, hot tub facility, suntan facility,~~  
 43.24 ~~or racetrack; (2) property of a public utility; (3) (2) property used in the operation of a~~  
 43.25 ~~financial institution; (4) or (3) property owned by a fraternal or veterans' organization; or~~  
 43.26 ~~(5) a retail food or beverage facility operating under a franchise agreement that requires the~~  
 43.27 ~~business to be located in this state.~~

43.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

43.29 Sec. 11. Minnesota Statutes 2024, section 469.171, subdivision 6a, is amended to read:

43.30 Subd. 6a. **Additional border city allocations.** The commissioner may allocate \$2,000,000  
 43.31 for tax reductions pursuant to subdivision 9 to border city enterprise zones. This money

44.1 shall be allocated among the zones on a per capita basis. Tax reductions authorized by this  
 44.2 subdivision may not be allocated to any property which is:

44.3 ~~(1) a facility the primary purpose of which is one of the following: the provision of~~  
 44.4 ~~recreation or entertainment, or a private or commercial golf course, country club, massage~~  
 44.5 ~~parlor, tennis club, skating facility including roller skating, skateboard, and ice skating,~~  
 44.6 ~~racquet sports facility, including any handball or racquetball court, hot tub facility, suntan~~  
 44.7 ~~facility, or racetrack;~~

44.8 ~~(2)~~ (1) property of a public utility;

44.9 ~~(3)~~ (2) property used in the operation of a financial institution; or

44.10 ~~(4)~~ (3) property owned by a fraternal or veterans' organization;

44.11 ~~(5) property of a retail food or beverage service business operating under a franchise~~  
 44.12 ~~agreement that requires the business to be located in the state.~~

44.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

44.14 Sec. 12. Minnesota Statutes 2024, section 469.1731, subdivision 1, is amended to read:

44.15 Subdivision 1. **Designation.** To encourage economic development, to revitalize the  
 44.16 designated areas, to expand tax base and economic activity, and to provide job creation,  
 44.17 growth, and retention, the following border cities may designate, by resolution, areas of the  
 44.18 city as development zones after a public hearing upon 30-day notice.

44.19 (a) The city of Breckenridge may designate all or any part of the city as a zone.

44.20 (b) The city of Dilworth may designate ~~between one and six areas of the city as zones~~  
 44.21 ~~containing not more than 100 acres in the aggregate~~ all or any part of the city as a zone.

44.22 (c) The city of East Grand Forks may designate all or any part of the city as a zone.

44.23 (d) The city of Moorhead may designate ~~between one and six areas of the city as zones~~  
 44.24 ~~containing not more than 100 acres in the aggregate~~ all or any part of the city as a zone.

44.25 (e) The city of Ortonville may designate ~~between one and six areas of the city as zones~~  
 44.26 ~~containing not more than 100 acres in the aggregate~~ all or any part of the city as a zone.

44.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

45.1 Sec. 13. **ONETIME INCREASE IN HOMESTEAD CREDIT REFUND.**

45.2 **Subdivision 1. Homestead credit refund.** For claims filed based on taxes payable in  
45.3 2026, the commissioner shall increase by 12 percent the refund otherwise payable under  
45.4 Minnesota Statutes, section 290A.04, subdivision 2.

45.5 **Subd. 2. No notification of appeal rights.** In adjusting homestead credit refunds under  
45.6 this section, the commissioner is not required to provide information concerning appeal  
45.7 rights that ordinarily must be provided whenever the commissioner adjusts refunds payable  
45.8 under Minnesota Statutes, chapter 290A. Taxpayers retain all rights to appeal adjustments  
45.9 under this section.

45.10 **Subd. 3. Appropriation.** The amount necessary to make the payments required under  
45.11 this section is appropriated from the general fund to the commissioner of revenue.

45.12 **EFFECTIVE DATE.** This section is effective only for refunds based on property taxes  
45.13 payable in 2026.

45.14 **ARTICLE 4**

45.15 **SALES AND USE AND EXCISE TAXES**

45.16 Section 1. **[295.90] SOCIAL MEDIA CONSUMER DATA COLLECTION TAX.**

45.17 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have  
45.18 the meanings given.

45.19 (b) "Collects" means collects, engages, maintains, uses, processes, or shares.

45.20 (c) "Commissioner" means the commissioner of revenue.

45.21 (d) "Consumer" means an individual who establishes an account with a social media  
45.22 platform business or who accesses a social media platform through an account registered  
45.23 with a social media platform business and whose consumer data is collected by the social  
45.24 media platform business, regardless of whether the individual is charged for establishing  
45.25 the account.

45.26 (e) "Consumer data" means any information that identifies, relates to, describes, is  
45.27 capable of being associated with, or could reasonably be linked with a consumer, whether  
45.28 directly submitted to the social media platform business by the consumer or derived from  
45.29 other sources.

45.30 (f) "Minnesota consumer" means a consumer who is a resident of Minnesota.

45.31 (g) "Resident" has the meaning given in section 290.01, subdivision 7.

46.1 (h) "Social media platform" has the meaning given in section 325M.31, paragraph (j).

46.2 (i) "Social media platform business" means a for-profit entity that: (1) owns, controls,  
 46.3 or operates a social media platform; and (2) collects consumer data in support of the entity's  
 46.4 business activities.

46.5 Subd. 2. **Tax imposed.** A tax is imposed on social media platform businesses based on  
 46.6 the number of Minnesota social media platform consumers from whom a social media  
 46.7 platform business collects data within a month:

<u>Minnesota consumers</u>	<u>Tax</u>
46.9 <u>Fewer than or equal to 100,000</u>	<u>Zero;</u>
46.10 <u>Over 100,000 but not more than 500,000</u>	<u>\$0.50 per month on the number of Minnesota</u> 46.11 <u>consumers over 100,000 but not more than</u> 46.12 <u>500,000;</u>
46.13 <u>Over 500,000 but not more than 1,000,000</u>	<u>\$200,000 plus \$0.70 per month on the number</u> 46.14 <u>of Minnesota consumers over 500,000 but</u> 46.15 <u>not more than 1,000,000; and</u>
46.16 <u>Over 1,000,000</u>	<u>\$550,000 plus \$0.90 per month on the number</u> 46.17 <u>of Minnesota consumers over 1,000,000.</u>

46.18 Subd. 3. **Business entities.** Business entities that are part of a controlled group of  
 46.19 corporations as defined in section 1563(a) of the Internal Revenue Code shall be treated as  
 46.20 a single entity for purposes of meeting the definition of a social media platform business  
 46.21 under this section. The entities constituting the single taxpayer are jointly and severally  
 46.22 liable for the tax.

46.23 Subd. 4. **Counting Minnesota consumers.** (a) A Minnesota consumer must be counted  
 46.24 only once in the calculation of tax imposed under this section. Until the contrary is  
 46.25 established, it is presumed that each account is an individual consumer. The burden of  
 46.26 proving that multiple accounts are one consumer is on the social media platform business.

46.27 (b) The single member of a single member limited liability company must be treated as  
 46.28 a consumer under this section.

46.29 (c) Until the contrary is established, it is presumed that a consumer whose information  
 46.30 on record with or available to a social media platform business indicates a Minnesota home  
 46.31 address, a Minnesota mailing address, or an internet protocol address connected with a  
 46.32 Minnesota location is a Minnesota consumer for purposes of this section. The burden of  
 46.33 proving that a consumer is not a Minnesota resident is on the social media platform business.

46.34 (d) A social media platform business and the commissioner may agree on a methodology  
 46.35 for determining the number of Minnesota consumers for purposes of calculating the tax.

47.1 Subd. 5. Credit against tax paid to another jurisdiction. A social media platform  
47.2 business that has paid tax under this section may claim a credit against the tax paid with  
47.3 respect to a Minnesota consumer if another state imposes an excise tax identical to the tax  
47.4 imposed under this section with respect to the same consumer.

47.5 Subd. 6. Record keeping. A social media platform business must maintain records  
47.6 necessary to demonstrate compliance with this section or as required by the commissioner.

47.7 Subd. 7. Administration. Unless specifically provided otherwise, the audit, assessment,  
47.8 refund, penalty, interest, criminal penalty, enforcement, collection remedy, appeal, and  
47.9 administrative provisions of chapters 270C and 289A that are applicable to taxes imposed  
47.10 under chapter 297A apply to the tax imposed under this section.

47.11 Subd. 8. Returns; payment of tax. (a) On or before the 20th of the month following  
47.12 the month that tax liability is incurred under subdivision 2, a social media platform business  
47.13 must report the tax on a return prescribed by the commissioner and must remit the tax in a  
47.14 form and manner prescribed by the commissioner.

47.15 (b) A social media platform business that owes tax imposed under this section must file  
47.16 a return in subsequent months until it reports no tax liability for 12 consecutive months.

47.17 (c) Interest must be paid on an overpayment refunded or credited to the taxpayer from  
47.18 the date of payment of the tax until the date the refund is paid or credited. For purposes of  
47.19 this subdivision, the date of payment is the due date of the return or the date of actual  
47.20 payment of the tax, whichever is later.

47.21 Subd. 9. Deposit of revenues. The commissioner must deposit the revenues, including  
47.22 penalties and interest, derived from the tax imposed under this section to the general fund.

47.23 Subd. 10. Personal debt. The tax imposed under this section, and interest and penalties  
47.24 imposed with respect to the tax, are a personal debt of the person required to file a return  
47.25 from the time that the liability for the tax arises, irrespective of when the time for payment  
47.26 of the liability occurs. The debt must, in the case of the executor or administrator of the  
47.27 estate of a decedent and in the case of a fiduciary, be that of the person in the person's official  
47.28 or fiduciary capacity only, unless the person has voluntarily distributed the assets held in  
47.29 that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in  
47.30 which event the person is personally liable for any deficiency.

47.31 EFFECTIVE DATE. This section is effective for consumer data collected after  
47.32 December 31, 2026.

48.1 Sec. 2. Minnesota Statutes 2024, section 297A.994, subdivision 4, is amended to read:

48.2 Subd. 4. **General fund allocations.** ~~(a)~~ The commissioner must retain and deposit to  
48.3 the general fund the following amounts, as required by subdivision 3, clause (3):

48.4 (1) for state bond debt service support beginning in calendar year 2021, and for each  
48.5 calendar year thereafter through calendar year 2046, periodic amounts so that not later than  
48.6 December 31, 2046, an aggregate amount equal to a present value of \$150,000,000 has been  
48.7 deposited in the general fund. To determine aggregate present value, the commissioner must  
48.8 consult with the commissioner of management and budget regarding the present value dates,  
48.9 discount rate or rates, and schedules of annual amounts. The present value date or dates  
48.10 must be based on the date or dates bonds are sold under Minnesota Statutes 2022, section  
48.11 16A.965, or the date or dates other state funds, if any, are deposited into the construction  
48.12 fund. The discount rate or rates must be based on the true interest cost of the bonds issued  
48.13 under Minnesota Statutes 2022, section 16A.965, or an equivalent 30-year bond index, as  
48.14 determined by the commissioner of management and budget. The schedule of annual amounts  
48.15 must be certified to the commissioner by the commissioner of management and budget and  
48.16 the finance officer of the city;

48.17 (2) for the capital improvement reserve appropriation to the Minnesota Sports Facilities  
48.18 Authority beginning in calendar year 2021, and for each calendar year thereafter through  
48.19 calendar year 2046, an aggregate annual amount equal to the amount paid by the state for  
48.20 this purpose in that calendar year under section 473J.13, subdivision 4;

48.21 (3) for the operating expense appropriation to the Minnesota Sports Facilities Authority  
48.22 beginning in calendar year 2021, and for each calendar year thereafter through calendar  
48.23 year 2046, an aggregate annual amount equal to the amount paid by the state for this purpose  
48.24 in that calendar year under section 473J.13, subdivision 2;

48.25 ~~(4) to capture increases in taxes imposed under the special law, for the benefit of the~~  
48.26 ~~Minnesota Sports Facilities Authority, beginning in calendar year 2013 and for each calendar~~  
48.27 ~~year thereafter through 2046, there shall be deposited to the general fund in proportionate~~  
48.28 ~~periodic payments in the following year, an amount equal to the lesser of:~~

48.29 ~~(i)(A) 50 percent of the difference, if any, by which the amount of the net annual taxes~~  
48.30 ~~for the previous year exceeds the sum of the net actual taxes in calendar year 2011 plus~~  
48.31 ~~\$1,000,000, inflated at two percent per year since 2011, minus~~

48.32 ~~(B) 25 percent of the difference, if any, by which the amount of the net annual taxes for~~  
48.33 ~~the preceding year exceeds the sum of the net actual taxes in calendar year 2011 plus~~  
48.34 ~~\$3,000,000, inflated at two percent per year since 2011; or~~

49.1 ~~(ii) the amount of the net annual taxes for the preceding year multiplied by three percent;~~  
49.2 and

49.3 ~~(5) (4)~~ if the bonds under section 16A.965 are defeased, redeemed, or paid in full, the  
49.4 commissioner of management and budget and finance officer of the city must agree to a  
49.5 revised schedule of annual amounts under clause (1). The revised schedule of annual amounts  
49.6 must factor in a discount rate equal to zero percent and otherwise consistent with the  
49.7 methodology previously agreed upon by the parties.

49.8 ~~(b) The Minnesota Sports Facility Authority must use the amounts available from the~~  
49.9 ~~deposits under paragraph (a), clause (4), for capital repairs, replacements, and improvements~~  
49.10 ~~for the stadium and stadium infrastructure.~~

49.11 **EFFECTIVE DATE.** This section is effective the day following final enactment.

49.12 Sec. 3. Minnesota Statutes 2024, section 297H.01, subdivision 2, is amended to read:

49.13 Subd. 2. **Commercial generator.** "Commercial generator" means any of the following:

49.14 (1) an owner or operator of a business, including a home-operated business, industry,  
49.15 church, nursing home, nonprofit organization that does not meet the criteria in subdivision  
49.16 8, clause (4), school, or any other commercial or institutional enterprise that generates mixed  
49.17 municipal solid waste or nonmixed municipal solid waste; or

49.18 (2) any other generator of taxable waste that is not a residential generator defined in  
49.19 subdivision 8. A commercial generator does not include a self-hauler.

49.20 **EFFECTIVE DATE.** This section is effective July 1, 2026.

49.21 Sec. 4. Minnesota Statutes 2024, section 297H.01, subdivision 8, is amended to read:

49.22 Subd. 8. **Residential generator.** "Residential generator" means any of the following:

49.23 (1) a detached single family residence that generates mixed municipal solid waste or  
49.24 nonmixed municipal solid waste;

49.25 (2) a person residing in a building or site containing multiple residences that generates  
49.26 mixed municipal solid waste, including apartment buildings, common interest communities,  
49.27 or manufactured home parks, where each residence is separately billed by the waste service  
49.28 provider;

49.29 (3) an owner of a building or site containing multiple residences or an association  
49.30 representing residences that generate mixed municipal solid waste or nonmixed municipal  
49.31 solid waste, including apartment buildings, condominiums, manufactured home parks, or

50.1 townhomes where no residence is separately billed for such service by the waste management  
50.2 service provider and the owner or association is billed directly for the waste management  
50.3 services. A residential generator does not include a self-hauler; or

50.4 (4) an organization exempt under section 501(c)(3) of the Internal Revenue Code whose  
50.5 primary mission is to receive donations for resale that receives donations for resale from a  
50.6 person or an entity listed in clauses (1) to (3).

50.7 **EFFECTIVE DATE.** This section is effective for waste management services received  
50.8 by a residential generator after June 30, 2026.

50.9 Sec. 5. Minnesota Statutes 2024, section 428B.02, subdivision 4, is amended to read:

50.10 Subd. 4. **Service charges; relationship to services.** (a) A municipality may impose a  
50.11 service charge on a business pursuant to this chapter for the purpose of providing activities  
50.12 and improvements that will provide benefits to a business that is located within the tourism  
50.13 improvement district and subject to the tourism improvement district service charge. Each  
50.14 business paying a service charge within a district must benefit directly or indirectly from  
50.15 improvements provided by a tourism improvement association, provided, however, the  
50.16 business need not benefit equally. Service charges must be based on a percent of gross  
50.17 business revenue, a fixed dollar amount per transaction, or any other reasonable method  
50.18 based upon benefit and approved by the municipality. A business may, but is not required  
50.19 to, collect the service charge imposed by this section from the purchaser. If separately stated  
50.20 on the invoice, bill of sale, or similar document given to the purchaser, the service charge  
50.21 is excluded from the sales price for purposes of the tax imposed under chapter 297A.

50.22 (b) Service charges may be used to cover the costs of collections, as well as other  
50.23 administrative costs associated with operating, forming, or maintaining the district.

50.24 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
50.25 made after June 30, 2025.

50.26 Sec. 6. Laws 2023, chapter 64, article 5, section 25, subdivision 1, is amended to read:

50.27 Subdivision 1. **Exemption; refund.** (a) Materials and supplies used or consumed in and  
50.28 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,  
50.29 or remodeling of a new water treatment plant and trunk water main improvements in the  
50.30 city of Ramsey are exempt from sales and use tax under Minnesota Statutes, chapter 297A,  
50.31 provided that the materials, supplies, and equipment are purchased after December 31, 2022,  
50.32 and before July 1, 2027.

51.1 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section  
 51.2 297A.62, ~~subdivision~~ subdivisions 1 and 1a, applied and then refunded in the same manner  
 51.3 provided for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).  
 51.4 Refunds for eligible purchases must not be issued until after June 30, 2023, ~~and before July~~  
 51.5 ~~1, 2027~~.

51.6 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
 51.7 made after December 31, 2022, and before July 1, 2027.

51.8 Sec. 7. **BROWERVILLE PUBLIC SCHOOLS; SALES TAX EXEMPTION FOR**  
 51.9 **CONSTRUCTION MATERIALS.**

51.10 Subdivision 1. **Exemption; refund.** (a) Materials and supplies used in and equipment  
 51.11 incorporated into the following projects in Independent School District No. 787, Browerville  
 51.12 Public Schools, are exempt from sales and use tax imposed under Minnesota Statutes,  
 51.13 chapter 297A, if the materials, supplies, and equipment are purchased after December 1,  
 51.14 2023, and before January 1, 2026:

51.15 (1) renovations to the prekindergarten through grade 12 school building; and

51.16 (2) construction of a new gymnasium, classrooms, locker rooms, a wrestling and weight  
 51.17 room, offices, and a stage.

51.18 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section  
 51.19 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided  
 51.20 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).

51.21 Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1  
 51.22 is appropriated from the general fund to the commissioner of revenue.

51.23 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
 51.24 made after December 1, 2023, and before January 1, 2026.

51.25 Sec. 8. **CITY OF WOODBURY; SALES AND USE TAX EXEMPTION FOR**  
 51.26 **CONSTRUCTION MATERIALS.**

51.27 Subdivision 1. **Exemption; refund.** (a) Materials and supplies used or consumed in and  
 51.28 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,  
 51.29 or remodeling of a water treatment facility and water tower, including water pipeline  
 51.30 infrastructure and associated improvements funded by the city of Woodbury are exempt  
 51.31 from sales and use tax under Minnesota Statutes, chapter 297A, provided that the materials,

52.1 supplies, and equipment are purchased after January 31, 2024, and before December 1,  
 52.2 2028.

52.3 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section  
 52.4 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided  
 52.5 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).

52.6 Subd. 2. **Appropriation.** The amount required to pay the refunds under subdivision 1  
 52.7 is appropriated from the general fund to the commissioner of revenue.

52.8 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
 52.9 made after January 31, 2024, and before December 1, 2028.

## 52.10 **ARTICLE 5**

### 52.11 **LOCAL SALES AND USE AND SPECIAL TAXES**

52.12 Section 1. Laws 1986, chapter 400, section 44, as amended by Laws 1995, chapter 264,  
 52.13 article 2, section 39, and Laws 2009, chapter 88, article 4, section 13, is amended to read:

52.14 **Sec. 44. DOWNTOWN TAXING AREA.**

52.15 If a bill is enacted into law in the 1986 legislative session which authorizes the city of  
 52.16 Minneapolis to issue bonds and expend certain funds including taxes to finance the  
 52.17 acquisition and betterment of a convention center and related facilities, which authorizes  
 52.18 certain taxes to be levied in a downtown taxing area, then, notwithstanding the provisions  
 52.19 of that law "downtown taxing area" shall mean the geographic area bounded by the portion  
 52.20 of the Mississippi River between I-35W and Washington Avenue, the portion of Washington  
 52.21 Avenue between the river and I-35W, the portion of I-35W between Washington Avenue  
 52.22 and 8th Street South, the portion of 8th Street South between I-35W and Portland Avenue  
 52.23 South, the portion of Portland Avenue South between 8th Street South and I-94, the portion  
 52.24 of I-94 from the intersection of Portland Avenue South to the intersection of I-94 and ~~the~~  
 52.25 ~~Burlington Northern Railroad tracks~~ Plymouth Avenue North, the portion of ~~the Burlington~~  
 52.26 ~~Northern Railroad tracks~~ Plymouth Avenue North from I-94 to ~~Main Street~~ the Mississippi  
 52.27 River, from Plymouth Avenue North and the Mississippi River south to the Burlington  
 52.28 Northern Railroad tracks and including Nicollet Island, and the portion of Main Street from  
 52.29 Burlington Northern Railroad tracks to Hennepin Avenue and the portion of Hennepin  
 52.30 Avenue between Main Street and 2nd Street S.E., and the portion of 2nd Street S.E. between  
 52.31 Main Street and Bank Street, and the portion of Bank Street between 2nd Street S.E. and  
 52.32 University Avenue S.E., and the portion of University Avenue S.E. between Bank Street  
 52.33 and I-35W, and by I-35W from University Avenue S.E., to the river. The downtown taxing

53.1 area excludes the area bounded on the south and west by Oak Grove Street, on the east by  
53.2 Spruce Place, and on the north by West 15th Street. The downtown taxing area also excludes  
53.3 any property located in a zone that is contained in chapter 546 of the Minneapolis Zoning  
53.4 Code of Ordinances on which a restaurant with a wine license is operated.

53.5 **EFFECTIVE DATE.** This section is effective for sales and purchases made after  
53.6 September 30, 2026.

53.7 Sec. 2. Laws 1993, chapter 375, article 9, section 46, subdivision 2, as amended by Laws  
53.8 1997, chapter 231, article 7, section 40, Laws 1998, chapter 389, article 8, section 30, Laws  
53.9 2003, First Special Session chapter 21, article 8, section 13, Laws 2005, First Special Session  
53.10 chapter 3, article 5, section 26, Laws 2009, chapter 88, article 4, section 15, and Laws 2013,  
53.11 chapter 143, article 8, section 44, is amended to read:

53.12 Subd. 2. **Use of revenues.** Revenues received from the tax authorized by subdivision 1  
53.13 may only be used by the city to pay the cost of collecting the tax, and, except as provided  
53.14 in paragraph (e), to pay for the following projects or to secure or pay any principal, premium,  
53.15 or interest on bonds issued in accordance with subdivision 3 for the following projects.

53.16 (a) To pay all or a portion of the capital expenses of construction, equipment and  
53.17 acquisition costs for the expansion and remodeling of the St. Paul Civic Center complex,  
53.18 including the ~~demolition of the existing arena and the construction, renovation, betterment,~~  
53.19 and equipping of ~~a new~~ the existing arena.

53.20 (b) Except as provided in paragraphs (e) and (f), the remainder of the funds must be  
53.21 spent for:

53.22 (1) capital projects to further residential, cultural, commercial, and economic development  
53.23 in both downtown St. Paul and St. Paul neighborhoods; and

53.24 (2) capital and operating expenses of cultural organizations in the city, provided that the  
53.25 amount spent under this clause must equal ten percent of the total amount spent under this  
53.26 paragraph in any year.

53.27 (c) The amount apportioned under paragraph (b) shall be no less than 60 percent of the  
53.28 revenues derived from the tax each year, except to the extent that a portion of that amount  
53.29 is required to pay debt service on (1) bonds issued for the purposes of paragraph (a) prior  
53.30 to March 1, 1998; or (2) bonds issued for the purposes of paragraph (a) after March 1, 1998,  
53.31 but only if the city council determines that 40 percent of the revenues derived from the tax  
53.32 together with other revenues pledged to the payment of the bonds, including the proceeds  
53.33 of definitive bonds, is expected to exceed the annual debt service on the bonds.

54.1 (d) If in any year more than 40 percent of the revenue derived from the tax authorized  
 54.2 by subdivision 1 is used to pay debt service on the bonds issued for the purposes of paragraph  
 54.3 (a) and to fund a reserve for the bonds, the amount of the debt service payment that exceeds  
 54.4 40 percent of the revenue must be determined for that year. In any year when 40 percent of  
 54.5 the revenue produced by the sales tax exceeds the amount required to pay debt service on  
 54.6 the bonds and to fund a reserve for the bonds under paragraph (a), the amount of the excess  
 54.7 must be made available for capital projects to further residential, cultural, commercial, and  
 54.8 economic development in the neighborhoods and downtown until the cumulative amounts  
 54.9 determined for all years under the preceding sentence have been made available under this  
 54.10 sentence. The amount made available as reimbursement in the preceding sentence is not  
 54.11 included in the 60 percent determined under paragraph (c).

54.12 (e) If the amount necessary to meet obligations under paragraphs (a) and (d) are less  
 54.13 than 40 percent of the revenue from the tax in any year, the city may place the difference  
 54.14 between 40 percent of the revenue and the amounts allocated under paragraphs (a) and (d)  
 54.15 in an economic development fund to be used for any economic development purposes.

54.16 (f) ~~By January 15 of each year~~ Beginning January 15, 2027, and every other year  
 54.17 thereafter, the mayor and the city council must report to the ~~legislature~~ chairs and ranking  
 54.18 minority members of the legislative committees with jurisdiction over taxes on the use of  
 54.19 sales tax revenues during the preceding one-year period.

54.20 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 54.21 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota  
 54.22 Statutes, section 645.021, subdivisions 2 and 3.

54.23 Sec. 3. Laws 1993, chapter 375, article 9, section 46, subdivision 2b, as added by Laws  
 54.24 2023, chapter 64, article 10, section 3, is amended to read:

54.25 Subd. 2b. **Use of revenues.** (a) The revenues derived from the tax authorized under  
 54.26 subdivision 1a must be used by the city of St. Paul to pay the costs of collecting and  
 54.27 administering the tax and to finance all or part of the following projects in the city, including  
 54.28 securing and paying debt service on bonds issued under subdivision 3a:

54.29 (1) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraphs (a),  
 54.30 clause (2), and (d), \$738,000,000, plus associated bonding costs for improvements to:

54.31 (i) streets; and

54.32 (ii) bridges; and

55.1 (2) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, ~~paragraph~~  
55.2 paragraphs (a), clause (2), (c), and (d), \$246,000,000, plus associated bonding costs for  
55.3 capital improvements to St. Paul parks and recreation facilities.

55.4 (b) The city must adopt an amended resolution authorizing use of the revenues from the  
55.5 tax authorized under subdivision 1a for the use listed in paragraph (a), clause (1), item (ii).  
55.6 The city must submit the resolution to the state auditor no later than August 31 of the year  
55.7 the city presents the tax for voter approval as required under Minnesota Statutes, section  
55.8 297A.99, subdivision 3, paragraph (a). The question to approve the tax as required under  
55.9 Minnesota Statutes, section 297A.99, subdivision 3, paragraph (a), must indicate the purposes  
55.10 for which the revenues must be used as included in the amended resolution.

55.11 (c) If the city does not adopt and submit the amended resolution under paragraph (b),  
55.12 the question presented to the voters under Minnesota Statutes, section 297A.99, subdivision  
55.13 3, paragraph (a), must not include, and revenues from the tax authorized under subdivision  
55.14 1a must not be used for, the purpose specified in paragraph (a), clause (1), item (ii).

55.15 **EFFECTIVE DATE.** This section is effective retroactively from May 24, 2023, without  
55.16 local approval, pursuant to Minnesota Statutes, section 645.023, subdivision 1.

55.17 Sec. 4. Laws 1993, chapter 375, article 9, section 46, subdivision 3, as amended by Laws  
55.18 1998, chapter 389, article 8, section 31, and Laws 2005, First Special Session chapter 3,  
55.19 article 5, section 27, is amended to read:

55.20 Subd. 3. **Bonds.** The city may issue general obligation bonds or special revenue bonds  
55.21 to finance all or a portion of the cost for projects authorized in subdivision 2, paragraph (a)  
55.22 or (b). The debt represented by the bonds shall not be included in computing any debt  
55.23 limitations applicable to the city. The bonds may be paid from or secured by any funds  
55.24 available to the city, including the tax authorized under subdivision 1, any revenues derived  
55.25 from the project, tax increments from the tax increment district that includes the project,  
55.26 and revenue from any lodging tax imposed under Laws 1982, chapter 523, article 25, section  
55.27 1. The bonds may be issued in one or more series and sold without election on the question  
55.28 of issuance of the bonds or a property tax to pay them. Except as otherwise provided in this  
55.29 section, the bonds must be issued, sold, and secured in the manner provided in Minnesota  
55.30 Statutes, chapter 475. The aggregate principal amount of bonds issued under this subdivision  
55.31 for projects authorized in subdivision 2, paragraph (a), may not exceed ~~\$65 million~~  
55.32 \$275,000,000, provided that the city may issue additional bonds under this subdivision for  
55.33 projects authorized in subdivision 2, paragraph (a), as long as the total principal amount of  
55.34 the additional bonds together with the outstanding principal amount of the bonds previously

56.1 issued under this subdivision for projects authorized in subdivision 2, paragraph (a), does  
56.2 not exceed ~~\$130 million~~ \$325,000,000. The bonds authorized by this subdivision shall not  
56.3 be included in local general obligation debt as defined in Laws 1971, chapter 773, as  
56.4 amended, including Laws 1992, chapter 511, and shall not affect the amount of capital  
56.5 improvement bonds authorized to be issued by the city of St. Paul. Bonds to pay for projects  
56.6 authorized in subdivision 2, paragraph (b), may be issued if the city council first determines  
56.7 that 20 percent of the revenues derived from the tax authorized under section 1 together  
56.8 with other revenues pledged to payment of the bonds, including the proceeds of definitive  
56.9 bonds, is expected to exceed the annual debt service on the bonds.

56.10 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
56.11 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota  
56.12 Statutes, section 645.021, subdivisions 2 and 3.

56.13 Sec. 5. Laws 1993, chapter 375, article 9, section 46, subdivision 5, as amended by Laws  
56.14 1998, chapter 389, article 8, section 32, Laws 2013, chapter 143, article 8, section 45, and  
56.15 Laws 2023, chapter 64, article 10, section 5, is amended to read:

56.16 Subd. 5. **Expiration of taxing authority.** (a) The authority granted by subdivision 1 to  
56.17 the city to impose a sales tax shall expire on December 31, ~~2042~~ 2061, or at an earlier time  
56.18 as the city shall, by ordinance, determine. Any funds remaining after completion of projects  
56.19 approved under subdivision 2, paragraph (a) and retirement or redemption of any bonds or  
56.20 other obligations may be placed in the general fund of the city.

56.21 (b) The tax imposed under subdivision 1a expires at the earlier of (1) 20 years after the  
56.22 tax is first imposed, or (2) when the city council determines that the amount of revenues  
56.23 received from the tax is sufficient to pay for the project costs authorized under subdivision  
56.24 2b for projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
56.25 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
56.26 of the bonds under subdivision 3a, including interest on the bonds. Except as otherwise  
56.27 provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any funds  
56.28 remaining after payment of the allowed costs due to the timing of the termination of the tax  
56.29 under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general  
56.30 fund of the city. The tax imposed under subdivision 1a may expire at an earlier time if the  
56.31 city so determines by ordinance.

56.32 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
56.33 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota  
56.34 Statutes, section 645.021, subdivisions 2 and 3.

57.1 Sec. 6. Laws 1996, chapter 471, article 2, section 30, subdivision 5, as amended by Laws  
57.2 2009, chapter 88, article 4, section 17, is amended to read:

57.3 Subd. 5. **Expiration of taxing authority.** The tax imposed under subdivision 1 expires  
57.4 ~~30 years after it first becomes effective~~ on July 1, 2056.

57.5 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
57.6 city of Little Falls and its chief clerical officer comply with Minnesota Statutes, section  
57.7 645.021, subdivisions 2 and 3.

57.8 Sec. 7. Laws 1998, chapter 389, article 8, section 36, is amended to read:

57.9 Sec. 36. **CITY OF ST. PAUL; USE OF SALES TAX REVENUES.**

57.10 The revenue derived from the sales tax imposed by the city of St. Paul under Laws 1993,  
57.11 chapter 375, article 9, section 46, as amended by Laws 1997, chapter 231, article 7, section  
57.12 40, that is distributed to the city's cultural STAR program must be awarded through a grant  
57.13 or loan review process as provided in this section. Eighty percent of the revenue collected  
57.14 annually must be ~~annually~~ awarded to nonprofit arts organizations, libraries, and museums  
57.15 that are located in the designated cultural district of downtown St. Paul, and the remaining  
57.16 20 percent may be awarded to businesses in the cultural district for projects which enhance  
57.17 visitor enjoyment of the district, or to nonprofit arts organizations, libraries, and museums  
57.18 located in St. Paul but outside of the cultural district. Grants or loans may be used for capital  
57.19 improvements. The restrictions in this section apply to all STAR cultural funds expended  
57.20 for projects approved after June 30, 1998.

57.21 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
57.22 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota  
57.23 Statutes, section 645.021, subdivisions 2 and 3.

57.24 Sec. 8. Laws 1998, chapter 389, article 8, section 37, subdivision 2, as amended by Laws  
57.25 2002, chapter 377, article 3, section 21, is amended to read:

57.26 Subd. 2. **Appointment of members.** ~~The citizen review panel consists of three residents~~  
57.27 ~~from each of the seven city council wards, for a total of 21 members.~~ The mayor must  
57.28 appoint the members, and the appointments are subject to confirmation by a majority vote  
57.29 of the city council. Members serve for a term of four years. Elected officials and employees  
57.30 of the city are ineligible to serve as members of the panel.

58.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
58.2 city of St. Paul and its chief clerical officer comply with the requirements of Minnesota  
58.3 Statutes, section 645.021, subdivisions 2 and 3.

58.4 Sec. 9. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended by  
58.5 Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section 23,  
58.6 and Laws 2017, First Special Session chapter 1, article 5, sections 12 and 13, is amended  
58.7 by adding a subdivision to read:

58.8 Subd. 1a. **Authorization; extension.** Notwithstanding Minnesota Statutes, section  
58.9 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at an  
58.10 election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of  
58.11 Albert Lea may extend the sales and use tax of one-half percent authorized under subdivision  
58.12 1 for the purposes specified in subdivision 2a. Except as otherwise provided in this section,  
58.13 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,  
58.14 collection, and enforcement of the tax authorized under this subdivision. The tax imposed  
58.15 under this subdivision is in addition to any local sales and use tax imposed under any other  
58.16 special law.

58.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
58.18 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section  
58.19 645.021, subdivisions 2 and 3.

58.20 Sec. 10. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended by  
58.21 Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section 23,  
58.22 and Laws 2017, First Special Session chapter 1, article 5, sections 12 and 13, is amended  
58.23 by adding a subdivision to read:

58.24 Subd. 2a. **Use of revenues; additional projects.** The revenues derived from the tax  
58.25 authorized under subdivision 1a must be used by the city to pay the costs of collecting and  
58.26 administering the tax and paying for the following projects in the city, plus associated costs  
58.27 related to the issuance of bonds used to finance all or part of the following projects:

58.28 (1) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (d),  
58.29 \$20,000,000 for water quality improvements for the Shell Rock Watershed District;

58.30 (2) \$9,300,000 for the expansion, improvement, and equipping of the Songbird Trail;

58.31 (3) \$4,500,000 for the expansion, improvement, and equipping of the Albert Lea Public  
58.32 Library;

59.1 (4) \$4,700,000 for the Snyder Field Complex, including the expansion, improvement,  
 59.2 and equipping of the Snyder Field Recreation Area; and

59.3 (5) \$1,500,000 for acquisition, construction, improvement, and equipping of Miracle  
 59.4 Field at Edgewater Park.

59.5 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 59.6 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section  
 59.7 645.021, subdivisions 2 and 3.

59.8 Sec. 11. Laws 2005, First Special Session chapter 3, article 5, section 38, as amended by  
 59.9 Laws 2006, chapter 259, article 3, section 6, Laws 2014, chapter 308, article 3, section 23,  
 59.10 and Laws 2017, First Special Session chapter 1, article 5, sections 12 and 13, is amended  
 59.11 by adding a subdivision to read:

59.12 Subd. 3a. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
 59.13 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
 59.14 2a and approved by the voters as required under Minnesota Statutes, section 297A.99,  
 59.15 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
 59.16 subdivision may not exceed \$40,000,000, plus an amount applied to the payment of the  
 59.17 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
 59.18 to the city, including the tax authorized under subdivision 1a. The issuance of bonds under  
 59.19 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

59.24 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 59.25 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section  
 59.26 645.021, subdivisions 2 and 3.

59.27 Sec. 12. Laws 2005, First Special Session chapter 3, article 5, section 38, subdivision 4,  
 59.28 as amended by Laws 2014, chapter 308, article 3, section 23, and Laws 2017, First Special  
 59.29 Session chapter 1, article 5, section 13, is amended to read:

59.30 Subd. 4. **Termination of taxes.** (a) The taxes imposed under ~~this section~~ subdivision 1  
 59.31 expire at the earlier of (1) 30 years after the taxes are first imposed, or (2) when the city  
 59.32 council first determines that the amount of revenues raised to pay for the projects under

60.1 subdivision 2, shall meet or exceed the sum of \$30,000,000. Any funds remaining after  
60.2 completion of the projects may be placed in the general fund of the city.

60.3 (b) The tax imposed under subdivision 1a expires at the earlier of (1) 30 years after the  
60.4 tax is first imposed, or (2) when the city council determines that the amount of revenues  
60.5 received from the tax is sufficient to pay for the project costs authorized under subdivision  
60.6 2a for projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
60.7 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
60.8 of the bonds under subdivision 3a, including interest on the bonds. Except as otherwise  
60.9 provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money  
60.10 remaining after payment of the allowed costs due to the timing of the termination of the tax  
60.11 under Minnesota Statutes, section 297A.99, subdivision 12, shall be placed in the general  
60.12 fund of the city. The tax imposed under subdivision 1a may expire at an earlier time if the  
60.13 city so determines by ordinance.

60.14 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
60.15 city of Albert Lea and its chief clerical officer comply with Minnesota Statutes, section  
60.16 645.021, subdivisions 2 and 3.

60.17 Sec. 13. Laws 2006, chapter 259, article 3, section 9, is amended by adding a subdivision  
60.18 to read:

60.19 Subd. 1a. **Authorization; extension.** Notwithstanding Minnesota Statutes, section  
60.20 477A.016, or any other law, ordinance, or city charter, and if approved by the voters at an  
60.21 election as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of  
60.22 Austin may extend the sales and use tax of one-half percent authorized under subdivision  
60.23 1 for the purpose specified in subdivision 2a. Except as otherwise provided in this section,  
60.24 the provisions of Minnesota Statutes, section 297A.99, govern the imposition, administration,  
60.25 collection, and enforcement of the tax authorized under this subdivision. The tax authorized  
60.26 under this subdivision is in addition to any local sales and use tax imposed under any other  
60.27 special law.

60.28 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
60.29 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
60.30 subdivisions 2 and 3.

61.1 Sec. 14. Laws 2006, chapter 259, article 3, section 9, is amended by adding a subdivision  
61.2 to read:

61.3 Subd. 2a. Use of sales and use tax revenues. Notwithstanding Minnesota Statutes,  
61.4 section 297A.99, subdivisions 2, paragraph (d), and 3, paragraph (b), the revenues derived  
61.5 from the extension of the tax authorized under subdivision 1a must be used by the city to  
61.6 pay the costs of collecting and administering the tax, and to finance up to \$28,000,000, plus  
61.7 associated bonding costs, for the following, in connection with a law enforcement center:  
61.8 (1) the previous purchase of land; (2) utility, site work, and design services; and (3)  
61.9 construction.

61.10 EFFECTIVE DATE. This section is effective the day after the governing body of the  
61.11 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
61.12 subdivisions 2 and 3.

61.13 Sec. 15. Laws 2006, chapter 259, article 3, section 9, is amended by adding a subdivision  
61.14 to read:

61.15 Subd. 3a. Bonds; additional use and extension of tax. (a) After payment of the bonds  
61.16 authorized under subdivision 3, the city may issue bonds under Minnesota Statutes, chapter  
61.17 475, to finance the costs of the facility authorized in subdivision 2a. The aggregate principal  
61.18 amount of bonds issued under this subdivision may not exceed \$28,000,000 for the project  
61.19 listed in subdivision 2a, plus an amount to be applied to the payment of the costs of issuing  
61.20 the bonds. The bonds may be paid from or secured by any money available to the city,  
61.21 including the tax authorized under subdivision 1. The issuance of bonds under this  
61.22 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

61.27 EFFECTIVE DATE. This section is effective the day after the governing body of the  
61.28 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
61.29 subdivisions 2 and 3.

61.30 Sec. 16. Laws 2006, chapter 259, article 3, section 9, subdivision 4, is amended to read:

61.31 Subd. 4. Termination of tax. (a) The tax authorized under subdivision 1 terminates at  
61.32 the earlier of:

62.1 (1) 20 years after the date of initial imposition of the tax; or

62.2 (2) when the Austin City Council determines that the amount described in subdivision  
62.3 2 has been received from the tax to finance the capital and administrative costs for the  
62.4 projects specified in subdivision 2, and to repay or retire at maturity, the principal, interest,  
62.5 and premium due on any bonds issued for the projects under subdivision 3.

62.6 Any funds remaining after completion of the projects specified in subdivision 2, and  
62.7 retirement or redemption of the bonds in subdivision 3, may be placed in the general fund  
62.8 of the city. The tax imposed under subdivision 1 may expire at an earlier time if the city so  
62.9 determines by ordinance.

62.10 (b) The tax extended under subdivision 1a expires at the earlier of: (1) 20 years after the  
62.11 tax is first imposed; or (2) when the city determines that the amount received from the tax  
62.12 is sufficient to pay for the project costs authorized under subdivision 2a, plus an amount  
62.13 sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3,  
62.14 including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section  
62.15 297A.99, subdivision 3, paragraph (f), any money remaining after payment of the allowed  
62.16 costs due to the timing of the termination of the tax under Minnesota Statutes, section  
62.17 297A.99, subdivision 12, must be placed in the general fund of the city. The tax imposed  
62.18 under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

62.19 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
62.20 city of Austin and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
62.21 subdivisions 2 and 3.

62.22 Sec. 17. Laws 2006, chapter 259, article 3, section 10, subdivision 3, as amended by Laws  
62.23 2014, chapter 308, article 3, section 24, is amended to read:

62.24 **Subd. 3. Use of revenues.** (a) Revenues received from the taxes authorized by  
62.25 subdivisions 1 and 2 must be used to pay the cost of collecting and administering the tax  
62.26 and to finance the acquisition and betterment of water and wastewater facilities to serve the  
62.27 cities of Brainerd and Baxter, building and equipping a fire substation, as approved by the  
62.28 voters at the referendum authorizing the tax. Authorized costs include, but are not limited  
62.29 to, acquiring property and paying construction and engineering costs related to the projects.

62.30 (b) In addition to the projects authorized in paragraph (a), the city of Baxter may, if  
62.31 approved by the voters at an election under subdivision 5, paragraph (b), allocate up to an  
62.32 additional \$40,000,000 of the revenues received from the taxes authorized by subdivisions  
62.33 1 and 2 to a capital infrastructure fund. Money from this fund may only be used to finance

63.1 (1) sanitary sewer, storm sewer, and water projects, (2) transportation safety improvements,  
63.2 and (3) improvements to the Brainerd Lakes Area Airport.

63.3 (c) In addition to the projects authorized in paragraphs (a) and (b), the city of Baxter  
63.4 may, if approved by the voters at an election as required under Minnesota Statutes, section  
63.5 297A.99, subdivision 3, allocate the revenues received from the taxes authorized by  
63.6 subdivisions 1 and 2 to pay for projects in the city, including the costs of collecting and  
63.7 administering the tax and securing and paying debt service on bonds issued to finance all  
63.8 or part of the following projects, including property acquisition:

63.9 (1) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (d),  
63.10 \$51,000,000 for upgrades and improvements to the water and wastewater utility systems;  
63.11 and

63.12 (2) \$10,000,000 for construction of a new public safety facility.

63.13 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
63.14 city of Baxter and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
63.15 subdivisions 2 and 3.

63.16 Sec. 18. Laws 2006, chapter 259, article 3, section 10, subdivision 4, as amended by Laws  
63.17 2014, chapter 308, article 3, section 25, is amended to read:

63.18 Subd. 4. **Bonds.** (a) The city of Baxter, pursuant to the approval of the voters at the  
63.19 November 2, 2004, referendum authorizing the imposition of the taxes in this section, may  
63.20 issue general obligation bonds of the city, in one or more series, in the aggregate principal  
63.21 amount not to exceed \$15,000,000 to finance the projects listed in subdivision 3, paragraph  
63.22 (a). The debt represented by the bonds is not included in computing any debt limitations  
63.23 applicable to the city, and the levy of taxes required by Minnesota Statutes, section 475.61,  
63.24 to pay the principal of and interest on the bonds is not subject to any levy limitation or  
63.25 included in computing or applying any levy limitation applicable to the city of Baxter.

63.26 (b) The city of Baxter, pursuant to the approval of the voters at the 2014 general election  
63.27 to extend the tax under this section, may issue general obligation bonds of the city, in one  
63.28 or more series, in the aggregate principal amount not to exceed (1) \$32,000,000 plus an  
63.29 amount equal to the costs of issuance of the bonds to finance the projects listed in subdivision  
63.30 3, paragraph (b), clauses (1) and (2), and (2) \$8,000,000 plus an amount equal to the costs  
63.31 of the issuance of the bonds to finance the project listed in subdivision 3, paragraph (b),  
63.32 clause (3). The debt represented by the bonds is not included in computing any debt  
63.33 limitations applicable to the city, and the levy of taxes required by Minnesota Statutes,

64.1 section 475.61, to pay the principal of and interest on the bonds is not subject to any levy  
64.2 limitation or included in computing or applying any levy limitation applicable to the city  
64.3 of Baxter.

64.4 (c) The city of Baxter may issue bonds under Minnesota Statutes, chapter 475, to finance  
64.5 all or a portion of the costs of the projects authorized in subdivision 3, paragraph (c), and  
64.6 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
64.7 3, paragraph (a). The aggregate principal amount of bonds issued for this purpose must not  
64.8 exceed \$61,000,000, plus an amount applied to the payment of costs of issuing the bonds.  
64.9 The bonds may be issued as general obligations of the city and may be paid from or secured  
64.10 by any funds available to the city, including the tax authorized under subdivision 1. The  
64.11 issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60  
64.12 and 275.61. The bonds are not included in computing any debt limitation applicable to the  
64.13 city. Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and  
64.14 interest on the bonds is not subject to any levy limitation. A separate election to approve  
64.15 the bonds under Minnesota Statutes, section 475.58, is not required.

64.16 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
64.17 city of Baxter and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
64.18 subdivisions 2 and 3.

64.19 Sec. 19. Laws 2006, chapter 259, article 3, section 10, subdivision 5, as amended by Laws  
64.20 2014, chapter 308, article 3, section 26, is amended to read:

64.21 Subd. 5. **Termination of taxes.** (a) The taxes imposed under subdivisions 1 and 2 expire  
64.22 at the earlier of a date 12 years after the imposition of the tax or when the Baxter City  
64.23 Council first determines that the amount of revenues raised from the taxes to pay for the  
64.24 projects under subdivision 3 equals or exceeds \$15,000,000 plus any interest on bonds  
64.25 issued for the projects under subdivision 4, paragraph (a). Any funds remaining after the  
64.26 expiration of the taxes and retirement of the bonds shall be placed in a capital project fund  
64.27 of the city of Baxter. The taxes imposed under subdivisions 1 and 2 may expire at an earlier  
64.28 time if the city of Baxter so determines by ordinance.

64.29 (b) Notwithstanding Minnesota Statutes, sections 297A.99 and 477A.016, or any other  
64.30 contrary provision of law, ordinance, or city charter, the city of Baxter may, by ordinance,  
64.31 extend the taxes authorized under subdivisions 1 and 2 beyond the termination date in  
64.32 paragraph (a) if approved by the voters of the city at a general election held in 2014. The  
64.33 question put to the voters must indicate that an affirmative vote would extend the imposition  
64.34 of the taxes through 2037 or until an additional \$40,000,000, plus an amount equal to interest

65.1 and issuance costs associated with bonds issued under subdivision 4, paragraph (b), above  
65.2 the initial amount authorized to pay for \$15,000,000 in bonds and associated bond cost and  
65.3 projects, listed in subdivision 3, paragraph (a), is raised. If extended under this paragraph,  
65.4 the taxes authorized in subdivisions 1 and 2 will terminate at the earlier of (1) when an  
65.5 additional \$40,000,000, plus an amount equal to interest and issuance costs associated with  
65.6 bonds issued under subdivision 4, paragraph (b), above the amount authorized under  
65.7 paragraph (a), is raised, or (2) December 31, 2037.

65.8 (c) Notwithstanding Minnesota Statutes, section 477A.016, or any other law, ordinance,  
65.9 or city charter, the city of Baxter may, by ordinance, extend the taxes authorized under  
65.10 subdivisions 1 and 2 beyond the termination date in paragraph (a) if approved by the voters  
65.11 as required under Minnesota Statutes, section 297A.99, subdivision 3, paragraphs (a) and  
65.12 (b). If extended under this paragraph, the taxes authorized in subdivisions 1 and 2 will  
65.13 terminate at the earlier of: (1) when an additional \$61,000,000, plus an amount equal to  
65.14 interest and issuance costs associated with bonds issued under subdivision 4, paragraph (c),  
65.15 above the amount authorized under paragraphs (a) and (b), is raised; or (2) 20 years after  
65.16 the tax is extended.

65.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
65.18 city of Baxter and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
65.19 subdivisions 2 and 3.

65.20 Sec. 20. Laws 2019, First Special Session chapter 6, article 6, section 17, subdivision 1,  
65.21 is amended to read:

65.22 Subdivision 1. **Sales and use tax authorization.** (a) Notwithstanding Minnesota Statutes,  
65.23 section 297A.99, subdivision 1, or 477A.016, or any other law or ordinance, and as approved  
65.24 by the voters at the November 6, 2018, general election, the city of Elk River may impose,  
65.25 by ordinance, a sales and use tax of one-half of one percent for the purposes specified in  
65.26 subdivision 2. Except as otherwise provided in this section, the provisions of Minnesota  
65.27 Statutes, section 297A.99, govern the imposition, administration, collection, and enforcement  
65.28 of the tax authorized under this subdivision.

65.29 (b) If approved by the voters at a general election pursuant to Minnesota Statutes, section  
65.30 297A.99, subdivision 3, paragraph (a), the city must use the revenues derived from the tax  
65.31 authorized under paragraph (a) for the purpose specified in subdivision 2a.

65.32 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
65.33 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section  
65.34 645.021, subdivisions 2 and 3.

66.1 Sec. 21. Laws 2019, First Special Session chapter 6, article 6, section 17, is amended by  
66.2 adding a subdivision to read:

66.3 Subd. 2a. Use of revenues. In addition to the uses authorized under subdivision 2, the  
66.4 revenues derived from the tax authorized under subdivision 1 must be used by the city of  
66.5 Elk River to finance up to \$20,000,000, plus associated bonding costs, for bonds issued  
66.6 under subdivision 3 for construction of a new fire station. The project authorized under this  
66.7 subdivision does not extend the termination requirements in subdivision 4.

66.8 EFFECTIVE DATE. This section is effective the day after the governing body of the  
66.9 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section  
66.10 645.021, subdivisions 2 and 3.

66.11 Sec. 22. Laws 2019, First Special Session chapter 6, article 6, section 17, subdivision 3,  
66.12 is amended to read:

66.13 Subd. 3. **Bonding authority.** (a) The city of Elk River may issue bonds under Minnesota  
66.14 Statutes, chapter 475, to finance all or a portion of the costs of the ~~project~~ projects authorized  
66.15 in ~~subdivision~~ subdivisions 2 and 2a. The aggregate principal amount of bonds issued under  
66.16 this subdivision may not exceed ~~\$35,000,000~~ \$55,000,000, plus an amount applied to the  
66.17 payment of costs of issuing the bonds. The bonds may be paid from or secured by any funds  
66.18 available to the city of Elk River, including the tax authorized under subdivision 1. The  
66.19 issuance of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60  
66.20 and 275.61.

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

66.25 EFFECTIVE DATE. This section is effective the day after the governing body of the  
66.26 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section  
66.27 645.021, subdivisions 2 and 3.

66.28 Sec. 23. Laws 2019, First Special Session chapter 6, article 6, section 17, subdivision 4,  
66.29 is amended to read:

66.30 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the  
66.31 earlier of: (1) 25 years after the tax is first imposed; or (2) when the city council determines  
66.32 that the city has received ~~\$35,000,000~~ \$55,000,000 from this tax to fund the projects listed

67.1 in ~~subdivision~~ subdivisions 2 and 2a plus an amount sufficient to pay costs, including interest  
67.2 costs, related to the issuance of the bonds authorized in subdivision 3. Any funds remaining  
67.3 after payment of the allowed costs due to timing of the termination under section 297A.99  
67.4 shall be placed in the city's general fund. The tax imposed under subdivision 1 may expire  
67.5 at an earlier time if the city so determines by ordinance.

67.6 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
67.7 city of Elk River and its chief clerical officer comply with Minnesota Statutes, section  
67.8 645.021, subdivisions 2 and 3.

67.9 Sec. 24. Laws 2019, First Special Session chapter 6, article 6, section 28, is amended by  
67.10 adding a subdivision to read:

67.11 Subd. 1a. **Sales and use tax authorization; modification and voter**  
67.12 **approval.** Notwithstanding Minnesota Statutes, section 477A.016, or any other law,  
67.13 ordinance, or city charter, the modifications to bonding authority in subdivision 3 and the  
67.14 amount of tax that may be collected before the termination of taxes in subdivision 4 are  
67.15 effective if approved by the voters at an election as required under Minnesota Statutes,  
67.16 section 297A.99, subdivision 3, paragraph (a).

67.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
67.18 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section  
67.19 645.021, subdivisions 2 and 3.

67.20 Sec. 25. Laws 2019, First Special Session chapter 6, article 6, section 28, subdivision 3,  
67.21 is amended to read:

67.22 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
67.23 chapter 475, to pay the costs of the projects authorized in subdivision 2. The aggregate  
67.24 principal amount of bonds issued under this subdivision may not exceed ~~\$10,000,000~~  
67.25 \$20,000,000 plus an amount to be applied to the payment of the costs of issuing the bonds.  
67.26 The bonds may be paid from or secured by any funds available to the city, including the  
67.27 tax authorized under subdivision 1. The issuance of bonds under this subdivision is not  
67.28 subject to Minnesota Statutes, sections 275.60 and 275.61.

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

68.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
68.2 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section  
68.3 645.021, subdivisions 2 and 3.

68.4 Sec. 26. Laws 2019, First Special Session chapter 6, article 6, section 28, subdivision 4,  
68.5 is amended to read:

68.6 Subd. 4. **Termination of taxes.** The tax imposed under subdivision 1 expires at the  
68.7 earlier of: (1) December 31, 2045; or (2) when the city council determines that ~~\$10,000,000~~  
68.8 \$20,000,000 has been received from the tax to pay for the cost of the projects authorized  
68.9 under subdivision 2, plus an amount sufficient to pay the costs related to issuance of the  
68.10 bonds authorized under subdivision 3, including interest on the bonds. Any funds remaining  
68.11 after payment of all such costs and retirement or redemption of the bonds shall be placed  
68.12 in the general fund of the city. The tax imposed under subdivision 1 may expire at an earlier  
68.13 time if the city so determines by ordinance.

68.14 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
68.15 city of Sauk Centre and its chief clerical officer comply with Minnesota Statutes, section  
68.16 645.021, subdivisions 2 and 3.

68.17 Sec. 27. Laws 2021, First Special Session chapter 14, article 8, section 5, subdivision 2,  
68.18 as amended by Laws 2023, chapter 64, article 10, section 17, is amended to read:

68.19 Subd. 2. **Use of sales and use tax revenues; requirements.** (a) The revenues derived  
68.20 from the tax authorized under subdivision 1 must be used by the city of Edina to pay the  
68.21 costs of collecting and administering the tax and paying for the following projects in the  
68.22 city, including securing and paying debt service on bonds issued to finance all or part of  
68.23 the following projects:

68.24 (1) \$17,700,000 plus associated bonding costs for development of Fred Richards Park  
68.25 as identified in the Fred Richards Park Master Plan; ~~and~~

68.26 (2) ~~\$53,300,000~~ \$56,300,000 plus associated bonding costs for improvements to Braemar  
68.27 ~~Park~~ Ice Arena as identified in the Braemar Park Master Plan.;

68.28 (3) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (a),  
68.29 clauses (1) to (4), \$35,000,000 plus associated bonding costs for design and construction  
68.30 of new public safety facilities;

69.1 (4) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (a),  
 69.2 clauses (1) to (4), \$6,000,000 plus associated bonding costs for tenant improvements to the  
 69.3 Edina Art Center;

69.4 (5) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (a),  
 69.5 clauses (1) to (4), \$8,000,000 plus associated bonding costs for a capital improvement plan  
 69.6 for the Edina Aquatic Center; and

69.7 (6) notwithstanding Minnesota Statutes, section 297A.99, subdivision 2, paragraph (a),  
 69.8 clauses (1) to (4), \$4,000,000 plus associated bonding costs for design of the Braemar Golf  
 69.9 Course Clubhouse.

69.10 (b) Use of tax revenues for the projects listed in paragraph (a), clauses (3) to (6), is  
 69.11 subject to voter approval at the November 3, 2026, general election.

69.12 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 69.13 city of Edina and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
 69.14 subdivisions 2 and 3.

69.15 Sec. 28. Laws 2021, First Special Session chapter 14, article 8, section 5, subdivision 3,  
 69.16 as amended by Laws 2023, chapter 64, article 10, section 17, is amended to read:

69.17 Subd. 3. **Bonding authority.** (a) The city of Edina may issue bonds under Minnesota  
 69.18 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
 69.19 subdivision 2 and approved by the voters as required under Minnesota Statutes, section  
 69.20 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued  
 69.21 under this subdivision may not exceed: (1) \$17,700,000 for the project listed in subdivision  
 69.22 2, paragraph (a), clause (1), plus an amount to be applied to the payment of the costs of  
 69.23 issuing the bonds; and (2) ~~\$53,300,000~~ \$56,300,000 for the project listed in subdivision 2,  
 69.24 paragraph (a), clause (2), plus an amount to be applied to the payment of the costs of issuing  
 69.25 the bonds; (3) \$35,000,000 for the project listed in subdivision 2, paragraph (a), clause (3),  
 69.26 plus an amount to be applied to the payment of the costs of issuing the bonds; (4) \$6,000,000  
 69.27 for the project listed in subdivision 2, paragraph (a), clause (4), plus an amount to be applied  
 69.28 to the payment of the costs of issuing the bonds; (5) \$8,000,000 for the project listed in  
 69.29 subdivision 2, paragraph (a), clause (5), plus an amount to be applied to the payment of the  
 69.30 costs of issuing the bonds; and (6) \$4,000,000 for the project listed in subdivision 2,  
 69.31 paragraph (a), clause (6), plus an amount to be applied to the payment of the costs of issuing  
 69.32 the bonds. The bonds may be paid from or secured by any funds available to the city of  
 69.33 Edina, including the tax authorized under subdivision 1. The issuance of bonds under this  
 69.34 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

70.5 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
70.6 city of Edina and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
70.7 subdivisions 2 and 3.

70.8 Sec. 29. **CITY OF ALEXANDRIA; TAXES AUTHORIZED.**

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

70.18 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
70.19 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
70.20 the tax and to finance up to \$30,000,000, plus associated bonding costs, for the expansion  
70.21 and renovation of the PrimeWest Health Runestone Community Center.

70.22 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
70.23 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
70.24 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
70.25 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
70.26 subdivision may not exceed \$30,000,000, plus an amount applied to the payment of the  
70.27 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
70.28 to the city including the tax authorized under subdivision 1. The issuance of bonds under  
70.29 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

71.1 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
71.2 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
71.3 after the tax is first imposed, or (2) when the city council determines that the amount received  
71.4 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
71.5 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
71.6 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
71.7 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
71.8 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
71.9 after payment of the allowed costs due to the timing of the termination of the tax under  
71.10 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
71.11 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
71.12 determines by ordinance.

71.13 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
71.14 city of Alexandria and its chief clerical officer comply with Minnesota Statutes, section  
71.15 645.021, subdivisions 2 and 3.

71.16 Sec. 30. **CITY OF AUDUBON; TAXES AUTHORIZED.**

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

71.26 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
71.27 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
71.28 the tax and to finance up to \$3,000,000, plus associated bonding costs, for construction of  
71.29 a new fire station.

71.30 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
71.31 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
71.32 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
71.33 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
71.34 subdivision may not exceed \$3,000,000, plus an amount applied to the payment of the costs

72.1 of issuing the bonds. The bonds may be paid from or secured by any money available to  
72.2 the city, including the tax authorized under subdivision 1. The issuance of bonds under this  
72.3 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

72.8 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
72.9 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
72.10 after the tax is first imposed, or (2) when the city council determines that the amount received  
72.11 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
72.12 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
72.13 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
72.14 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
72.15 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
72.16 after payment of the allowed costs due to the timing of the termination of the tax under  
72.17 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
72.18 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
72.19 determines by ordinance.

72.20 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
72.21 city of Audubon and its chief clerical officer comply with Minnesota Statutes, section  
72.22 645.021, subdivisions 2 and 3.

72.23 Sec. 31. **CITY OF BLAINE; RESTAURANT, LODGING, AND ADMISSIONS**  
72.24 **TAXES AUTHORIZED.**

72.25 Subdivision 1. **Scope.** Notwithstanding Minnesota Statutes, section 477A.016, or any  
72.26 other law, ordinance, or city charter provision to the contrary, the city of Blaine may, by  
72.27 ordinance, impose one or more taxes authorized under subdivision 3 on sales transactions  
72.28 occurring within or into the boundaries of the taxing area.

72.29 Subd. 2. **Definitions.** For the purposes of this section, the following terms have the  
72.30 meanings given:

72.31 (1) "city" means the city of Blaine;

72.32 (2) "tax" means a tax imposed under this special law and authorized under subdivision  
72.33 3; and

73.1 (3) "taxing area" means the geographic area within the city known as the 105th  
73.2 Redevelopment Area as identified in the city's zoning ordinance and zoning map.

73.3 Subd. 3. **Taxes authorized.** (a) The city may by ordinance impose one or more of the  
73.4 following taxes:

73.5 (1) a tax of not more than three percent on the gross receipts of all food and beverages  
73.6 sold by a restaurant or place of refreshment, as defined by city ordinance, located within  
73.7 the taxing area, including retail on-sale of intoxicating liquor and fermented malt beverages  
73.8 and all sales of food primarily for consumption on or off the premises;

73.9 (2) a tax of not more than three percent on the gross receipts from the furnishing for  
73.10 consideration of lodging for a period of less than 30 days at a hotel, motel, rooming house,  
73.11 tourist court, or trailer camp located within the taxing area by a hotel or motel that has more  
73.12 than 50 rooms available for lodging. The tax imposed under this clause is in addition to any  
73.13 tax imposed under Minnesota Statutes, section 469.190, and the total tax imposed under  
73.14 that section and this provision must not exceed six percent; and

73.15 (3) a tax of not more than three percent on the gross receipts from the furnishing for  
73.16 consideration of the privilege of admission to places of amusement or athletic events located  
73.17 within the taxing area and the privilege of use of amusement devices located within the  
73.18 taxing area.

73.19 (b) The taxes must be imposed and may be adjusted periodically by the city council so  
73.20 that the rates imposed produce revenue sufficient to finance the purposes described in  
73.21 subdivision 4, but the tax rate may not increase by more than one percentage point over the  
73.22 rates first imposed by ordinance.

73.23 Subd. 4. **Use of revenues.** The city must use the revenues received from the taxes only  
73.24 for initial and ongoing financing of capital improvements within the taxing area as provided  
73.25 in this subdivision. The city may use the revenues to:

73.26 (1) pay or secure the payment of any principal of, premium on, or interest on bonds  
73.27 issued in accordance with this section;

73.28 (2) pay costs to acquire, design, equip, construct, improve, maintain, operate, administer,  
73.29 or promote the facilities and capital improvements, including financing costs related to  
73.30 them; and

73.31 (3) maintain reserves for the foregoing purposes deemed reasonable and appropriate by  
73.32 the city.

74.1 Subd. 5. **Bond authority.** The city may issue bonds under Minnesota Statutes, chapter  
74.2 475, to finance all or a portion of the costs of the development and construction projects  
74.3 located within the taxing area. The bonds are not included in computing any debt limitation  
74.4 applicable to the city, and any levy of taxes under Minnesota Statutes, section 475.61, to  
74.5 pay principal and interest on the bonds is not subject to any levy limitation. The issuance  
74.6 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and  
74.7 275.61.

74.8 Subd. 6. **Collection and enforcement.** The commissioner of revenue and the city may  
74.9 enter into an agreement to provide for the collection of the taxes by the state on behalf of  
74.10 the city. The taxes are subject to the same interest, penalties, and enforcement provisions  
74.11 as the taxes imposed under Minnesota Statutes, chapter 297A.

74.12 Subd. 7. **Termination of taxes.** The taxes authorized by this section must not be  
74.13 terminated before January 1, 2055.

74.14 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
74.15 city of Blaine and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
74.16 subdivisions 2 and 3.

74.17 Sec. 32. **CITY OF CALEDONIA; TAXES AUTHORIZED.**

74.18 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
74.19 sections 297A.99, subdivision 2, paragraphs (a) to (c), and 477A.016, or any other law or  
74.20 ordinance, and if approved by the voters at an election as required under Minnesota Statutes,  
74.21 section 297A.99, subdivision 3, the city of Caledonia may impose by ordinance a sales and  
74.22 use tax of up to one-quarter percent for the purposes specified in subdivision 2. Except as  
74.23 otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,  
74.24 govern the imposition, administration, collection, and enforcement of the tax authorized  
74.25 under this subdivision. The tax authorized under this subdivision is in addition to any local  
74.26 sales and use tax imposed under any other special law.

74.27 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
74.28 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
74.29 the tax and to finance up to \$1,600,000, plus associated bonding costs and interest, for  
74.30 construction of a Public Safety Center.

74.31 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
74.32 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
74.33 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,

75.1 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
75.2 subdivision may not exceed \$1,600,000, plus an amount applied to the payment of the costs  
75.3 of issuing the bonds. The bonds may be paid from or secured by any money available to  
75.4 the city, including the tax authorized under subdivision 1. The issuance of bonds under this  
75.5 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

75.10 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
75.11 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) ten years  
75.12 after the tax is first imposed, or (2) when the city council determines that the amount received  
75.13 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
75.14 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
75.15 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
75.16 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
75.17 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
75.18 after payment of the allowed costs due to the timing of the termination of the tax under  
75.19 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
75.20 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
75.21 determines by ordinance.

75.22 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
75.23 city of Caledonia and its chief clerical officer comply with Minnesota Statutes, section  
75.24 645.021, subdivisions 2 and 3.

75.25 Sec. 33. **CITY OF CHAMPLIN; TAXES AUTHORIZED.**

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

76.1 Subd. 2. Use of sales and use tax revenues. The city must use the revenues derived  
76.2 from the tax authorized under subdivision 1 to pay the costs of collecting and administering  
76.3 the tax and to finance up to \$18,000,000, plus associated bonding costs, for construction of  
76.4 a new indoor athletic facility.

76.5 Subd. 3. Bonding authority. (a) The city may issue bonds under Minnesota Statutes,  
76.6 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
76.7 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
76.8 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
76.9 subdivision may not exceed \$18,000,000, plus an amount applied to the payment of the  
76.10 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
76.11 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
76.12 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

76.17 Subd. 4. Termination of taxes. Subject to Minnesota Statutes, section 297A.99,  
76.18 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 30 years  
76.19 after the tax is first imposed, or (2) when the city council determines that the amount received  
76.20 from the tax is sufficient to pay for the project costs authorized under subdivision 2 and  
76.21 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
76.22 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
76.23 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
76.24 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
76.25 after payment of the allowed costs due to the timing of the termination of the tax under  
76.26 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
76.27 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
76.28 determines by ordinance.

76.29 EFFECTIVE DATE. This section is effective the day after the governing body of the  
76.30 city of Champlin and its chief clerical officer comply with Minnesota Statutes, section  
76.31 645.021, subdivisions 2 and 3.

76.32 **Sec. 34. CLOQUET AREA FIRE DISTRICT; TAXES AUTHORIZED.**

76.33 Subdivision 1. Sales and use tax authorization. (a) Notwithstanding Minnesota Statutes,  
76.34 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters

77.1 within the Cloquet Area Fire District at an election as required under Minnesota Statutes,  
77.2 section 297A.99, subdivision 3, the Cloquet Area Fire District may impose by majority vote  
77.3 of the governing body of the district a sales and use tax of up to one-half of one percent for  
77.4 the purpose specified in subdivision 2.

77.5 (b) Except as otherwise provided in this section, the provisions of Minnesota Statutes,  
77.6 section 297A.99, govern the imposition, administration, collection, and enforcement of the  
77.7 tax authorized under this subdivision. In accordance with section 297A.99, subdivision 11,  
77.8 the commissioner of revenue must remit the proceeds of the tax, less refunds and a  
77.9 proportionate share of the cost of collection, to the Cloquet Area Fire District. The tax  
77.10 authorized under this subdivision is in addition to any local sales and use tax authorized  
77.11 under any other special law.

77.12 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
77.13 under subdivision 1 must be used by the Cloquet Area Fire District to pay the costs of  
77.14 collecting and administering the tax, and to finance up to \$18,609,000 for the construction  
77.15 of Ambulance and Fire Station I for the district, as well as securing and paying debt service  
77.16 on bonds issued to finance all or part of this project.

77.17 Subd. 3. **Bonding authority.** (a) The Cloquet Area Fire District may issue bonds under  
77.18 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project  
77.19 authorized in subdivision 2 and approved by voters as required under Minnesota Statutes,  
77.20 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds  
77.21 issued under this subdivision may not exceed \$18,609,000, plus an amount applied to the  
77.22 payment of the costs of issuing the bonds. The bonds may be paid from or secured by any  
77.23 funds available to the Cloquet Area Fire District, including the tax authorized under  
77.24 subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota  
77.25 Statutes, sections 275.60 and 275.61.

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

77.30 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
77.31 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
77.32 after the tax is first authorized, or (2) when the Cloquet Area Fire District determines that  
77.33 the amount received from the tax is sufficient to pay for the project cost authorized under  
77.34 subdivision 2 if approved by voters as required under Minnesota Statutes, section 297A.99,

78.1 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
78.2 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
78.3 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
78.4 any funds remaining after payment of the allowed costs due to the timing of the termination  
78.5 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
78.6 general fund of the district. The tax authorized under subdivision 1 may expire at an earlier  
78.7 time if the governing body of the district so determines.

78.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
78.9 Cloquet Area Fire District and its chief clerical officer comply with Minnesota Statutes,  
78.10 section 645.021, subdivisions 2 and 3.

78.11 Sec. 35. **CITY OF COON RAPIDS; TAXES AUTHORIZED.**

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

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

78.25 (1) \$40,000,000 for renovation and expansion of the police department and city center  
78.26 facility, including the city hall and civic center; and

78.27 (2) \$40,000,000 for the construction of a new community center and expansion of the  
78.28 Coon Rapids Ice Center.

78.29 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
78.30 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
78.31 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
78.32 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
78.33 subdivision may not exceed \$80,000,000, plus an amount applied to the payment of the

79.1 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
79.2 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
79.3 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

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

79.20 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
79.21 city of Coon Rapids and its chief clerical officer comply with Minnesota Statutes, section  
79.22 645.021, subdivisions 2 and 3.

79.23 Sec. 36. **DOUGLAS COUNTY; TAXES AUTHORIZED.**

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

79.33 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
79.34 under subdivision 1 must be used by the county to pay the costs of collecting and

80.1 administering the tax and to finance up to \$18,500,000, plus associated bonding costs, for  
80.2 the construction of a new library.

80.3 Subd. 3. **Bonding authority.** (a) The county may issue bonds under Minnesota Statutes,  
80.4 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
80.5 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
80.6 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
80.7 subdivision may not exceed \$18,500,000, plus an amount applied to the payment of the  
80.8 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
80.9 to the county, including the tax authorized under subdivision 1. The issuance of bonds under  
80.10 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

80.15 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
80.16 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) ten years  
80.17 after the tax is first imposed, or (2) when the county board determines that the amount  
80.18 received from the tax is sufficient to pay for the project costs authorized under subdivision  
80.19 2 if approved by the voters as required under Minnesota Statutes, section 297A.99,  
80.20 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
80.21 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
80.22 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
80.23 any money remaining after payment of the allowed costs due to the timing of the termination  
80.24 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
80.25 general fund of the county. The tax authorized under subdivision 1 may expire at an earlier  
80.26 time if the county so determines by ordinance.

80.27 **EFFECTIVE DATE.** This section is effective the day after the governing body of  
80.28 Douglas County and its chief clerical officer comply with Minnesota Statutes, section  
80.29 645.021, subdivisions 2 and 3.

80.30 Sec. 37. **CITY OF FOREST LAKE; TAXES AUTHORIZED.**

80.31 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
80.32 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters  
80.33 at an election as required under Minnesota Statutes, section 297A.99, subdivision 3, the  
80.34 city of Forest Lake may impose by ordinance a sales and use tax of up to one-half of one

81.1 percent for the purposes specified in subdivision 2. Except as otherwise provided in this  
81.2 section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,  
81.3 administration, collection, and enforcement of the tax authorized under this subdivision.  
81.4 The tax authorized under this subdivision is in addition to any local sales and use tax imposed  
81.5 under any other special law.

81.6 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
81.7 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
81.8 the tax and to finance up to \$50,000,000, plus associated bonding costs, for construction of  
81.9 a new public works facility.

81.10 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
81.11 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
81.12 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
81.13 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
81.14 subdivision may not exceed \$50,000,000, plus an amount applied to the payment of the  
81.15 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
81.16 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
81.17 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

81.22 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
81.23 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
81.24 after the tax is first imposed, or (2) when the city council determines that the amount received  
81.25 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
81.26 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
81.27 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
81.28 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
81.29 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
81.30 after payment of the allowed costs due to the timing of the termination of the tax under  
81.31 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
81.32 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
81.33 determines by ordinance.

82.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
82.2 city of Forest Lake and its chief clerical officer comply with Minnesota Statutes, section  
82.3 645.021, subdivisions 2 and 3.

82.4 Sec. 38. **ISANTI COUNTY; TAXES AUTHORIZED.**

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

82.14 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
82.15 under subdivision 1 must be used by the county to pay the costs of collecting and  
82.16 administering the tax, and to finance up to \$25,000,000 for construction of the new highway  
82.17 department facility, as well as the associated bond costs for any bonds issued under  
82.18 subdivision 3.

82.19 Subd. 3. **Bonding authority.** (a) The county may issue bonds under Minnesota Statutes,  
82.20 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
82.21 2. The aggregate principal amount of bonds issued under this subdivision may not exceed  
82.22 \$25,000,000, plus an amount applied to the payment of costs of issuing the bonds.

82.23 (b) The bonds may be paid from or secured by any money available to the county,  
82.24 including the tax authorized under subdivision 1. The issuance of bonds under this  
82.25 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

82.30 Subd. 4. **Termination of taxes.** The tax authorized under subdivision 1 expires at the  
82.31 earlier of: (1) 25 years after the tax is first imposed; or (2) when the county determines that  
82.32 it has received from this tax \$25,000,000 to fund the project listed in subdivision 2, plus an  
82.33 amount sufficient to pay costs related to issuance of any bonds authorized under subdivision

83.1 3, including interest on the bonds. Except as otherwise provided in Minnesota Statutes,  
83.2 section 297A.99, subdivision 3, paragraph (f), any money remaining after payment of the  
83.3 allowed costs due to timing of the termination of the tax under Minnesota Statutes, section  
83.4 297A.99, subdivision 12, shall be placed in the county's general fund. The tax authorized  
83.5 under subdivision 1 may expire at an earlier time if the county determines by ordinance.

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

83.9 Sec. 39. **CITY OF LANESBORO; TAXES AUTHORIZED.**

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

83.19 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
83.20 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
83.21 the tax and to finance up to \$500,000 for rehabilitation and improvements to Sylvan Park.

83.22 Subd. 3. **Bonding authority.** (a) The city of Lanesboro may issue bonds under Minnesota  
83.23 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
83.24 subdivision 2 and approved by the voters at an election as required under Minnesota Statutes,  
83.25 section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds  
83.26 issued under this subdivision may not exceed \$500,000, plus an amount applied to the  
83.27 payment of the costs of issuing the bonds. The bonds may be paid from or secured by any  
83.28 money available to the city, including the tax authorized under subdivision 1. The issuance  
83.29 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and  
83.30 275.61.

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

84.1 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
84.2 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) five years  
84.3 after the tax is first imposed, or (2) when the city council determines that the amount received  
84.4 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
84.5 projects approved by the voters at an election as required under Minnesota Statutes, section  
84.6 297A.99, subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to  
84.7 issuance of any bonds authorized under subdivision 3, including interest on the bonds.  
84.8 Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3,  
84.9 paragraph (f), any money remaining after payment of the allowed costs due to the timing  
84.10 of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12,  
84.11 must be placed in the general fund of the city. The tax authorized under subdivision 1 may  
84.12 expire at an earlier time if the city so determines by ordinance.

84.13 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
84.14 city of Lanesboro and its chief clerical officer comply with Minnesota Statutes, section  
84.15 645.021, subdivisions 2 and 3.

84.16 Sec. 40. **CITY OF MAPLEWOOD; TAXES AUTHORIZED.**

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

84.26 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
84.27 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
84.28 the tax and paying for the following projects in the city, plus associated costs related to the  
84.29 issuance of bonds used to finance all or part of the following projects:

84.30 (1) \$25,000,000 for the East Metro Public Safety Training Facility; and

84.31 (2) \$48,000,000 for the Maplewood Community Center.

84.32 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
84.33 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision

85.1 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
85.2 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
85.3 subdivision may not exceed \$73,000,000, plus an amount applied to the payment of the  
85.4 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
85.5 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
85.6 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

85.11 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
85.12 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
85.13 after the tax is first imposed, or (2) when the city council determines that the amount received  
85.14 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
85.15 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
85.16 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
85.17 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
85.18 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
85.19 any money remaining after payment of the allowed costs due to the timing of the termination  
85.20 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
85.21 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
85.22 time if the city so determines by ordinance.

85.23 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
85.24 city of Maplewood and its chief clerical officer comply with Minnesota Statutes, section  
85.25 645.021, subdivisions 2 and 3.

85.26 Sec. 41. **CITY OF MINNETONKA; TAXES AUTHORIZED.**

85.27 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
85.28 section 477A.016, or any other law, ordinance, or city charter, and if approved by the voters  
85.29 at an election as required under Minnesota Statutes, section 297A.99, subdivision 3, the  
85.30 city of Minnetonka may impose by ordinance a sales and use tax of up to one-half of one  
85.31 percent for the purposes specified in subdivision 2. Except as otherwise provided in this  
85.32 section, the provisions of Minnesota Statutes, section 297A.99, govern the imposition,  
85.33 administration, collection, and enforcement of the tax authorized under this subdivision.

86.1 The tax authorized under this subdivision is in addition to any local sales and use tax  
86.2 authorized under any other special law.

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

86.7 (1) \$13,000,000 for the new construction of Fire Station 2;

86.8 (2) \$17,600,000 for the new construction of Fire Station 3; and

86.9 (3) \$35,000,000 for renovations to The Marsh health and wellness center.

86.10 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
86.11 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
86.12 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
86.13 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
86.14 subdivision may not exceed \$65,600,000, plus an amount applied to the payment of the  
86.15 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
86.16 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
86.17 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

86.22 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
86.23 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 30 years  
86.24 after the tax is first imposed, or (2) when the city council determines that the amount received  
86.25 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
86.26 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
86.27 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
86.28 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
86.29 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
86.30 any money remaining after payment of the allowed costs due to the timing of the termination  
86.31 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
86.32 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
86.33 time if the city so determines by ordinance.

87.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
87.2 city of Minnetonka and its chief clerical officer comply with Minnesota Statutes, section  
87.3 645.021, subdivisions 2 and 3.

87.4 Sec. 42. **CITY OF NORTHFIELD; TAXES AUTHORIZED.**

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

87.14 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
87.15 under subdivision 1 must be used by the city to pay for the following projects in the city,  
87.16 including the costs of collecting and administering the tax and to pay or finance the costs  
87.17 of the following projects, plus costs of issuance and debt service on associated bonds:

87.18 (1) \$2,800,000 for the acquisition, rehabilitation, and betterment of the Northfield Public  
87.19 Library;

87.20 (2) \$2,800,000 for the acquisition, rehabilitation, and betterment of the Northfield  
87.21 Community Resource Center; and

87.22 (3) \$7,500,000 for the acquisition and betterment of interconnected city Riverfront Parks.

87.23 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
87.24 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
87.25 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
87.26 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
87.27 subdivision may not exceed \$13,100,000, plus an amount applied to the payment of the  
87.28 costs of issuing the bonds. The bonds may be issued as general obligations of the city and  
87.29 may be paid from or secured by any money available to the city, including the tax authorized  
87.30 under subdivision 1. The issuance of bonds under this subdivision is not subject to Minnesota  
87.31 Statutes, sections 275.60 and 275.61.

87.32 (b) The bonds are not included in computing any debt limitation applicable to the city.  
87.33 Any levy of taxes under Minnesota Statutes, section 475.61, to pay principal of and interest

88.1 on the bonds is not subject to any levy limitation. A separate election to approve the bonds  
88.2 under Minnesota Statutes, section 475.58, is not required.

88.3 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
88.4 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
88.5 after the tax is first imposed, or (2) when the city council determines that the amount received  
88.6 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
88.7 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
88.8 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
88.9 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
88.10 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
88.11 any money remaining after payment of the allowed costs due to the timing of the termination  
88.12 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
88.13 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
88.14 time if the city so determines by ordinance.

88.15 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
88.16 city of Northfield and its chief clerical officer comply with Minnesota Statutes, section  
88.17 645.021, subdivisions 2 and 3.

88.18 Sec. 43. **CITY OF OAK PARK HEIGHTS; TAXES AUTHORIZED.**

88.19 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
88.20 section 297A.99, subdivision 2, paragraphs (a) and (b), or 477A.016, or any other law,  
88.21 ordinance, or city charter, and if approved by the voters at a general election as required  
88.22 under Minnesota Statutes, section 297A.99, subdivision 3, the city of Oak Park Heights  
88.23 may impose by ordinance a sales and use tax of up to one-half percent for the purposes  
88.24 specified in subdivision 2. Except as otherwise provided in this section, the provisions of  
88.25 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and  
88.26 enforcement of the tax authorized under this subdivision. The tax authorized under this  
88.27 subdivision is in addition to any local sales and use tax imposed under any other special  
88.28 law.

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

88.33 (1) \$25,000,000 for watermain structure improvements;

89.1 (2) \$13,000,000 for water tower infrastructure improvements; and

89.2 (3) \$3,000,000 for a perfluoroalkyl and polyfluoroalkyl substances (PFAS) removal water  
89.3 treatment facility.

89.4 (b) The city must adopt an amended resolution in support of the use of revenues from  
89.5 the tax authorized under subdivision 1 for the uses listed in paragraph (a). The resolution  
89.6 must include the components of the resolution required under Minnesota Statutes, section  
89.7 297A.99, subdivision 2, paragraph (a), for each project listed in paragraph (a). The city  
89.8 must submit the resolution to the state auditor no later than August 31 of the year the city  
89.9 presents the tax for voter approval as required under Minnesota Statutes, section 297A.99,  
89.10 subdivision 3, paragraph (a). The question to approve the tax as required under Minnesota  
89.11 Statutes, section 297A.99, subdivision 3, paragraph (a), must indicate the purposes for which  
89.12 the revenues must be used as included in the amended resolution.

89.13 (c) If the city does not adopt and submit the amended resolution under paragraph (b),  
89.14 the question presented to the voters under Minnesota Statutes, section 297A.99, subdivision  
89.15 3, paragraph (a), must not include, and revenues from the tax authorized under subdivision  
89.16 1 must not be used for, the purposes specified in paragraph (a).

89.17 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
89.18 chapter 475, to finance all or a portion of the costs of the water infrastructure facilities and  
89.19 systems authorized in subdivision 2 and approved by the voters as required under Minnesota  
89.20 Statutes, section 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of  
89.21 bonds issued under this subdivision may not exceed \$41,000,000 for the projects listed in  
89.22 subdivision 2 plus an amount to be applied to the payment of the costs of issuing the bonds.

89.23 (b) The bonds may be paid from or secured by any money available to the city of Oak  
89.24 Park Heights, including the tax authorized under subdivision 1 and the full faith and credit  
89.25 of the city. The issuance of bonds under this subdivision is not subject to Minnesota Statutes,  
89.26 sections 275.60 and 275.61.

89.27 (c) The bonds are not included in computing any debt limitation applicable to the city  
89.28 of Oak Park Heights and any levy of taxes under Minnesota Statutes, section 475.61, to pay  
89.29 principal and interest on the bonds is not subject to any levy limitation. A separate election  
89.30 to approve the bonds under Minnesota Statutes, section 475.58, is not required.

89.31 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
89.32 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
89.33 after being first imposed, or (2) when the city council determines that \$41,000,000 has been  
89.34 received from the tax to fund the project authorized under subdivision 2, plus an amount

90.1 sufficient to pay the costs related to issuance of any bonds authorized under subdivision 3,  
90.2 including interest on the bonds. Except as otherwise provided in Minnesota Statutes, section  
90.3 297A.99, subdivision 3, paragraph (f), any money remaining after payment of the allowed  
90.4 costs due to the timing of the termination of the tax under Minnesota Statutes, section  
90.5 297A.99, subdivision 12, shall be placed in the general fund of the city. The tax authorized  
90.6 under subdivision 1 may expire at an earlier time if the city so determines by ordinance.

90.7 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
90.8 city of Oak Park Heights and its chief clerical officer comply with Minnesota Statutes,  
90.9 section 645.021, subdivisions 2 and 3.

90.10 Sec. 44. **CITY OF OSSEO; TAXES AUTHORIZED.**

90.11 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
90.12 section 297A.99, subdivision 2, paragraph (b), or 477A.016, or any other law, ordinance,  
90.13 or city charter, and if approved by the voters at an election as required under Minnesota  
90.14 Statutes, section 297A.99, subdivision 3, the city of Osseo may impose by ordinance a sales  
90.15 and use tax of up to one-half percent for the purposes specified in subdivision 2. Except as  
90.16 otherwise provided in this section, the provisions of Minnesota Statutes, section 297A.99,  
90.17 govern the imposition, administration, collection, and enforcement of the tax authorized  
90.18 under this subdivision. The tax authorized under this subdivision is in addition to any local  
90.19 sales and use tax imposed under any other special law.

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

90.24 (1) \$7,000,000 for the Boerboom Park Community Center Hub Project; and

90.25 (2) \$3,000,000 for the City Hall Renovations Project, including the renovation and  
90.26 betterment of city hall and associated infrastructure as part of the City Campus Project.

90.27 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
90.28 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
90.29 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
90.30 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
90.31 subdivision may not exceed \$10,000,000 for the projects listed in subdivision 2, plus an  
90.32 amount to be applied to the payment of the costs of issuing the bonds.

91.1 (b) The bonds may be paid from or secured by any money available to the city of Osseo,  
91.2 including the tax authorized under subdivision 1. The issuance of bonds under this  
91.3 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

91.4 (c) The bonds are not included in computing any debt limitation applicable to the city  
91.5 of Osseo, and any levy of taxes under Minnesota Statutes, section 475.61, to pay principal  
91.6 and interest on the bonds is not subject to any levy limitation. A separate election to approve  
91.7 the bonds under Minnesota Statutes, section 475.58, is not required.

91.8 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
91.9 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
91.10 after the tax is first imposed, or (2) when the city council determines that the amount received  
91.11 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
91.12 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
91.13 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
91.14 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
91.15 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
91.16 any money remaining after payment of the allowed costs due to the timing of the termination  
91.17 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
91.18 general fund of the city. The tax imposed under subdivision 1 may expire at an earlier time  
91.19 if the city so determines by ordinance.

91.20 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
91.21 city of Osseo and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
91.22 subdivisions 2 and 3.

91.23 Sec. 45. **CITY OF OWATONNA; TAXES AUTHORIZED.**

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

91.33 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
91.34 under subdivision 1 must be used by the city to pay the costs of collecting and administering

92.1 the tax and to finance \$75,000,000, plus associated bonding costs, for the construction of  
92.2 a community center.

92.3 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
92.4 chapter 475, to finance all or a portion of the costs of the facilities authorized in subdivision  
92.5 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
92.6 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
92.7 subdivision may not exceed \$75,000,000 for the projects listed in subdivision 2 plus an  
92.8 amount to be applied to the payment of the costs of issuing the bonds.

92.9 (b) The bonds may be paid from or secured by any money available to the city, including  
92.10 the tax authorized under subdivision 1 and the full faith and credit of the city. The issuance  
92.11 of bonds under this subdivision is not subject to Minnesota Statutes, sections 275.60 and  
92.12 275.61.

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

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

92.29 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
92.30 city of Owatonna and its chief clerical officer comply with Minnesota Statutes, section  
92.31 645.021, subdivisions 2 and 3.

93.1 **Sec. 46. CITY OF PLYMOUTH; TAXES AUTHORIZED.**

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

93.11 **Subd. 2. Use of sales and use tax revenues.** The revenues derived from the tax authorized  
93.12 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
93.13 the tax and paying for the following projects in the city, plus associated costs related to the  
93.14 issuance of bonds used to finance all or part of the following projects:

93.15 (1) \$55,000,000 for expansion and renovation of the Plymouth Ice Center;

93.16 (2) \$55,000,000 for expansion of the Plymouth Community Center Fieldhouse; and

93.17 (3) \$25,000,000 for the Four Seasons Regional Sports Complex.

93.18 **Subd. 3. Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
93.19 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
93.20 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
93.21 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
93.22 subdivision may not exceed \$135,000,000, plus an amount applied to the payment of the  
93.23 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
93.24 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
93.25 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

93.30 **Subd. 4. Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
93.31 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
93.32 after the tax is first imposed, or (2) when the city council determines that the amount received  
93.33 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for

94.1 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
94.2 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
94.3 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
94.4 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
94.5 any money remaining after payment of the allowed costs due to the timing of the termination  
94.6 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
94.7 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
94.8 time if the city so determines by ordinance.

94.9 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
94.10 city of Plymouth and its chief clerical officer comply with Minnesota Statutes, section  
94.11 645.021, subdivisions 2 and 3.

94.12 **Sec. 47. CITY OF ROBBINSDALE; TAXES AUTHORIZED.**

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

94.22 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
94.23 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
94.24 the tax and to finance up to \$40,000,000, plus associated bonding costs, for the Public Works  
94.25 Facility Project.

94.26 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
94.27 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
94.28 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
94.29 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
94.30 subdivision may not exceed \$40,000,000, plus an amount applied to the payment of the  
94.31 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
94.32 to the city, including the tax authorized under subdivision 1. The issuance of bonds under  
94.33 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

95.5 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
95.6 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
95.7 after the tax is first imposed, or (2) when the city council determines that the amount received  
95.8 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
95.9 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
95.10 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
95.11 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
95.12 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
95.13 after payment of the allowed costs due to the timing of the termination of the tax under  
95.14 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
95.15 the city. The tax authorized under subdivision 1 may expire at an earlier time if the city so  
95.16 determines by ordinance.

95.17 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
95.18 city of Robbinsdale and its chief clerical officer comply with Minnesota Statutes, section  
95.19 645.021, subdivisions 2 and 3.

95.20 **Sec. 48. CITY OF ROSEAU; TAXES AUTHORIZED.**

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

95.30 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
95.31 under subdivision 1 must be used by the city of Roseau to pay the costs of collecting and  
95.32 administering the tax and paying for the following projects in the city, plus associated costs  
95.33 related to the issuance of bonds used to finance all or part of the following projects:

95.34 (1) \$4,300,000 for renovation of the Roseau Memorial Arena; and

96.1 (2) \$8,200,000 for the construction of a new community and wellness center.

96.2 Subd. 3. **Bonding authority.** (a) The city of Roseau may issue bonds under Minnesota  
96.3 Statutes, chapter 475, to finance all or a portion of the costs of the projects authorized in  
96.4 subdivision 2 and approved by the voters as required under Minnesota Statutes, section  
96.5 297A.99, subdivision 3, paragraph (a). The aggregate principal amount of bonds issued  
96.6 under this subdivision may not exceed \$12,500,000, plus an amount applied to the payment  
96.7 of the costs of issuing the bonds. The bonds may be paid from or secured by any money  
96.8 available to the city, including the tax authorized under subdivision 1. The issuance of bonds  
96.9 under this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

96.14 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
96.15 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 30 years  
96.16 after the tax is first imposed, or (2) when the city council determines that the amount received  
96.17 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
96.18 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
96.19 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
96.20 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
96.21 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
96.22 any money remaining after payment of the allowed costs due to the timing of the termination  
96.23 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
96.24 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
96.25 time if the city so determines by ordinance.

96.26 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
96.27 city of Roseau and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
96.28 subdivisions 2 and 3.

96.29 Sec. 49. **SHERBURNE COUNTY; TAXES AUTHORIZED.**

96.30 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
96.31 sections 297A.99, subdivision 2, paragraph (b); 477A.016; or any other law or ordinance,  
96.32 and if approved by the voters at an election as required under Minnesota Statutes, section  
96.33 297A.99, subdivision 3, Sherburne County may impose by ordinance a sales and use tax of  
96.34 up to one-quarter percent for the purposes specified in subdivision 2. Except as otherwise

97.1 provided in this section, the provisions of Minnesota Statutes, section 297A.99, govern the  
97.2 imposition, administration, collection, and enforcement of the tax authorized under this  
97.3 subdivision. The tax authorized under this subdivision is in addition to any local sales and  
97.4 use tax imposed under any other special law.

97.5 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
97.6 under subdivision 1 must be used by the county to pay the costs of collecting and  
97.7 administering the tax and to finance up to \$75,000,000, plus associated bonding costs, for  
97.8 a law enforcement center, which includes a jail.

97.9 Subd. 3. **Bonding authority.** (a) The county may issue bonds under Minnesota Statutes,  
97.10 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
97.11 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
97.12 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
97.13 subdivision may not exceed \$75,000,000, plus an amount applied to the payment of the  
97.14 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
97.15 to the county, including the tax authorized under subdivision 1. The issuance of bonds under  
97.16 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

97.21 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
97.22 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
97.23 after the tax is first imposed, or (2) when the county determines that the amount received  
97.24 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
97.25 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
97.26 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance of any bonds  
97.27 authorized under subdivision 3, including interest on the bonds. Except as otherwise provided  
97.28 in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f), any money remaining  
97.29 after payment of the allowed costs due to the timing of the termination of the tax under  
97.30 Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the general fund of  
97.31 the county. The tax authorized under subdivision 1 may expire at an earlier time if the county  
97.32 so determines by ordinance.

98.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of  
98.2 Sherburne County and its chief clerical officer comply with Minnesota Statutes, section  
98.3 645.021, subdivisions 2 and 3.

98.4 Sec. 50. **CITY OF ST. CLOUD; TAXES AUTHORIZED.**

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

98.14 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
98.15 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
98.16 the tax and:

98.17 (1) to finance up to \$7,000,000, plus associated bonding costs, for an outdoor water park  
98.18 adjacent to the St. Cloud Aquatics Center; or

98.19 (2) to otherwise fund up to \$7,000,000 for an outdoor water park adjacent to the St.  
98.20 Cloud Aquatics Center.

98.21 Subd. 3. **Bonding authority; voter approval.** (a) The city may issue bonds under  
98.22 Minnesota Statutes, chapter 475, to finance all or a portion of the costs of the project  
98.23 authorized in subdivision 2. The aggregate principal amount of bonds issued under this  
98.24 subdivision may not exceed \$7,000,000, plus an amount applied to the payment of the costs  
98.25 of issuing the bonds. The bonds may be paid from or secured by any money available to  
98.26 the city, including the tax authorized under subdivision 1. The issuance of bonds under this  
98.27 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

99.1 (c) Voter approval as required under Minnesota Statutes, section 297A.99, subdivision  
 99.2 3, paragraph (a), applies regardless of whether the city issues bonds under paragraph (a) or  
 99.3 otherwise funds the project authorized in subdivision 2.

99.4 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
 99.5 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) three  
 99.6 years after the tax is first imposed, or (2) when the city council determines that the amount  
 99.7 received from the tax is sufficient to pay for the project costs authorized under subdivision  
 99.8 2 if approved by the voters as required under Minnesota Statutes, section 297A.99,  
 99.9 subdivision 3, paragraph (a), plus, if applicable, an amount sufficient to pay the costs related  
 99.10 to issuance of any bonds authorized under subdivision 3, including interest on the bonds.  
 99.11 Except as otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3,  
 99.12 paragraph (f), any money remaining after payment of the allowed costs due to the timing  
 99.13 of the termination of the tax under Minnesota Statutes, section 297A.99, subdivision 12,  
 99.14 must be placed in the general fund of the city. The tax authorized under subdivision 1 may  
 99.15 expire at an earlier time if the city so determines by ordinance.

99.16 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 99.17 city of St. Cloud and its chief clerical officer comply with Minnesota Statutes, section  
 99.18 645.021, subdivisions 2 and 3.

99.19 **Sec. 51. CITY OF TAYLORS FALLS; TAXES AUTHORIZED.**

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

99.29 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
 99.30 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
 99.31 the tax and paying for the following projects in the city, plus associated costs related to the  
 99.32 issuance of bonds used to finance all or part of the following projects:

99.33 (1) \$600,000 for community center improvements;

100.1 (2) \$1,000,000 for the Taylors Falls River Walk improvements and trail system; and

100.2 (3) \$400,000 for development of a town square.

100.3 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
100.4 chapter 475, to finance all or a portion of the costs of the projects authorized in subdivision  
100.5 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
100.6 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
100.7 subdivision may not exceed \$2,000,000, plus an amount applied to the payment of the costs  
100.8 of issuing the bonds. The bonds may be paid from or secured by any money available to  
100.9 the city, including the tax authorized under subdivision 1. The issuance of bonds under this  
100.10 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

100.15 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
100.16 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 20 years  
100.17 after the tax is first imposed, or (2) when the city council determines that the amount received  
100.18 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
100.19 projects approved by the voters as required under Minnesota Statutes, section 297A.99,  
100.20 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
100.21 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
100.22 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
100.23 any money remaining after payment of the allowed costs due to the timing of the termination  
100.24 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
100.25 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
100.26 time if the city so determines by ordinance.

100.27 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
100.28 city of Taylors Falls and its chief clerical officer comply with Minnesota Statutes, section  
100.29 645.021, subdivisions 2 and 3.

100.30 Sec. 52. **CITY OF VERGAS; TAXES AUTHORIZED.**

100.31 Subdivision 1. **Sales and use tax authorization.** Notwithstanding Minnesota Statutes,  
100.32 section 477A.016, or any other law or ordinance, and if approved by the voters at an election  
100.33 as required under Minnesota Statutes, section 297A.99, subdivision 3, the city of Vergas

101.1 may impose by ordinance a sales and use tax of up to one-half percent for the purposes  
101.2 specified in subdivision 2. Except as otherwise provided in this section, the provisions of  
101.3 Minnesota Statutes, section 297A.99, govern the imposition, administration, collection, and  
101.4 enforcement of the tax authorized under this subdivision. The tax authorized under this  
101.5 subdivision is in addition to any local sales and use tax imposed under any other special  
101.6 law.

101.7 Subd. 2. **Use of sales and use tax revenues.** (a) The revenues derived from the tax  
101.8 authorized under subdivision 1 must be used by the city to pay the costs of collecting and  
101.9 administering the tax and to pay for the following projects in the Vergas Park Improvement  
101.10 Plan:

101.11 (1) \$240,000 for construction of a new amphitheater and bathhouse; and

101.12 (2) \$45,000 for extension of utilities to the amphitheater.

101.13 (b) The city must adopt an amended resolution in support of the use of revenues from  
101.14 the tax authorized under subdivision 1 for the uses listed in paragraph (a). The resolution  
101.15 must include the components of the resolution required under Minnesota Statutes, section  
101.16 297A.99, subdivision 2, paragraph (a), for each project listed in paragraph (a). The city  
101.17 must submit the resolution to the state auditor no later than August 31 of the year the city  
101.18 presents the tax for voter approval as required under Minnesota Statutes, section 297A.99,  
101.19 subdivision 3, paragraph (a). The question to approve the tax as required under Minnesota  
101.20 Statutes, section 297A.99, subdivision 3, paragraph (a), must indicate the purposes for which  
101.21 the revenues must be used as included in the amended resolution.

101.22 (c) If the city does not adopt and submit the amended resolution under paragraph (b),  
101.23 the question presented to the voters under Minnesota Statutes, section 297A.99, subdivision  
101.24 3, paragraph (a), must not include, and revenues from the tax authorized under subdivision  
101.25 1 must not be used for, the purposes specified in paragraph (a).

101.26 Subd. 3. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
101.27 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) five years  
101.28 after the tax is first imposed, or (2) when the city council determines that the amount received  
101.29 from the tax is sufficient to pay for the project costs authorized under subdivision 2 if  
101.30 approved by the voters as required under Minnesota Statutes, section 297A.99, subdivision  
101.31 3, paragraph (a). Except as otherwise provided in Minnesota Statutes, section 297A.99,  
101.32 subdivision 3, paragraph (f), any money remaining after payment of the allowed costs due  
101.33 to the timing of the termination of the tax under Minnesota Statutes, section 297A.99,

102.1 subdivision 12, must be placed in the general fund of the city. The tax authorized under  
102.2 subdivision 1 may expire at an earlier time if the city so determines by ordinance.

102.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
102.4 city of Vergas and its chief clerical officer comply with Minnesota Statutes, section 645.021,  
102.5 subdivisions 2 and 3.

102.6 **Sec. 53. WASECA COUNTY; TAXES AUTHORIZED.**

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

102.16 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
102.17 under subdivision 1 must be used by the county to pay the costs of collecting and  
102.18 administering the tax and to finance up to \$45,000,000, plus associated bonding costs, for  
102.19 construction of a new judicial center.

102.20 Subd. 3. **Bonding authority.** (a) The county may issue bonds under Minnesota Statutes,  
102.21 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
102.22 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
102.23 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
102.24 subdivision may not exceed \$45,000,000, plus an amount applied to the payment of the  
102.25 costs of issuing the bonds. The bonds may be paid from or secured by any money available  
102.26 to the county, including the tax authorized under subdivision 1. The issuance of bonds under  
102.27 this subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

102.32 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
102.33 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 30 years

103.1 after the tax is first imposed, or (2) when the county board determines that the amount  
103.2 received from the tax is sufficient to pay for the project costs authorized under subdivision  
103.3 2 if approved by the voters as required under Minnesota Statutes, section 297A.99,  
103.4 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
103.5 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
103.6 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
103.7 any money remaining after payment of the allowed costs due to the timing of the termination  
103.8 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
103.9 general fund of the county. The tax authorized under subdivision 1 may expire at an earlier  
103.10 time if the county so determines by ordinance.

103.11 **EFFECTIVE DATE.** This section is effective the day after the governing body of  
103.12 Waseca County and its chief clerical officer comply with Minnesota Statutes, section  
103.13 645.021, subdivisions 2 and 3.

103.14 **Sec. 54. CITY OF WAYZATA FOOD AND BEVERAGE TAX.**

103.15 Subdivision 1. **Food and beverage tax authorized.** Notwithstanding Minnesota Statutes,  
103.16 section 477A.016, or any ordinance, city charter, or other provision of law, the city of  
103.17 Wayzata may, by ordinance, impose a sales tax of up to one percent on the gross receipts  
103.18 on all sales of food and beverages by a restaurant or place of refreshment, as defined by  
103.19 resolution of the city, that are located within the city. For purposes of this section, "food  
103.20 and beverages" includes retail on-sale of intoxicating liquor and fermented malt beverages.

103.21 Subd. 2. **Use of proceeds from tax.** (a) The proceeds of any tax imposed under  
103.22 subdivision 1 shall be used by the city to pay all or a portion of the expenses of:

103.23 (1) operation, maintenance, and capital improvement expenses for city parks;

103.24 (2) operation and capital improvement expenses related to providing public safety; and

103.25 (3) costs related to downtown business attraction and retention.

103.26 (b) Authorized capital expenses include securing or paying debt service on bonds or  
103.27 other obligations issued to finance the construction of capital improvements to city parks  
103.28 or public safety facilities.

103.29 Subd. 3. **Collection, administration, and enforcement.** If the city desires, it may enter  
103.30 into an agreement with the commissioner of revenue to administer, collect, and enforce the  
103.31 tax authorized under subdivision 1. If the commissioner agrees to collect the tax, the  
103.32 provisions of Minnesota Statutes, section 297A.99, related to collection, administration,  
103.33 and enforcement apply.

104.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
104.2 city of Wayzata and its chief clerical officer comply with Minnesota Statutes, section  
104.3 645.021, subdivisions 2 and 3.

104.4 Sec. 55. **CITY OF WINDOM; TAXES AUTHORIZED.**

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

104.14 Subd. 2. **Use of sales and use tax revenues.** The revenues derived from the tax authorized  
104.15 under subdivision 1 must be used by the city to pay the costs of collecting and administering  
104.16 the tax and to finance \$8,000,000 for the swimming pool project, plus associated costs  
104.17 related to the issuance of bonds issued under subdivision 3.

104.18 Subd. 3. **Bonding authority.** (a) The city may issue bonds under Minnesota Statutes,  
104.19 chapter 475, to finance all or a portion of the costs of the project authorized in subdivision  
104.20 2 and approved by the voters as required under Minnesota Statutes, section 297A.99,  
104.21 subdivision 3, paragraph (a). The aggregate principal amount of bonds issued under this  
104.22 subdivision may not exceed \$8,000,000, plus an amount applied to the payment of the costs  
104.23 of issuing the bonds. The bonds may be paid from or secured by any money available to  
104.24 the city, including the tax authorized under subdivision 1. The issuance of bonds under this  
104.25 subdivision is not subject to Minnesota Statutes, sections 275.60 and 275.61.

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

104.30 Subd. 4. **Termination of taxes.** Subject to Minnesota Statutes, section 297A.99,  
104.31 subdivision 12, the tax authorized under subdivision 1 expires at the earlier of (1) 30 years  
104.32 after the tax is first imposed, or (2) when the city council determines that the amount received  
104.33 from the tax is sufficient to pay for the project costs authorized under subdivision 2 for  
104.34 projects approved by the voters as required under Minnesota Statutes, section 297A.99,

105.1 subdivision 3, paragraph (a), plus an amount sufficient to pay the costs related to issuance  
 105.2 of any bonds authorized under subdivision 3, including interest on the bonds. Except as  
 105.3 otherwise provided in Minnesota Statutes, section 297A.99, subdivision 3, paragraph (f),  
 105.4 any money remaining after payment of the allowed costs due to the timing of the termination  
 105.5 of the tax under Minnesota Statutes, section 297A.99, subdivision 12, must be placed in the  
 105.6 general fund of the city. The tax authorized under subdivision 1 may expire at an earlier  
 105.7 time if the city so determines by ordinance.

105.8 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
 105.9 city of Windom and its chief clerical officer comply with Minnesota Statutes, section  
 105.10 645.021, subdivisions 2 and 3.

105.11 Sec. 56. **MODIFICATIONS ALLOWED.**

105.12 The amendments to Laws 1993, chapter 375, article 9, section 46, as amended, are  
 105.13 allowed notwithstanding Minnesota Statutes, section 297A.99, subdivisions 2, paragraphs  
 105.14 (a) and (b), and 3, paragraph (a).

105.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

105.16 **ARTICLE 6**  
 105.17 **LOCAL GOVERNMENT AIDS**

105.18 Section 1. Minnesota Statutes 2025 Supplement, section 126C.13, subdivision 4, is amended  
 105.19 to read:

105.20 Subd. 4. **General education aid.** ~~For fiscal year 2015 and later,~~ A district's general  
 105.21 education aid equals:

- 105.22 (1) general education revenue, excluding operating capital revenue, equity revenue, local  
 105.23 optional revenue, and transition revenue; plus
- 105.24 (2) operating capital aid under section 126C.10, subdivision 13b; plus
- 105.25 (3) equity aid under section 126C.10, subdivision 30; plus
- 105.26 (4) transition aid under section 126C.10, subdivision 33; plus
- 105.27 (5) shared time aid under section 126C.01, subdivision 7; plus
- 105.28 (6) referendum aid under section 126C.17, subdivisions 7 ~~and~~, 7a, and 7c; plus
- 105.29 (7) online learning aid under section 124D.096; plus
- 105.30 (8) local optional aid according to section 126C.10, subdivision 2e, paragraph (f).

106.1 **EFFECTIVE DATE.** This section is effective for revenue in fiscal year 2028 and later.

106.2 Sec. 2. Minnesota Statutes 2024, section 126C.17, is amended by adding a subdivision to  
106.3 read:

106.4 Subd. 7c. **Seasonal tax base replacement aid.** (a) For purposes of this subdivision,  
106.5 "eligible school district" means a school district for which the seasonal tax base adjustment  
106.6 factor under paragraph (c) is at least equal to 0.15. A school district determined eligible  
106.7 under this paragraph for aid in fiscal year 2028 or any later fiscal year remains an eligible  
106.8 school district for aid in any subsequent fiscal year.

106.9 (b) An eligible school district's seasonal tax base replacement aid equals the product of  
106.10 (1) the seasonal tax base adjustment factor, and (2) the district's referendum equalization  
106.11 levy calculated under subdivision 6, after any adjustment under subdivisions 7a and 7b.

106.12 (c) A district's seasonal tax base adjustment factor equals the lesser of 0.50 or the ratio  
106.13 of (1) the seasonal market value for the district, to (2) the sum of the referendum market  
106.14 value and the seasonal market value for the district. For the purposes of this paragraph,  
106.15 "seasonal market value" means the market value of all taxable property classified as class  
106.16 4c(12) under section 273.13.

106.17 (d) The amount calculated under paragraph (b) must be used to reduce the district's  
106.18 referendum levy determined after the adjustments under subdivisions 7a and 7b.

106.19 **EFFECTIVE DATE.** This section is effective for taxes payable in 2027 and later.

106.20 Sec. 3. Minnesota Statutes 2024, section 477A.011, subdivision 34, is amended to read:

106.21 Subd. 34. **City revenue need.** (a) For a city with a population equal to or greater than  
106.22 10,000, "city revenue need" is 1.15 times the sum of (1) 8.572 times the pre-1940 housing  
106.23 percentage; plus (2) 11.494 times the city age index; plus (3) 5.719 times the commercial  
106.24 industrial utility percentage; plus (4) 9.484 times peak population decline; plus (5) 293.056;  
106.25 plus (6) the sparsity adjustment.

106.26 (b) For a city with a population equal to or greater than 2,500 and less than 10,000, "city  
106.27 revenue need" is 1.15 times the sum of (1) 497.308; plus (2) 6.667 times the pre-1940  
106.28 housing percentage; plus (3) 9.215 times the commercial industrial utility percentage; plus  
106.29 (4) 16.081 times peak population decline; plus (5) the sparsity adjustment.

106.30 (c) For a city with a population less than 2,500, "city revenue need" is the sum of (1)  
106.31 196.487; plus (2) 220.877 times the city's transformed population; plus (3) the sparsity  
106.32 adjustment.

107.1 (d) For a city with a population of at least 2,500 but less than 3,000, the "city revenue  
107.2 need" equals (1) the transition factor times the city's revenue need calculated in paragraph  
107.3 (b); plus (2) the city's revenue need calculated under the formula in paragraph (c) times the  
107.4 difference between one and the transition factor. For a city with a population of at least  
107.5 10,000 but less than 11,000, the "city revenue need" equals (1) the transition factor times  
107.6 the city's revenue need calculated in paragraph (a); plus (2) the city's revenue need calculated  
107.7 under the formula in paragraph (b) times the difference between one and the transition  
107.8 factor. For purposes of the first sentence of this paragraph "transition factor" is 0.2 percent  
107.9 times the amount that the city's population exceeds the minimum threshold. For purposes  
107.10 of the second sentence of this paragraph, "transition factor" is 0.1 percent times the amount  
107.11 that the city's population exceeds the minimum threshold.

107.12 (e) The city revenue need cannot be less than zero.

107.13 (f) For calendar year 2024 and subsequent years, the city revenue need for a city, as  
107.14 determined in paragraphs (a) to (e), is multiplied by the ratio of the annual implicit price  
107.15 deflator for government consumption expenditures and gross investment for state and local  
107.16 governments as prepared by the United States Department of Commerce, for the most  
107.17 recently available year to the 2022 implicit price deflator for state and local government  
107.18 purchases.

107.19 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

107.20 Sec. 4. Minnesota Statutes 2024, section 477A.011, is amended by adding a subdivision  
107.21 to read:

107.22 **Subd. 48. Sparsity adjustment.** (a) The "sparsity adjustment" equals 200 for:

107.23 (1) a city with a population of 10,000 or more and an average population density less  
107.24 than 150 per square mile, according to the most recent federal census; and

107.25 (2) a city with a population less than 10,000 and an average population density less than  
107.26 30 per square mile, according to the most recent federal census.

107.27 (b) The "sparsity adjustment" equals zero for all other cities.

107.28 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

107.29 Sec. 5. Minnesota Statutes 2024, section 477A.23, subdivision 6, is amended to read:

107.30 **Subd. 6. Appropriation.** ~~For aids payable in 2023 and 2024, \$15,000,000 is appropriated~~  
107.31 ~~in each year from the general fund to the commissioner of revenue to make the payments~~

108.1 ~~required under this section.~~ For aids payable in ~~2025~~ 2026 and thereafter, ~~\$12,000,000~~  
108.2 \$14,000,000 is annually appropriated from the general fund to the commissioner of revenue  
108.3 to make the payments required under this section.

108.4 **EFFECTIVE DATE.** This section is effective for aids payable in 2026 and thereafter.

108.5 Sec. 6. Minnesota Statutes 2024, section 477A.35, subdivision 4, is amended to read:

108.6 Subd. 4. **Qualifying projects.** (a) Qualifying projects include:

108.7 (1) emergency rental assistance for households earning less than 80 percent of area  
108.8 median income as determined by the United States Department of Housing and Urban  
108.9 Development;

108.10 (2) financial support to nonprofit affordable housing providers in their mission to provide  
108.11 safe, dignified, affordable and supportive housing;

108.12 (3) projects designed for the purpose of construction, acquisition, rehabilitation,  
108.13 demolition or removal of existing structures, construction financing, permanent financing,  
108.14 interest rate reduction, refinancing, and gap financing of housing to provide affordable  
108.15 housing to households that have incomes which do not exceed, for homeownership projects,  
108.16 115 percent of the greater of state or area median income as determined by the United States  
108.17 Department of Housing and Urban Development, and for rental housing projects, 80 percent  
108.18 of the greater of state or area median income as determined by the United States Department  
108.19 of Housing and Urban Development, except that the housing developed or rehabilitated  
108.20 with funds under this section must be affordable to the local work force;

108.21 (4) financing the operations and management of financially distressed residential  
108.22 properties;

108.23 (5) funding of supportive services or staff of supportive services providers for supportive  
108.24 housing as defined by section 462A.37, subdivision 1. Financial support to nonprofit housing  
108.25 providers to finance supportive housing operations may be awarded as a capitalized reserve  
108.26 or as an award of ongoing funding; and

108.27 (6) ~~costs of operating emergency shelter facilities~~ facility construction and operations,  
108.28 ~~including the costs of providing services~~ service provision.

108.29 (b) Recipients must prioritize projects that provide affordable housing to households  
108.30 that have incomes which do not exceed, for homeownership projects, 80 percent of the  
108.31 greater of state or area median income as determined by the United States Department of  
108.32 Housing and Urban Development, and for rental housing projects, 50 percent of the greater

109.1 of state or area median income as determined by the United States Department of Housing  
109.2 and Urban Development. Priority may be given to projects that: reduce disparities in home  
109.3 ownership; reduce housing cost burden, housing instability, or homelessness; improve the  
109.4 habitability of homes; create accessible housing; or create more energy- or water-efficient  
109.5 homes.

109.6 (c) Gap financing is either:

109.7 (1) the difference between the costs of the property, including acquisition, demolition,  
109.8 rehabilitation, and construction, and the market value of the property upon sale; or

109.9 (2) the difference between the cost of the property and the amount the targeted household  
109.10 can afford for housing, based on industry standards and practices.

109.11 (d) If aid under this section is used for demolition or removal of existing structures, the  
109.12 cleared land must be used for the construction of housing to be owned or rented by persons  
109.13 who meet the income limits of paragraph (a).

109.14 (e) If an aid recipient uses the aid on new construction of a building containing more  
109.15 than four units, the loan recipient must construct, convert, or otherwise adapt the building  
109.16 to include:

109.17 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are  
109.18 accessible units, and each accessible unit includes at least one roll-in shower, water closet,  
109.19 and kitchen work surface meeting the requirements of section 1002 of the current State  
109.20 Building Code Accessibility Provisions for Dwelling Units in Minnesota; and

109.21 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are  
109.22 sensory-accessible units that include:

109.23 (A) soundproofing between shared walls for first and second floor units;

109.24 (B) no florescent lighting in units and common areas;

109.25 (C) low-fume paint;

109.26 (D) low-chemical carpet; and

109.27 (E) low-chemical carpet glue in units and common areas.

109.28 Nothing in this paragraph relieves a project funded by this section from meeting other  
109.29 applicable accessibility requirements.

109.30 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

110.1 Sec. 7. Minnesota Statutes 2025 Supplement, section 477A.35, subdivision 5, is amended  
110.2 to read:

110.3 Subd. 5. **Use of proceeds.** (a) Any funds distributed under this section must be spent on  
110.4 a qualifying project. Funds are considered spent on a qualifying project if:

110.5 (1) a tier I city or county demonstrates to the Minnesota Housing Finance Agency that  
110.6 the city or county cannot expend funds on a qualifying project by the ~~deadline~~ deadlines  
110.7 imposed by ~~paragraph (b)~~ this subdivision due to factors outside the control of the city or  
110.8 county; and

110.9 (2) the funds are transferred to a local housing trust fund.

110.10 Funds transferred to a local housing trust fund under this paragraph must be spent on a  
110.11 ~~project or household that meets the affordability requirements of subdivision 4, paragraph~~  
110.12 ~~(a)~~ qualifying project.

110.13 (b) Funds must be ~~spent by December 31 in the third year following the year after the~~  
110.14 ~~aid was received. The requirements of this paragraph are satisfied if funds are:~~

110.15 ~~(1)~~ committed to a qualifying project by December 31 ~~in~~ of the third year following the  
110.16 year ~~after~~ the aid was received; and

110.17 ~~(2)~~ expended by December 31 ~~in~~ of the fourth year following the year ~~after~~ the aid was  
110.18 received.

110.19 (c) Notwithstanding paragraph (b), aid that a tier I city or county will spend on a  
110.20 qualifying affordable housing construction project or a qualifying emergency shelter facility  
110.21 construction project under subdivision 4, as documented in the most recent annual report  
110.22 submitted to the Minnesota Housing Finance Agency under subdivision 6, must be committed  
110.23 to the project by December 31 of the fifth year following the year the aid was received and  
110.24 expended by December 31 of the sixth year following the year the aid was received.

110.25 ~~(e)~~ (d) An aid recipient may not use aid money to reimburse itself for prior expenditures.

110.26 ~~(d)~~ (e) Any program income generated from funds distributed under this section must  
110.27 be used on a qualifying project.

110.28 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

110.29 Sec. 8. Minnesota Statutes 2024, section 477A.35, subdivision 6, is amended to read:

110.30 Subd. 6. **Administration.** (a) The commissioner of revenue must compute the amount  
110.31 of aid payable to each tier I city and county under this section. By August 1 of each year,

111.1 the commissioner must certify the distribution factors of each tier I city and county to be  
111.2 used in the following year. The commissioner must pay local affordable housing aid annually  
111.3 at the times provided in section 477A.015, distributing the amounts available on the  
111.4 immediately preceding June 1 under the accounts established in section 477A.37, subdivisions  
111.5 2 and 3.

111.6 (b) Beginning in 2025, tier I cities and counties shall submit a report annually, no later  
111.7 than December 1 of each year, to the Minnesota Housing Finance Agency. The report must  
111.8 include documentation of the location of any unspent funds distributed under this section  
111.9 and of qualifying projects completed or planned with funds under this section. If a tier I  
111.10 city or county fails to submit a report, if a tier I city or county fails to spend funds ~~within~~  
111.11 ~~the timeline by the deadlines~~ imposed under subdivision 5, ~~paragraph (b)~~, if a tier I city or  
111.12 county uses funds for a project that does not qualify under this section, or if a tier I city or  
111.13 county fails to meet its requirements of subdivision 5a, the Minnesota Housing Finance  
111.14 Agency shall notify the Department of Revenue and the cities and counties that must repay  
111.15 funds under paragraph (c) by February 15 of the following year.

111.16 (c) By May 15, after receiving notice from the Minnesota Housing Finance Agency, a  
111.17 tier I city or county must pay to the Minnesota Housing Finance Agency funds the city or  
111.18 county received under this section if the city or county:

111.19 (1) fails to spend the funds ~~within the time allowed~~ by the deadlines imposed under  
111.20 subdivision 5, ~~paragraph (b)~~;

111.21 (2) spends the funds on anything other than a qualifying project;

111.22 (3) fails to submit a report documenting use of the funds; or

111.23 (4) fails to meet the requirements of subdivision 5a.

111.24 (d) The commissioner of revenue must stop distributing funds to a tier I city or county  
111.25 that requests in writing that the commissioner stop payment or that, in three consecutive  
111.26 years, the Minnesota Housing Finance Agency has reported, pursuant to paragraph (b), to  
111.27 have failed to use funds, misused funds, or failed to report on its use of funds. A request to  
111.28 stop payment under this paragraph must be submitted to the commissioner in the form and  
111.29 manner prescribed by the commissioner on or before May 1 of the aids payable year the  
111.30 aid recipient wants the commissioner to stop payment of aid. The commissioner shall not  
111.31 stop payment based on a request received after May 1 until the next aids payable year.

111.32 (e) The commissioner may resume distributing funds to a tier I city or county to which  
111.33 the commissioner has stopped payments in the year following the August 1 after the

112.1 Minnesota Housing Finance Agency certifies that the city or county has submitted  
112.2 documentation of plans for a qualifying project. The commissioner may resume distributing  
112.3 funds to a tier I city or county to which the commissioner has stopped payments at the  
112.4 request of the city or county in the year following the August 1 after the Minnesota Housing  
112.5 Finance Agency certifies that the city or county has submitted documentation of plans for  
112.6 a qualifying project.

112.7 (f) By June 1, any funds paid to the Minnesota Housing Finance Agency under paragraph  
112.8 (c) must be deposited in the housing development fund. Funds deposited under this paragraph  
112.9 are appropriated to the commissioner of the Minnesota Housing Finance Agency for use  
112.10 on the family homeless prevention and assistance program under section 462A.204, the  
112.11 economic development and housing challenge program under section 462A.33, and the  
112.12 workforce and affordable homeownership development program under section 462A.38.

112.13 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

112.14 Sec. 9. Minnesota Statutes 2024, section 477A.36, subdivision 4, is amended to read:

112.15 Subd. 4. **Qualifying projects.** (a) Qualifying projects shall include:

112.16 (1) emergency rental assistance for households earning less than 80 percent of area  
112.17 median income as determined by the United States Department of Housing and Urban  
112.18 Development;

112.19 (2) financial support to nonprofit affordable housing providers in their mission to provide  
112.20 safe, dignified, affordable and supportive housing;

112.21 (3) outside the metropolitan counties as defined in section 473.121, subdivision 4,  
112.22 development of market rate residential rental properties, as defined in section 462A.39,  
112.23 subdivision 2, paragraph (d), if the relevant unit of government submits with the report  
112.24 required under subdivision 6 a resolution and supporting documentation showing that the  
112.25 area meets the requirements of section 462A.39, subdivision 4, paragraph (a);

112.26 (4) projects designed for the purpose of construction, acquisition, rehabilitation,  
112.27 demolition or removal of existing structures, construction financing, permanent financing,  
112.28 interest rate reduction, refinancing, and gap financing of housing to provide affordable  
112.29 housing to households that have incomes which do not exceed, for homeownership projects,  
112.30 115 percent of the greater of state or area median income as determined by the United States  
112.31 Department of Housing and Urban Development and, for rental housing projects, 80 percent  
112.32 of the greater of state or area median income as determined by the United States Department

113.1 of Housing and Urban Development, except that the housing developed or rehabilitated  
113.2 with funds under this section must be affordable to the local work force;

113.3 (5) financing the operations and management of financially distressed residential  
113.4 properties;

113.5 (6) funding of supportive services or staff of supportive services providers for supportive  
113.6 housing as defined in section 462A.37, subdivision 1. Financial support to nonprofit housing  
113.7 providers to finance supportive housing operations may be awarded as a capitalized reserve  
113.8 or as an award of ongoing funding; and

113.9 (7) ~~costs of operating~~ emergency shelter ~~facilities~~ facility construction and operations,  
113.10 including ~~the costs of providing services~~ service provision.

113.11 (b) Recipients must prioritize projects that provide affordable housing to households  
113.12 that have incomes that do not exceed, for homeownership projects, 80 percent of the greater  
113.13 of state or area median income as determined by the United States Department of Housing  
113.14 and Urban Development, and for rental housing projects, 50 percent of the greater of state  
113.15 or area median income as determined by the United States Department of Housing and  
113.16 Urban Development. Priority may be given to projects that: reduce disparities in home  
113.17 ownership; reduce housing cost burden, housing instability, or homelessness; improve the  
113.18 habitability of homes; create accessible housing; or create more energy- or water-efficient  
113.19 homes.

113.20 (c) Gap financing is either:

113.21 (1) the difference between the costs of the property, including acquisition, demolition,  
113.22 rehabilitation, and construction, and the market value of the property upon sale; or

113.23 (2) the difference between the cost of the property and the amount the targeted household  
113.24 can afford for housing, based on industry standards and practices.

113.25 (d) If aid under this section is used for demolition or removal of existing structures, the  
113.26 cleared land must be used for the construction of housing to be owned or rented by persons  
113.27 who meet the income limits of paragraph (a).

113.28 (e) If an aid recipient uses the aid on new construction of a building containing more  
113.29 than four units, the loan recipient must construct, convert, or otherwise adapt the building  
113.30 to include:

113.31 (1) the greater of: (i) at least one unit; or (ii) at least five percent of units that are  
113.32 accessible units, and each accessible unit includes at least one roll-in shower, water closet,

114.1 and kitchen work surface meeting the requirements of section 1002 of the current State  
114.2 Building Code Accessibility Provisions for Dwelling Units in Minnesota; and

114.3 (2) the greater of: (i) at least one unit; or (ii) at least five percent of units that are  
114.4 sensory-accessible units that include:

114.5 (A) soundproofing between shared walls for first and second floor units;

114.6 (B) no florescent lighting in units and common areas;

114.7 (C) low-fume paint;

114.8 (D) low-chemical carpet; and

114.9 (E) low-chemical carpet glue in units and common areas.

114.10 Nothing in this paragraph relieves a project funded by this section from meeting other  
114.11 applicable accessibility requirements.

114.12 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

114.13 Sec. 10. Minnesota Statutes 2025 Supplement, section 477A.36, subdivision 5, is amended  
114.14 to read:

114.15 Subd. 5. **Use of proceeds.** (a) Any funds distributed under this section must be spent on  
114.16 a qualifying project. If a tier I city or county demonstrates to the Minnesota Housing Finance  
114.17 Agency that the tier I city or county cannot expend funds on a qualifying project by the  
114.18 ~~deadline~~ deadlines imposed by ~~paragraph (b)~~ this subdivision due to factors outside the  
114.19 control of the tier I city or county, funds shall be considered spent on a qualifying project  
114.20 if the funds are transferred to a local housing trust fund. Funds transferred to a local housing  
114.21 trust fund must be spent on a ~~project or household that meets the affordability requirements~~  
114.22 ~~of subdivision 4, paragraph (a)~~ qualifying project.

114.23 (b) If a Tribal Nation demonstrates to the Minnesota Housing Finance Agency that the  
114.24 Tribal Nation cannot expend funds on a qualifying project by the deadlines imposed by this  
114.25 subdivision due to factors outside the control of the Tribal Nation, funds shall be considered  
114.26 spent on a qualifying project if the funds are transferred to a Tribal housing fund overseen  
114.27 by the Tribal Nation. Funds transferred to a Tribal housing fund must be spent on a qualifying  
114.28 project.

114.29 ~~(b)~~ (c) Funds must be spent by December 31 in the third year following the year after  
114.30 ~~the aid was received. The requirements of this paragraph are satisfied if funds are:~~

115.1 ~~(1)~~ committed to a qualifying project by December 31 ~~in~~ of the third year following the  
 115.2 year ~~after~~ the aid was received; and

115.3 ~~(2)~~ expended by December 31 ~~in~~ of the fourth year following the year ~~after~~ the aid was  
 115.4 received.

115.5 (d) Notwithstanding paragraph (c), aid that a recipient will spend on a qualifying  
 115.6 affordable housing construction project or a qualifying emergency shelter facility construction  
 115.7 project under subdivision 4, as documented in the most recent annual report submitted to  
 115.8 the Minnesota Housing Finance Agency under subdivision 6, must be committed to the  
 115.9 project by December 31 of the fifth year following the year the aid was received and  
 115.10 expended by December 31 of the sixth year following the year the aid was received.

115.11 ~~(e)~~ (e) An aid recipient may not use aid funds to reimburse itself for prior expenditures.

115.12 ~~(f)~~ (f) Any program income generated from funds distributed under this section must  
 115.13 be used on a qualifying project.

115.14 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

115.15 Sec. 11. Minnesota Statutes 2024, section 477A.36, subdivision 5a, is amended to read:

115.16 Subd. 5a. **Conditions for receipt.** (a) As a condition of receiving aid under this section,  
 115.17 a recipient must commit to using money to supplement, not supplant, existing locally funded  
 115.18 housing expenditures, so that the recipient is using the funds to create new or to expand  
 115.19 existing housing programs.

115.20 (b) In the annual report required under subdivision 6, a ~~recipient~~ tier I city or county  
 115.21 must certify compliance with this subdivision, including an accounting of locally funded  
 115.22 housing expenditures in the prior fiscal year. In ~~an aid recipient's~~ a tier I city's or county's  
 115.23 first report to the Minnesota Housing Finance Agency, the ~~aid recipient~~ tier I city or county  
 115.24 must document its locally funded housing expenditures in the two prior fiscal years. If a  
 115.25 ~~recipient~~ tier I city or county reduces one of its locally funded housing expenditures, the  
 115.26 ~~recipient~~ tier I city or county must detail the expenditure, the amount of the reduction, and  
 115.27 the reason for the reduction. The certification required under this paragraph must be made  
 115.28 available publicly on the ~~recipient's~~ tier I city's or county's website.

115.29 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

116.1 Sec. 12. Minnesota Statutes 2024, section 477A.36, subdivision 6, is amended to read:

116.2 Subd. 6. **Administration.** (a) The commissioner of revenue must compute the amount  
116.3 of aid payable to each aid recipient under this section. Beginning with aids payable in  
116.4 calendar year 2024, before computing the amount of aid for counties and after receiving  
116.5 the report required by subdivision 3, paragraph (e), the commissioner shall compute the  
116.6 amount necessary to increase the amount in the account or accounts established under that  
116.7 paragraph to \$1,250,000. The amount calculated under the preceding sentence shall be  
116.8 deducted from the amount available to counties for the purposes of certifying the amount  
116.9 of aid to be paid to counties in the following year. By August 1 of each year, the  
116.10 commissioner must certify the amount to be paid to each tier I city and county in the  
116.11 following year. The commissioner must pay statewide local housing aid to tier I cities and  
116.12 counties annually at the times provided in section 477A.015. Before paying the first  
116.13 installment of aid annually, the commissioner of revenue shall transfer to the Minnesota  
116.14 Housing Finance Agency from the funds available for counties, for deposit in the account  
116.15 or accounts established under subdivision 3, paragraph (e), the amount computed in the  
116.16 prior year to be necessary to increase the amount in the account or accounts established  
116.17 under that paragraph to \$1,250,000.

116.18 (b) Beginning in 2025, aid recipients shall submit a report annually, no later than  
116.19 December 1 of each year, to the Minnesota Housing Finance Agency. The report shall  
116.20 include documentation of the location of any unspent funds distributed under this section  
116.21 and of qualifying projects completed or planned with funds under this section. If an aid  
116.22 recipient fails to submit a report, fails to spend funds ~~within the timeline~~ by the deadlines  
116.23 imposed under subdivision 5, ~~paragraph (b)~~, uses funds for a project that does not qualify  
116.24 under this section, or if an aid recipient fails to meet the requirements of subdivision 5a,  
116.25 the Minnesota Housing Finance Agency shall notify the Department of Revenue and the  
116.26 aid recipient must repay funds under paragraph (c) by February 15 of the following year.

116.27 (c) By May 15, after receiving notice from the Minnesota Housing Finance Agency, an  
116.28 aid recipient must pay to the Minnesota Housing Finance Agency funds the aid recipient  
116.29 received under this section if the aid recipient:

116.30 (1) fails to spend the funds ~~within the time allowed~~ by the deadlines imposed under  
116.31 subdivision 5, ~~paragraph (b)~~;

116.32 (2) spends the funds on anything other than a qualifying project;

116.33 (3) fails to submit a report documenting use of the funds; or

116.34 (4) fails to meet the requirements of subdivision 5a.

117.1 (d) The commissioner of revenue must stop distributing funds to an aid recipient that  
117.2 requests in writing that the commissioner stop payment or that the Minnesota Housing  
117.3 Finance Agency reports to have, in three consecutive years, failed to use funds, misused  
117.4 funds, or failed to report on its use of funds. A request to stop payment under this paragraph  
117.5 must be submitted to the commissioner in the form and manner prescribed by the  
117.6 commissioner on or before May 1 of the year prior to the aids payable year in which the  
117.7 aid recipient wants the commissioner to stop payment of aid. The commissioner shall not  
117.8 stop payment based on a request received after May 1 until aids payable based on certification  
117.9 in the following calendar year.

117.10 (e) The commissioner may resume distributing funds to an aid recipient to which the  
117.11 commissioner has stopped payments in the year following the August 1 after the Minnesota  
117.12 Housing Finance Agency certifies that the city or county has submitted documentation of  
117.13 plans for a qualifying project. The commissioner may resume distributing funds to an aid  
117.14 recipient to which the commissioner has stopped payments at the request of the recipient  
117.15 in the year following the August 1 after the Minnesota Housing Finance Agency certifies  
117.16 that the recipient has submitted documentation of plans for a qualifying project.

117.17 (f) By June 1, any funds paid to the Minnesota Housing Finance Agency under paragraph  
117.18 (c) must be deposited in the housing development fund. Funds deposited under this paragraph  
117.19 are appropriated to the commissioner of the Minnesota Housing Finance Agency for use  
117.20 on the family homeless prevention and assistance program under section 462A.204, the  
117.21 economic development and housing challenge program under section 462A.33, and the  
117.22 workforce and affordable homeownership development program under section 462A.38.

117.23 (g) An eligible Tribal Nation may choose to receive an aid distribution under this section  
117.24 by submitting an application under this subdivision. An eligible Tribal Nation which has  
117.25 not received a distribution in a prior aids payable year may elect to begin participation in  
117.26 the program by submitting an application in the manner and form prescribed by the  
117.27 commissioner of revenue by January 15 of the aids payable year. In order to receive a  
117.28 distribution, an eligible Tribal Nation must certify to the commissioner of revenue the most  
117.29 recent estimate of the total number of enrolled members of the eligible Tribal Nation. The  
117.30 information must be annually certified by March 1 in the form prescribed by the  
117.31 commissioner of revenue. The commissioner of revenue must annually calculate and certify  
117.32 the amount of aid payable to each eligible Tribal Nation on or before August 1 of the aids  
117.33 payable year. The commissioner of revenue must pay statewide local housing aid to eligible  
117.34 Tribal Nations annually by December 27 of the year the aid is certified.

117.35 **EFFECTIVE DATE.** This section is effective for aids payable in 2027 and thereafter.

118.1 **Sec. 13. FEDERAL ENFORCEMENT REIMBURSEMENT AID.**

118.2 **Subdivision 1. Definitions.** (a) For purposes of this section, the following terms have  
118.3 the meanings given.

118.4 (b) "City" means a statutory or home rule charter city.

118.5 (c) "Commissioner" means the commissioner of revenue.

118.6 (d) "Eligible costs" means operating and capital costs of municipal public safety,  
118.7 emergency management, public works, and legal counsel.

118.8 (e) "Federal enforcement actions" means the presence of United States Department of  
118.9 Homeland Security immigration officials in Minnesota for purposes of federal immigration  
118.10 enforcement between December 1, 2025, and May 31, 2026.

118.11 **Subd. 2. Certification of costs.** (a) By August 1, 2026, each city may submit to the state  
118.12 auditor a report detailing eligible costs incurred by the city in association with federal  
118.13 enforcement actions. The state auditor shall prescribe the form and manner of the report.

118.14 (b) The state auditor may require cities to provide further documentation or justification  
118.15 as needed to verify the costs reported are accurate, eligible, and attributable to federal  
118.16 enforcement actions.

118.17 (c) By September 1, 2026, the state auditor must certify to the commissioner the costs  
118.18 that each city reported incurring in association with federal enforcement actions, excluding  
118.19 costs the state auditor determines to be inaccurate, ineligible, or unattributable to federal  
118.20 enforcement actions.

118.21 **Subd. 3. Distribution.** Each city shall receive an amount of aid equal to the product of:

118.22 (1) the total amount appropriated for aid under subdivision 6; and

118.23 (2) the ratio of the costs certified by the state auditor for the city under subdivision 2 to  
118.24 the costs certified by the state auditor for all cities under subdivision 2.

118.25 **Subd. 4. Federal reimbursement.** (a) Cities are encouraged to make reasonable, good  
118.26 faith efforts to pursue federal reimbursement for costs incurred in association with federal  
118.27 enforcement actions.

118.28 (b) A city that receives federal reimbursement for costs incurred in association with  
118.29 federal enforcement actions must return to the commissioner the lesser of the amount of  
118.30 the federal reimbursement or the portion of aid received by the city under this section for  
118.31 the same costs. Aid returned to the commissioner under this subdivision is canceled to the  
118.32 general fund.

119.1 Subd. 5. **Certification and payment.** (a) By December 1, 2026, the commissioner must  
119.2 calculate and certify the amount of aid payable to each city under this section.

119.3 (b) By December 26, 2026, the commissioner must pay federal enforcement  
119.4 reimbursement aid to each city.

119.5 Subd. 6. **Appropriation.** \$2,000,000 in fiscal year 2027 is appropriated from the general  
119.6 fund to the commissioner of revenue for aid payments under this section. This is a onetime  
119.7 appropriation.

119.8 **EFFECTIVE DATE.** This section is effective for aids payable in 2026 only.

119.9 Sec. 14. **FILLMORE COUNTY DISPARITY REDUCTION AID PAYMENTS.**

119.10 (a) Notwithstanding Minnesota Statutes, section 273.1398, the 2027 disparity reduction  
119.11 aid payments for jurisdictions located in Fillmore County must include the 2024 and 2025  
119.12 disparity reduction aid amounts that were not paid to the jurisdictions in those years. The  
119.13 2024 and 2025 amounts are in addition to any aid determined for 2027, except that these  
119.14 amounts cannot reduce any jurisdiction's levy in 2027 to less than \$0.

119.15 (b) By April 1, 2027, the Fillmore County auditor must calculate and certify to the  
119.16 commissioner of revenue the 2024 and 2025 disparity reduction aid amounts. To calculate  
119.17 the total amount of disparity reduction aid for each jurisdiction in 2027, the county auditor  
119.18 must first calculate the 2027 disparity reduction aid payments for jurisdictions in Fillmore  
119.19 County pursuant to Minnesota Statutes, section 273.1398, without regard to the 2024 and  
119.20 2025 disparity reduction aid amounts. The county auditor must then add any additional aid  
119.21 amounts attributable to the 2024 and 2025 aid to each jurisdiction's 2027 disparity reduction  
119.22 aid amount. Notwithstanding Minnesota Statutes, section 275.08, subdivision 1d, the 2024  
119.23 and 2025 disparity reduction aid amounts may reduce below 90 percent of net tax capacity  
119.24 the total adjusted local tax rate of all local governments combined within a unique taxing  
119.25 jurisdiction in 2027.

119.26 (c) The commissioner of revenue must include the 2024 and 2025 disparity reduction  
119.27 aid payments along with the certification for disparity reduction aid paid in 2027, pursuant  
119.28 to Minnesota Statutes, section 273.1398, subdivision 6. The commissioner of revenue must  
119.29 include the additional amounts from 2024 and 2025 in the payments for aid payable in 2027  
119.30 to each affected local government, other than school districts. The commissioner of education  
119.31 must include the additional amounts from 2024 and 2025 in the payment to school districts  
119.32 for aid payable in 2027. No later than June 30, 2027, the commissioner of revenue and the

120.1 commissioner of education must deposit to the general fund any unspent money appropriated  
120.2 under this section.

120.3 (d) \$215,860 in fiscal year 2028 is appropriated from the general fund to the commissioner  
120.4 of revenue for payments under this section to counties, cities, towns, and special taxing  
120.5 districts. \$250,790 in fiscal year 2028 is appropriated from the general fund to the  
120.6 commissioner of education for payments under this section to school districts, intermediate  
120.7 school districts, or any group of school districts levying as a single taxing entity.

120.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

120.9 Sec. 15. **REPEALER.**

120.10 Minnesota Statutes 2024, section 477A.30, subdivision 8, is repealed.

## 120.11 **ARTICLE 7**

### 120.12 **TAX INCREMENT FINANCING**

120.13 Section 1. Minnesota Statutes 2024, section 469.176, subdivision 2, is amended to read:

120.14 Subd. 2. **Excess increments.** (a) The authority ~~shall~~ must annually determine the amount  
120.15 of excess increments for a district, if any. This determination must be based on the tax  
120.16 increment financing plan in effect on December 31 of the year being reviewed and the  
120.17 increments ~~and other revenues~~ received as of December 31 of the year. ~~The authority must~~  
120.18 ~~spend or return the excess increments under paragraph (c) within nine months after the end~~  
120.19 ~~of the year.~~ If the authority determines there are excess increments for a district, within nine  
120.20 months after December 31, the authority must:

120.21 (1) return the excess increments to the county auditor; and

120.22 (2) absent an outstanding qualifying pay-as-you-go contract and note, as defined under  
120.23 section 469.1763, subdivision 4, paragraph (e), decertify the district.

120.24 (b) The requirement to decertify under paragraph (a) is deferred if:

120.25 (1) within nine months after December 31, a modification of the tax increment financing  
120.26 plan is approved under section 469.175, subdivision 4; and

120.27 (2) the modification increases the total costs authorized to be paid with increments from  
120.28 the district by an amount greater than the excess increment determined under paragraph (a).

120.29 (c) The deferral permitted under paragraph (b) expires nine months following the next  
120.30 year for which:

- 121.1 (1) the authority determines an amount of excess increments exists;
- 121.2 (2) there are no further approved modifications to the tax increment financing plan that
- 121.3 increase the total costs authorized to be paid with increments from the district by an amount
- 121.4 greater than the excess increment; and
- 121.5 (3) the district has no outstanding qualifying pay-as-you-go contract and note.
- 121.6 ~~(b)~~ (d) For purposes of this subdivision, "excess increments" equals the excess of:
- 121.7 (1) total increments collected from the district since its certification, reduced by any
- 121.8 excess increments ~~paid~~ returned under paragraph ~~(e)~~, ~~clause (4)~~, (e) for a prior year, over
- 121.9 (2) the total costs authorized by the tax increment financing plan to be paid with
- 121.10 increments from the district, ~~reduced, but not below zero, by the sum of:~~
- 121.11 ~~(i) the amounts of those authorized costs that have been paid from sources other than~~
- 121.12 ~~tax increments from the district;~~
- 121.13 ~~(ii) revenues, other than tax increments from the district, that are dedicated for or~~
- 121.14 ~~otherwise required to be used to pay those authorized costs and that the authority has received~~
- 121.15 ~~and that are not included in item (i);~~
- 121.16 ~~(iii) the amount of principal and interest obligations due on outstanding bonds after~~
- 121.17 ~~December 31 of the year and not prepaid under paragraph (e) in a prior year; and~~
- 121.18 ~~(iv) increased by the sum of the transfers of increments made under section 469.1763,~~
- 121.19 ~~subdivision 6, to reduce deficits in other districts made by December 31 of the year.~~
- 121.20 ~~(e) The authority shall use excess increment only to do one or more of the following:~~
- 121.21 ~~(1) prepay any outstanding bonds;~~
- 121.22 ~~(2) discharge the pledge of tax increment for any outstanding bonds;~~
- 121.23 ~~(3) pay into an escrow account dedicated to the payment of any outstanding bonds; or~~
- 121.24 ~~(4) return the excess amount to~~ (e) The county auditor ~~who shall~~ must distribute the
- 121.25 excess ~~amount~~ increments returned under paragraph (a) to the city or town, county, and
- 121.26 school district in which the tax increment financing district is located in direct proportion
- 121.27 to their respective local tax rates.
- 121.28 ~~(d) For purposes of a district for which the request for certification was made prior to~~
- 121.29 ~~August 1, 1979, excess increments equal the amount of increments on hand on December~~
- 121.30 ~~31, less the principal and interest obligations due on outstanding bonds or advances;~~

122.1 ~~qualifying under subdivision 1c, clauses (1), (2), (4), and (5), after December 31 of the year~~  
122.2 ~~and not prepaid under paragraph (c).~~

122.3 ~~(e)~~ (f) The county auditor must, prior to February 1 of each year, report to the  
122.4 commissioner of education the amount of any excess tax increment distributed to a school  
122.5 district for the preceding taxable year.

122.6 ~~(f) For purposes of this subdivision, "outstanding bonds" means bonds which are secured~~  
122.7 ~~by increments from the district.~~

122.8 ~~(g) The state auditor may exempt an authority from reporting the amounts calculated~~  
122.9 ~~under this subdivision for a calendar year, if the authority certifies to the auditor in its report~~  
122.10 ~~that the total amount authorized by the tax increment plan to be paid with increments from~~  
122.11 ~~the district exceeds the sum of the total increments collected for the district for all years by~~  
122.12 ~~20 percent.~~

122.13 **EFFECTIVE DATE.** This section applies to all districts and is effective for excess  
122.14 increment determinations for calendar year 2026 and thereafter.

122.15 Sec. 2. Laws 2021, First Special Session chapter 14, article 9, section 9, is amended to  
122.16 read:

122.17 **Sec. 9. CITY OF MOUNTAIN LAKE; TIF DISTRICT NO. 1-8; FIVE-YEAR RULE**  
122.18 **EXTENSION.**

122.19 (a) The requirement of Minnesota Statutes, section 469.1763, subdivision 3, that activities  
122.20 must be undertaken within a five-year period from the date of certification of a tax increment  
122.21 financing district, is extended by a ~~five-year~~ three-year period to April 1, 2029, for Tax  
122.22 Increment Financing District No. 1-8, administered by the city of Mountain Lake or its  
122.23 economic development authority.

122.24 (b) The requirement of Minnesota Statutes, section 469.1763, subdivision 4, relating to  
122.25 the use of increment after the expiration of the five-year period under Minnesota Statutes,  
122.26 section 469.1763, subdivision 3, is extended to the ~~11th~~ 14th year for Tax Increment  
122.27 Financing District No. 1-8.

122.28 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
122.29 city of Mountain Lake and its chief clerical officer comply with the requirements of  
122.30 Minnesota Statutes, section 645.021, subdivisions 2 and 3.

123.1 Sec. 3. Laws 2021, First Special Session chapter 14, article 9, section 11, is amended to  
123.2 read:

123.3 Sec. 11. **CITY OF WAYZATA; TIF DISTRICT NO. 6; EXPENDITURES**  
123.4 **ALLOWED.**

123.5 (a) Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, the city of  
123.6 Wayzata may expend increments generated from Tax Increment Financing District No. 6  
123.7 for the design and construction of the lakefront pedestrian walkway and community transient  
123.8 lake public access infrastructure related to the Panoway on Wayzata Bay project, and all  
123.9 such expenditures are deemed expended on activities within the district.

123.10 (b) Notwithstanding Minnesota Statutes, section 469.1763, subdivision 2, the city of  
123.11 Wayzata may expend increments generated from Tax Increment Financing District No. 6  
123.12 on the following projects:

123.13 (1) design and construction of the Eco Park, including shoreline restoration, marsh and  
123.14 water quality improvements, a pier extension of the lakeside boardwalk, and creation of  
123.15 eco-living classrooms;

123.16 (2) restoration of the Section Foreman House, including installation of a learning center  
123.17 and community space; and

123.18 (3) expansion and remodeling of the Depot Park, including accessibility improvements  
123.19 related to the Panoway on Wayzata Bay project.

123.20 (c) Notwithstanding Minnesota Statutes, section 469.1763, subdivisions 2, 3, and 4,  
123.21 expenditures on projects in paragraph (b) are deemed expended on activities within the  
123.22 district.

123.23 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
123.24 city of Wayzata and its chief clerical officer comply with the requirements of Minnesota  
123.25 Statutes, section 645.021, subdivisions 2 and 3.

123.26 Sec. 4. Laws 2025, First Special Session chapter 13, article 5, section 11, subdivision 3,  
123.27 is amended to read:

123.28 Subd. 3. **Expiration.** The authority to approve a tax increment financing plan to establish  
123.29 a tax increment financing district under this section expires December 31, ~~2026~~ 2028.

124.1 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
124.2 city of Eden Prairie and its chief clerical officer comply with the requirements of Minnesota  
124.3 Statutes, section 645.021, subdivisions 2 and 3.

124.4 **Sec. 5. CITY OF CHASKA; TAX INCREMENT FINANCING DISTRICT NO. 23.**

124.5 Notwithstanding Minnesota Statutes, section 469.176, subdivision 1b, the Chaska  
124.6 Economic Development Authority may collect tax increment from Chaska Tax Increment  
124.7 Financing District No. 23 for up to 35 years after receipt of the first increment.

124.8 **EFFECTIVE DATE.** This section is effective upon compliance by the governing bodies  
124.9 of the city of Chaska, Carver County, and Independent School District No. 112 with the  
124.10 requirements of Minnesota Statutes, section 469.1782, subdivision 2.

124.11 **Sec. 6. CITY OF COLUMBIA HEIGHTS; ALATUS TAX INCREMENT**  
124.12 **FINANCING DISTRICT; FIVE-YEAR RULE EXTENSION; SIX-YEAR RULE**  
124.13 **EXTENSION; DURATION EXTENSION.**

124.14 (a) The five-year period under Minnesota Statutes, section 469.1763, subdivision 3, is  
124.15 extended to ten years and the period under Minnesota Statutes, section 469.1763, subdivision  
124.16 4, relating to the use of increment after the expiration of the five-year period, is extended  
124.17 to 11 years for the Alatus Tax Increment Financing District in the city of Columbia Heights.

124.18 (b) Notwithstanding Minnesota Statutes, section 469.176, subdivisions 1b and 1d, the  
124.19 city of Columbia Heights or its economic development authority may elect to extend the  
124.20 duration of the Alatus Tax Increment Financing District in the city of Columbia Heights by  
124.21 five years.

124.22 **EFFECTIVE DATE.** Paragraph (a) is effective the day after the governing body of the  
124.23 city of Columbia Heights and its chief clerical officer comply with the requirements of  
124.24 Minnesota Statutes, section 645.021, subdivisions 2 and 3. Paragraph (b) is effective upon  
124.25 compliance by the governing bodies of the city of Columbia Heights, Anoka County, and  
124.26 Independent School District No. 13 with the requirements of Minnesota Statutes, section  
124.27 469.1782, subdivision 2.

124.28 **Sec. 7. CITY OF HOPKINS; TAX INCREMENT FINANCING DISTRICT 1-6 (325**  
124.29 **BLAKE); FIVE-YEAR RULE EXTENSION; SIX-YEAR RULE EXTENSION.**

124.30 The five-year period under Minnesota Statutes, section 469.1763, subdivision 3, is  
124.31 extended to ten years and the period under Minnesota Statutes, section 469.1763, subdivision

125.1 4, relating to the use of increment after the expiration of the five-year period, is extended  
125.2 to 11 years for Tax Increment Financing District 1-6 (325 Blake) in the city of Hopkins.

125.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
125.4 city of Hopkins and its chief clerical officer comply with the requirements of Minnesota  
125.5 Statutes, section 645.021, subdivisions 2 and 3.

## 125.6 **ARTICLE 8**

### 125.7 **PUBLIC FINANCE**

125.8 Section 1. Minnesota Statutes 2024, section 297A.993, subdivision 4, is amended to read:

125.9 Subd. 4. **Bonds.** (a) A county may, by resolution, authorize, issue, and sell its bonds,  
125.10 notes, or other obligations for the purposes specified in subdivision 2. The county may also,  
125.11 by resolution, issue bonds to refund the bonds issued pursuant to this subdivision.

125.12 (b) The bonds may be limited obligations, payable solely from or secured by taxes levied  
125.13 under this section, and the county may also pledge its full faith, credit, and taxing power as  
125.14 additional security for the bonds. A regional railroad authority within the county may also  
125.15 pledge its taxing powers as additional security for the bonds.

125.16 (c) A county may issue and sell bonds in one or more series and without an election.  
125.17 The county may determine how the bonds shall be secured; how the bonds will bear interest,  
125.18 and the rate or rates, or variable rate; the rank or priority; how the bonds will be executed  
125.19 and be payable, and how they will mature; and how the bonds will be subject to any defaults,  
125.20 redemptions, repurchases, tender options, or other terms. The county may also determine  
125.21 how the bonds shall be sold.

125.22 (d) The county may enter into and perform all contracts deemed necessary or desirable  
125.23 by it to issue and secure the bonds, including an indenture of trust with a trustee located  
125.24 within or outside of the state.

125.25 (e) Before issuing bonds qualifying under this section, the county must publish a notice  
125.26 of its intention to issue the bonds and the date and time of a hearing to obtain public comment  
125.27 on the matter. The notice must be published in the official newspaper of the county or in a  
125.28 newspaper of general circulation in the county. The notice must be published at least ~~14~~  
125.29 ten, but not more than 28, days before the date of the hearing.

125.30 (f) Any project financed with bonds issued under this section must be included in a  
125.31 capital improvement plan as defined in section 373.40, subdivision 3. For purposes of this

126.1 paragraph, "project" means any project described in subdivision 2, notwithstanding section  
126.2 373.40, subdivision 1, paragraph (b).

126.3 (g) Except as otherwise provided in this subdivision, the bonds must be issued and sold  
126.4 in the manner provided under chapter 475.

126.5 Sec. 2. Minnesota Statutes 2024, section 469.060, subdivision 3, is amended to read:

126.6 Subd. 3. **Detail; maturity.** The port authority with the consent of its city's council shall  
126.7 set the date, denominations, place of payment, form, and details of the bonds. ~~The bonds~~  
126.8 ~~must mature serially.~~ The first installment must be due in not more than three years and the  
126.9 last in not more than 30 years from the date of issuance.

126.10

## ARTICLE 9

126.11

### HENNEPIN COUNTY HEALTHCARE TAX

126.12 Section 1. Minnesota Statutes 2024, section 473.756, is amended by adding a subdivision  
126.13 to read:

126.14 Subd. 15. **Qualifying government.** The authority is a qualifying government for purposes  
126.15 of section 118A.09, subdivision 1. Whenever the authority's investments are managed by  
126.16 the county, the authority's additional long-term equity investment limitations as provided  
126.17 in section 118A.09, subdivision 3, are calculated based on the county's most recent audited  
126.18 statement of net position instead of the authority's most recent audited statement of net  
126.19 position.

126.20 Sec. 2. Minnesota Statutes 2024, section 473.757, subdivision 1, is amended to read:

126.21 Subdivision 1. **Ballpark grants.** The county may authorize, by resolution, and make  
126.22 one or more grants to the authority for ballpark development and construction, public  
126.23 infrastructure, capital improvement of the ballpark or public infrastructure within the  
126.24 development area, reserves for capital improvements, and other purposes related to the  
126.25 ballpark on the terms and conditions agreed to by the county and the authority.

126.26 Sec. 3. Minnesota Statutes 2024, section 473.757, subdivision 2, is amended to read:

126.27 Subd. 2. **Youth sports; library.** To the extent funds are available from collections of  
126.28 the tax authorized by subdivision 10 after ~~payment each year of debt service on the bonds~~  
126.29 ~~authorized and issued under subdivision 9~~ and payments for the purposes described in  
126.30 subdivision 1, the county may also authorize, by resolution, and expend or make grants to  
126.31 the authority and to other governmental units and nonprofit organizations in an aggregate

127.1 amount of up to \$4,000,000 annually, increased by up to 1.5 percent annually to fund equally:  
127.2 (1) youth activities and youth and amateur sports within Hennepin County; and (2) the cost  
127.3 of extending the hours of operation of Hennepin County libraries and Minneapolis public  
127.4 libraries.

127.5 The money provided under this subdivision is intended to supplement and not supplant  
127.6 county expenditures for these purposes as of May 27, 2006.

127.7 Hennepin County must provide reports to the chairs of the committees and budget  
127.8 divisions in the senate and the house of representatives that have jurisdiction over education  
127.9 policy and funding, describing the uses of the money provided under this subdivision. The  
127.10 first report must be made by January 15, 2009, and subsequent reports must be made on  
127.11 January 15 of each subsequent odd-numbered year.

127.12 Sec. 4. Minnesota Statutes 2024, section 473.757, is amended by adding a subdivision to  
127.13 read:

127.14 Subd. 2a. **Hennepin County health care facilities.** To the extent money is available  
127.15 from collections of the tax authorized by subdivision 10 after payments for the purposes  
127.16 described in subdivisions 1 and 2:

127.17 (1) the county must distribute \$21,000,000 annually, subject to annual increases in  
127.18 percentages acceptable to the county, to a private, nonprofit hospital located in Hennepin  
127.19 County that is designated by the commissioner of health as an adult level I trauma hospital  
127.20 according to section 144.605, subdivision 3, and provides statewide ground and air emergency  
127.21 medical transportation services. The money must be used to fund uncompensated care  
127.22 provided in facilities owned or operated by the eligible private, nonprofit hospital; and

127.23 (2) from the remainder of the money available, the county may only authorize, by  
127.24 resolution, appropriations to fund any or all of the following:

127.25 (i) the development, construction, improvement, and equipping of county-owned or  
127.26 county-operated health care facilities;

127.27 (ii) public infrastructure determined by the county to facilitate the development and use  
127.28 of facilities described in item (i);

127.29 (iii) reserves for county-owned or county-operated health care facilities capital  
127.30 improvements;

127.31 (iv) uncompensated care provided in county-owned or county-operated health care  
127.32 facilities;

- 128.1 (v) other purposes related to county-owned or county-operated health care facilities,  
128.2 including operating expenses for county-owned or county-operated health care facilities;  
128.3 (vi) other purposes related to county public health services or priorities;  
128.4 (vii) other county-identified services or programs, including housing programs and  
128.5 housing with low barriers to entry, that address health-related social needs; and  
128.6 (viii) debt service on bonds authorized and issued under subdivision 9.

128.7 Sec. 5. Minnesota Statutes 2024, section 473.757, subdivision 3, is amended to read:

128.8 Subd. 3. **Expenditure limitations.** The amount that the county may grant or expend for  
128.9 ballpark costs shall not exceed \$260,000,000. The amount of any grant for capital  
128.10 improvement reserves shall not exceed ~~\$1,000,000~~ \$9,000,000 annually, subject to the  
128.11 agreement under section 473.759, subdivision 3, and to annual increases according to an  
128.12 inflation index acceptable to the county. The amount of grants or expenditures for land, site  
128.13 improvements, and public infrastructure shall not exceed \$90,000,000, excluding capital  
128.14 improvement reserves, bond reserves, capitalized interest, and financing costs. The authority  
128.15 to spend money for land, site improvements, and public infrastructure is limited to payment  
128.16 of amounts incurred or for construction contracts entered into during the period ending five  
128.17 years after the date of the issuance of the initial series of bonds under Laws 2006, chapter  
128.18 257. Such grant agreements are valid and enforceable notwithstanding that they involve  
128.19 payments in future years and they do not constitute a debt of the county within the meaning  
128.20 of any constitutional or statutory limitation or for which a referendum is required.

128.21 Sec. 6. Minnesota Statutes 2024, section 473.757, subdivision 4, is amended to read:

128.22 Subd. 4. **Property acquisition and disposition.** (a) The county may acquire by purchase,  
128.23 eminent domain, or gift, land, air rights, and other property interests within the development  
128.24 area for the ballpark site and public infrastructure and convey it to the authority with or  
128.25 without consideration, prepare a site for development as a ballpark, and acquire and construct  
128.26 any related public infrastructure. The purchase of property and development of public  
128.27 infrastructure financed with revenues under this section is limited to infrastructure within  
128.28 the development area or within 1,000 feet of the border of the development area. The public  
128.29 infrastructure may include the construction and operation of parking facilities within the  
128.30 development area notwithstanding any law imposing limits on county parking facilities in  
128.31 the city of Minneapolis. The county may acquire and construct property, facilities, and  
128.32 improvements within the stated geographical limits for the purpose of drainage and  
128.33 environmental remediation for property within the development area, walkways and a

129.1 pedestrian bridge to link the ballpark to Third Avenue distributor ramps, street and road  
129.2 improvements and access easements for the purpose of providing access to the ballpark,  
129.3 streetscapes, connections to transit facilities and bicycle trails, and any utility modifications  
129.4 which are incidental to any utility modifications within the development area.

129.5 (b) The county or any of the county's subsidiaries may acquire by purchase, eminent  
129.6 domain, or gift the land rights, air rights, and other property interests within the county for  
129.7 health care facilities and related infrastructure.

129.8 (c) To the extent property parcels or interests acquired are more extensive than the public  
129.9 infrastructure requirements, the county may sell or otherwise dispose of the excess. The  
129.10 proceeds from sales of excess property must be deposited in the debt service reserve fund.

129.11 Sec. 7. Minnesota Statutes 2024, section 473.757, subdivision 7, is amended to read:

129.12 Subd. 7. **Local government expenditures.** The county may make expenditures or grants  
129.13 for other costs incidental and necessary to further the purposes of Laws 2006, chapter 257,  
129.14 and this act and may by agreement, reimburse in whole or in part, any entity that has granted,  
129.15 loaned, or advanced funds to the county to further the purposes of Laws 2006, chapter 257,  
129.16 and this act. The county shall reimburse a local governmental entity within its jurisdiction  
129.17 or make a grant to such a governmental unit for site acquisition, preparation of the site for  
129.18 ballpark development, and public infrastructure. Amounts expended by a local governmental  
129.19 unit with the proceeds of a grant or under an agreement that provides for reimbursement by  
129.20 the county shall not be deemed an expenditure or other use of local governmental resources  
129.21 by the governmental unit within the meaning of any law or charter limitation. Exercise by  
129.22 the county of its powers under this section shall not affect the amounts that the county is  
129.23 otherwise eligible to spend, borrow, tax, or receive under any law.

129.24 Sec. 8. Minnesota Statutes 2024, section 473.757, subdivision 8, is amended to read:

129.25 Subd. 8. **County authority.** It is the intent of the legislature that, except as expressly  
129.26 limited herein, the county has the authority to acquire and develop a site for the ballpark  
129.27 and public infrastructure, to enter into contracts with the authority and other governmental  
129.28 or nongovernmental entities, to appropriate funds, to fund capital reserves and make capital  
129.29 improvements, and to make employees, consultants, and other revenues available for those  
129.30 purposes.

130.1 Sec. 9. Minnesota Statutes 2024, section 473.757, subdivision 9, is amended to read:

130.2 Subd. 9. **County revenue bonds.** (a) The county may, by resolution, authorize, sell, and  
130.3 issue revenue bonds to provide funds to make a grant or grants to the authority and to finance  
130.4 all or a portion of the costs of site acquisition, site improvements, and other activities  
130.5 necessary to prepare a site for development of a ballpark, to construct, improve, and maintain  
130.6 the ballpark and to establish and fund any capital improvement reserves, and to acquire and  
130.7 construct any related parking facilities and other public infrastructure and for other costs  
130.8 incidental and necessary to further the purposes of Laws 2006, chapter 257. The county  
130.9 may also, by resolution, issue bonds to refund the bonds issued pursuant to this section. The  
130.10 bonds must be limited obligations, payable solely from or secured by taxes levied under  
130.11 subdivision 10, and any other revenues to become available under Laws 2006, chapter 257.  
130.12 The bonds may be issued in one or more series and sold without an election. The bonds  
130.13 shall be sold in the manner provided by section 475.60. The bonds shall be secured, bear  
130.14 the interest rate or rates or a variable rate, have the rank or priority, be executed in the  
130.15 manner, be payable in the manner, mature, and be subject to the defaults, redemptions,  
130.16 repurchases, tender options, or other terms, as the county may determine. The county may  
130.17 enter into and perform all contracts deemed necessary or desirable by it to issue and secure  
130.18 the bonds, including an indenture of trust with a trustee within or without the state. The debt  
130.19 represented by the bonds shall not be included in computing any debt limitation applicable  
130.20 to the county. Subject to this subdivision, the bonds must be issued and sold in the manner  
130.21 provided in chapter 475. The bonds shall recite that they are issued under Laws 2006, chapter  
130.22 257, and the recital shall be conclusive as to the validity of the bonds and the imposition  
130.23 and pledge of the taxes levied for their payment. In anticipation of the issuance of the bonds  
130.24 authorized under this subdivision and the collection of taxes levied under subdivision 10,  
130.25 the county may provide funds for the purposes authorized by Laws 2006, chapter 257,  
130.26 through temporary interfund loans from other available funds of the county which shall be  
130.27 repaid with interest.

130.28 (b) The county may, by resolution, authorize, sell, and issue revenue bonds to provide  
130.29 money to finance all or a portion of the costs of county-owned or county-operated health  
130.30 care facilities, including but not limited to site acquisition, site improvements, and other  
130.31 activities necessary to prepare a site for development of health care facilities and to construct,  
130.32 maintain, and improve health care facilities; establish and fund any capital improvement  
130.33 reserves; and acquire and construct any related parking facilities and related infrastructure.  
130.34 The county may, by resolution, authorize, sell, and issue revenue bonds for other costs  
130.35 incidental and necessary to further the purposes of this act. The county may also, by

131.1 resolution, issue bonds to refund the bonds issued pursuant to this section. The bonds may  
131.2 be limited obligations, payable solely from or secured by taxes levied under subdivision  
131.3 10, and any other revenues made available under this act, and the county may also pledge  
131.4 its full faith, credit, and taxing power as additional security for the bonds. The bonds may  
131.5 be issued in one or more series and sold without an election. The bonds must be secured,  
131.6 bear the interest rate or rates or a variable rate, have the rank or priority, be executed in the  
131.7 manner, be payable in the manner, mature, and be subject to the defaults, redemptions,  
131.8 repurchases, tender options, or other terms, as the county may determine. The county may  
131.9 enter into and perform all contracts deemed necessary or desirable to issue and secure the  
131.10 bonds, including an indenture of trust with a trustee within or outside of the state. The debt  
131.11 represented by the bonds must not be included in computing any debt limitation applicable  
131.12 to the county. Subject to this subdivision, the bonds must be issued and sold in the manner  
131.13 provided in chapter 475. The bonds must recite that they are issued under this act, and the  
131.14 recital is conclusive as to the validity of the bonds and the imposition and pledge of the  
131.15 taxes levied for payment of the bonds. In anticipation of the issuance of the bonds authorized  
131.16 under this subdivision and the collection of taxes levied under subdivision 10, the county  
131.17 may provide money for the purposes authorized by this act, through temporary interfund  
131.18 loans from other available county money that must be repaid with interest.

131.19 Sec. 10. Minnesota Statutes 2024, section 473.757, subdivision 10, is amended to read:

131.20 Subd. 10. **Sales and use tax.** (a) Notwithstanding section 477A.016, or other law, the  
131.21 governing body of the county may by ordinance, impose a sales and use tax at the rate of  
131.22 ~~0.15~~ 0.25 percent for the purposes listed in this section. The taxes authorized under this  
131.23 section and the manner in which they are imposed are exempt from the rules of section  
131.24 297A.99, subdivisions 2 and 3. The provisions of section 297A.99, except for subdivisions  
131.25 2 and 3, apply to the imposition, administration, collection, and enforcement of this tax.

131.26 (b) The tax imposed under this section is not included in determining if the total tax on  
131.27 lodging in the city of Minneapolis exceeds the maximum allowed tax under Laws 1986,  
131.28 chapter 396, section 5, as amended by Laws 2001, First Special Session chapter 5, article  
131.29 12, section 87, or in determining a tax that may be imposed under any other limitations.

131.30 Sec. 11. Minnesota Statutes 2024, section 473.757, subdivision 11, is amended to read:

131.31 Subd. 11. **Uses of tax.** (a) Revenues received from the tax imposed under subdivision  
131.32 10 may be used for the following and for no other purpose:

131.33 (1) to pay costs of collection;

132.1 (2) to pay or reimburse or secure the payment of any principal of, premium, or interest  
 132.2 on bonds issued in accordance with Laws 2006, chapter 257, section 12, and this act;

132.3 ~~(3) to pay costs and make expenditures and grants described in this section, including~~  
 132.4 ~~financing costs related to them;~~

132.5 ~~(4)~~ (3) to maintain reserves for the foregoing purposes deemed reasonable and appropriate  
 132.6 by the county;

132.7 ~~(5)~~ (4) to pay for operating costs of the ballpark authority other than the cost of operating  
 132.8 or maintaining the ballpark; ~~and~~

132.9 ~~(6)~~ (5) to make expenditures and grants for youth activities and amateur sports and  
 132.10 extension of library hours as described in subdivision 2;  
 132.11 ~~and for no other purpose.~~

132.12 (6) to make grants to the authority for capital improvement expenditures for purposes  
 132.13 permitted under subdivision 1;

132.14 (7) to make distributions to a private, nonprofit hospital as required under subdivision  
 132.15 2a, clause (1); and

132.16 (8) to make appropriations to fund expenditures for Hennepin County health care facilities  
 132.17 as described in subdivision 2a, clause (2), including financing costs related to the  
 132.18 expenditures.

132.19 (b) Revenues from the tax designated for use under paragraph (a), clause ~~(5)~~ (4), must  
 132.20 be deposited in the operating fund of the ballpark authority.

132.21 (c) After completion of the ballpark and public infrastructure, the tax revenues not  
 132.22 required for current payments of the expenditures described in paragraph (a), clauses (1) to  
 132.23 ~~(6)~~ (8), shall be used to ~~(i)~~ (1) redeem or defease the bonds, and ~~(ii)~~ (2) prepay or establish  
 132.24 a fund for ~~payment of future obligations under grants or other commitments for future~~  
 132.25 ~~expenditures which are permitted by this section. Upon the redemption or defeasance of~~  
 132.26 ~~the bonds and the establishment of reserves adequate to meet such future obligations, the~~  
 132.27 ~~taxes shall terminate and shall not be reimposed~~ reserves adequate to meet the future  
 132.28 obligations. For purposes of this subdivision, "reserves adequate to meet such future  
 132.29 obligations" means a reserve that does not exceed the net present value of the county's  
 132.30 obligation to make grants under paragraph (a), clauses ~~(5)~~ (4) and ~~(6)~~ (5), and to fund the  
 132.31 reserve for capital improvements required under section 473.759, subdivision 3, for the later  
 132.32 of (i) the 30-year period beginning on the date of the original issuance of the latest-issued  
 132.33 series of bonds issued pursuant to subdivision 9, less those obligations that the county has

133.1 already paid, or (ii) the period extending through the final term of the agreement in section  
 133.2 473.759, subdivision 4, as the agreement may be modified or extended from time to time.

133.3 Sec. 12. Minnesota Statutes 2024, section 473.757, is amended by adding a subdivision  
 133.4 to read:

133.5 Subd. 12. **Termination of tax.** (a) The tax imposed under subdivision 10 expires 25  
 133.6 years after the tax is first imposed.

133.7 (b) The county's share of the reserve for capital improvements required under section  
 133.8 473.759, subdivision 3, applies until otherwise terminated, regardless of the termination of  
 133.9 the tax under paragraph (a).

133.10 Sec. 13. Minnesota Statutes 2024, section 473.759, subdivision 3, is amended to read:

133.11 **Subd. 3. Reserve for capital improvements.** The authority shall require that a reserve  
 133.12 fund for capital improvements to the ballpark and public infrastructure within the  
 133.13 development area be established and funded with annual payments of ~~\$2,000,000~~  
 133.14 \$15,526,000, with the team's share of those payments to be approximately ~~\$1,000,000~~  
 133.15 \$6,526,000, as determined by agreement of the team and county. The annual payments shall  
 133.16 increase according to an inflation index determined by the authority, ~~provided that any~~  
 133.17 ~~portion of the team's contribution that has already been reduced to present value shall not~~  
 133.18 ~~increase according to an inflation index~~ county. The authority may accept contributions  
 133.19 from the county or other source for the portion of the funding not required to be provided  
 133.20 by the team.

133.21 Sec. 14. **EFFECTIVE DATE.**

133.22 Sections 1 to 13 are effective the day following final enactment.

133.23 **ARTICLE 10**

133.24 **MINERALS**

133.25 Section 1. Minnesota Statutes 2024, section 298.225, is amended to read:

133.26 **298.225 APPROPRIATION.**

133.27 Subdivision 1. **Guaranteed distribution.** (a) Except as provided under ~~paragraph~~  
 133.28 paragraphs (c) to (e), the distribution of the taconite production tax as provided in section  
 133.29 298.28, subdivisions 3 to 5, 6, ~~paragraph~~ paragraphs (b) and (c), 7, and 8, shall equal the  
 133.30 lesser of the following amounts:

134.1 (1) the amount distributed pursuant to this section and section 298.28, with respect to  
134.2 1983 production if the production for the year prior to the distribution year is no less than  
134.3 42,000,000 taxable tons. If the production is less than 42,000,000 taxable tons, the amount  
134.4 of the distributions shall be reduced proportionately at the rate of two percent for each  
134.5 1,000,000 tons, or part of 1,000,000 tons by which the production is less than 42,000,000  
134.6 tons; or

134.7 (2)(i) for the distributions made pursuant to section 298.28, subdivisions 4, paragraphs  
134.8 (b) and (c), and 6, paragraph (c), 31.2 percent of the amount distributed pursuant to this  
134.9 section and section 298.28, with respect to 1983 production;

134.10 (ii) for the distributions made pursuant to section 298.28, subdivision 5, paragraphs (b)  
134.11 and (d), 75 percent of the amount distributed pursuant to this section and section 298.28,  
134.12 with respect to 1983 production provided that the aid guarantee for distributions under  
134.13 section 298.28, subdivision 5, paragraph (b), shall be reduced by five cents per taxable ton  
134.14 for production years 2014 and thereafter.

134.15 (b) The distribution of the taconite production tax as provided in section 298.28,  
134.16 subdivision 2, shall equal the following amount:

134.17 (1) if the production for the year prior to the distribution year is at least 42,000,000  
134.18 taxable tons, the amount distributed pursuant to this section and section 298.28 with respect  
134.19 to 1999 production; or

134.20 (2) if the production for the year prior to the distribution year is less than 42,000,000  
134.21 taxable tons, the amount distributed pursuant to this section and section 298.28 with respect  
134.22 to 1999 production, reduced proportionately at the rate of two percent for each 1,000,000  
134.23 tons or part of 1,000,000 tons by which the production is less than 42,000,000 tons.

134.24 (c) The distribution of the taconite production tax under section 298.28, subdivision 3,  
134.25 paragraph (a), must equal the amount distributed under 298.28, with respect to 1983  
134.26 production.

134.27 (d) For the two years after the year in which Mesabi Metallics or its successor begins  
134.28 producing tonnage subject to the taxes under section 298.24, the distributions of the taconite  
134.29 production tax to each school district under section 298.28, subdivision 4, paragraph (b),  
134.30 clause (1), items (i) and (ii), must equal \$100,000, and the distribution of the taconite  
134.31 production tax under section 298.28, subdivision 4, paragraph (b), clause (1), item (iii),  
134.32 must equal the amount distributed under section 298.28, with respect to 2023 production.

135.1 (e) For the two years after the year in which Mesabi Metallics or its successor begins  
135.2 producing tonnage subject to the taxes under section 298.24, the distributions of the taconite  
135.3 production tax under section 298.28, subdivision 4, paragraph (b), clause (2), items (i) to  
135.4 (v), must equal the amounts distributed under section 298.28, with respect to 2023 production,  
135.5 and the distributions of the taconite production tax to each school district under section  
135.6 298.28, subdivision 4, paragraph (b), clause (2), item (vi), subitems (A) and (B), must equal  
135.7 \$150,000.

135.8 (f) For the two years after the year in which Mesabi Metallics or its successor begins  
135.9 producing tonnage subject to the taxes under section 298.24, the distribution of the taconite  
135.10 production tax under section 298.28, subdivision 11, paragraph (d), must equal 75 percent  
135.11 of the amount that each school district received under Minnesota Statutes 1978, section  
135.12 294.26, in calendar year 1977.

135.13 (g) For the two years after the year in which Mesabi Metallics or its successor begins  
135.14 producing tonnage subject to the taxes under section 298.24, the distributions of the taconite  
135.15 production tax to each of the city of Orr and the city of Winton under section 298.282,  
135.16 subdivision 1, paragraph (a), must equal \$25,000, and the distributions of the taconite  
135.17 production tax to each of the city of Cook and the city of Two Harbors under section 298.282,  
135.18 subdivision 1, paragraph (a), must equal \$75,000.

135.19 **Subd. 2. Funding guaranteed distribution level.** (a) The money necessary for funding  
135.20 the difference between the initial distribution made pursuant to section 298.28 and the  
135.21 amount guaranteed in subdivision 1, paragraphs (a) to (c), is appropriated in equal proportions  
135.22 from the initial current year distributions to the taconite environmental protection fund and  
135.23 to the Douglas J. Johnson economic protection trust pursuant to section 298.28. If the initial  
135.24 distributions to the taconite environmental protection fund and the Douglas J. Johnson  
135.25 economic protection trust are insufficient to fund the difference, the commissioner of Iron  
135.26 Range resources and rehabilitation shall make the payments of any remaining difference  
135.27 from the corpus of the taconite environmental protection fund and the corpus of the Douglas  
135.28 J. Johnson economic protection trust fund in equal proportions as directed by the  
135.29 commissioner of revenue.

135.30 (b) The money necessary for funding the difference between the initial distribution made  
135.31 pursuant to section 298.28 and the amount guaranteed in subdivision 1, paragraphs (d) to  
135.32 (g), is appropriated from the initial current year distribution to the Douglas J. Johnson  
135.33 economic protection trust pursuant to section 298.28. If the initial distribution to the Douglas  
135.34 J. Johnson economic protection trust is insufficient to fund the difference, the commissioner  
135.35 of Iron Range resources and rehabilitation shall make the payments of any remaining

136.1 difference from the corpus of the Douglas J. Johnson economic protection trust fund as  
136.2 directed by the commissioner of revenue.

136.3 (c) If a taconite producer ceases beneficiation operations permanently and is required  
136.4 by a special law to make bond payments for a school district, the Douglas J. Johnson  
136.5 economic protection trust fund shall assume the payments of the taconite producer if the  
136.6 producer ceases to make the needed payments. The commissioner of Iron Range resources  
136.7 and rehabilitation shall make these school bond payments from the corpus of the Douglas  
136.8 J. Johnson economic protection trust fund in the amounts certified by the commissioner of  
136.9 revenue.

136.10 Sec. 2. Minnesota Statutes 2024, section 298.227, is amended to read:

136.11 **298.227 TACONITE ECONOMIC DEVELOPMENT FUND.**

136.12 (a) Except as provided in paragraph (b), an amount equal to that distributed pursuant to  
136.13 each taconite producer's taxable production and qualifying sales under section 298.28,  
136.14 subdivision 9a, shall be held by the commissioner of Iron Range resources and rehabilitation  
136.15 in a separate taconite economic development fund for each taconite and direct reduced ore  
136.16 producer. Money from the fund for each producer shall be released by the commissioner  
136.17 after review by a joint committee consisting of an equal number of representatives of the  
136.18 salaried employees and the nonsalaried production and maintenance employees of that  
136.19 producer. The District 11 director of the United States Steelworkers of America, on advice  
136.20 of each local employee president, shall select the employee members. In nonorganized  
136.21 operations, the employee committee shall be elected by the nonsalaried production and  
136.22 maintenance employees. The review must be completed no later than six months after the  
136.23 producer presents a proposal for expenditure of the funds to the committee. The funds held  
136.24 pursuant to this section may be released only for workforce development, concurrent  
136.25 reclamation, plant and stationary mining equipment, facilities for the producer, or for research  
136.26 and development in Minnesota on new mining, taconite, iron, or steel production technology,  
136.27 but only if the producer provides a matching expenditure equal to the amount of the  
136.28 distribution to be used for the same purpose. If a proposed expenditure is not approved by  
136.29 the commissioner, after consultation with the advisory board, the funds must be deposited  
136.30 in the taconite environmental protection fund under sections 298.222 to 298.225. If a taconite  
136.31 production facility is sold after operations at the facility had ceased, any money remaining  
136.32 in the fund for the former producer may be released to the purchaser of the facility on the  
136.33 terms otherwise applicable to the former producer under this section. If a producer fails to  
136.34 provide matching funds for a proposed expenditure within six months after the commissioner

137.1 approves release of the funds, the funds may be released by the commissioner for deposit  
137.2 in the taconite area environmental protection fund created in section 298.223. Any portion  
137.3 of the fund which is not released by the commissioner within one year of its deposit in the  
137.4 fund shall be distributed to the taconite environmental protection fund.

137.5 (b) Notwithstanding any provision to the contrary, a producer operating Mesabi Metallics  
137.6 or its successor may not receive a distribution under this section.

137.7 Sec. 3. Minnesota Statutes 2024, section 298.28, subdivision 2, is amended to read:

137.8 Subd. 2. **City or town where quarried or produced.** (a) 4.5 cents per gross ton of  
137.9 merchantable iron ore concentrate, hereinafter referred to as "taxable ton," produced by  
137.10 each producer except Mesabi Metallics or its successor, plus one cent per taxable ton  
137.11 produced in 2023 from the proceeds of the taxes collected under section 298.24 from Mesabi  
137.12 Metallics or its successor, plus the amount provided in paragraph (c), must be allocated to  
137.13 the city or town in the county in which the lands from which taconite was mined or quarried  
137.14 were located or within which the concentrate was produced. If the mining, quarrying, and  
137.15 concentration, or different steps in either thereof are carried on in more than one taxing  
137.16 district, the commissioner shall apportion equitably the proceeds of the part of the tax going  
137.17 to cities and towns among such subdivisions upon the basis of attributing 50 percent of the  
137.18 proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder  
137.19 to the concentrating plant and to the processes of concentration, and with respect to each  
137.20 thereof giving due consideration to the relative extent of such operations performed in each  
137.21 such taxing district. The commissioner's order making such apportionment shall be subject  
137.22 to review by the Tax Court at the instance of any of the interested taxing districts, in the  
137.23 same manner as other orders of the commissioner.

137.24 (b)(1) Four cents per taxable ton produced by each producer except Mesabi Metallics  
137.25 or its successor, and one cent per taxable ton produced in 2023 from the proceeds of the  
137.26 taxes collected under section 298.24 from Mesabi Metallics or its successor shall be allocated  
137.27 to cities and ~~organized~~ townships affected by mining because their boundaries are within  
137.28 three miles of a taconite mine pit that:

137.29 (i) was actively mined by LTV Steel Mining Company in 1999; or

137.30 (ii) has been actively mined in at least one of the prior three years.

137.31 (2) If a city or town is located near more than one mine meeting the criteria under this  
137.32 paragraph, the city or town is eligible to receive aid calculated from only the mine producing  
137.33 the largest taxable tonnage. When more than one municipality qualifies for aid based on

138.1 one company's production, the aid must be apportioned among the municipalities in  
138.2 proportion to their populations. The amounts distributed under this paragraph to each  
138.3 ~~municipality~~ city and organized township must be used for infrastructure improvement  
138.4 projects. The amounts distributed under this paragraph to counties on behalf of each  
138.5 unorganized township must be used by the county for infrastructure improvement projects  
138.6 within the unorganized township.

138.7 (c) The amount that would have been computed for the current year under Minnesota  
138.8 Statutes 2008, section 126C.21, subdivision 4, for a school district shall be distributed to  
138.9 the cities and townships within the school district in the proportion that their taxable net tax  
138.10 capacity within the school district bears to the taxable net tax capacity of the school district  
138.11 for property taxes payable in the year prior to distribution.

138.12 Sec. 4. Minnesota Statutes 2024, section 298.28, subdivision 3, is amended to read:

138.13 Subd. 3. **Cities; towns.** (a) 12.5 cents per taxable ton, produced by each producer except  
138.14 Mesabi Metallics or its successor, plus two cents per taxable ton produced in 2023 from the  
138.15 proceeds of the taxes collected under section 298.24 from Mesabi Metallics or its successor,  
138.16 less any amount distributed under subdivision 8, and paragraph (b), must be allocated to  
138.17 the taconite municipal aid account to be distributed as provided in section 298.282. The  
138.18 amount allocated to the taconite municipal aid account must be annually increased in the  
138.19 same proportion as the increase in the implicit price deflator as provided in section 298.24,  
138.20 subdivision 1.

138.21 (b) An amount must be allocated to towns or cities that is annually certified by the county  
138.22 auditor of a county containing a taconite tax relief area as defined in section 273.134,  
138.23 paragraph (b), within which there is (1) an organized township if, as of January 2, 1982,  
138.24 more than 75 percent of the assessed valuation of the township consists of iron ore or (2) a  
138.25 city if, as of January 2, 1980, more than 75 percent of the assessed valuation of the city  
138.26 consists of iron ore.

138.27 (c) The amount allocated under paragraph (b) will be the portion of a township's or city's  
138.28 certified levy equal to the proportion of (1) the difference between 50 percent of January  
138.29 2, 1982, assessed value in the case of a township and 50 percent of the January 2, 1980,  
138.30 assessed value in the case of a city and its current assessed value to (2) the sum of its current  
138.31 assessed value plus the difference determined in (1), provided that the amount distributed  
138.32 shall not exceed \$55 per capita in the case of a township or \$75 per capita in the case of a  
138.33 city. For purposes of this limitation, population will be determined according to the 1980  
138.34 decennial census conducted by the United States Bureau of the Census. If the current assessed

139.1 value of the township exceeds 50 percent of the township's January 2, 1982, assessed value,  
 139.2 or if the current assessed value of the city exceeds 50 percent of the city's January 2, 1980,  
 139.3 assessed value, this paragraph shall not apply. For purposes of this paragraph, "assessed  
 139.4 value," when used in reference to years other than 1980 or 1982, means the appropriate net  
 139.5 tax capacities multiplied by 10.2.

139.6 (d) In addition to other distributions under this subdivision, three cents per taxable ton  
 139.7 for distributions in 2009 must be allocated for distribution to towns that are entirely located  
 139.8 within the taconite tax relief area defined in section 273.134, paragraph (b). For distribution  
 139.9 in 2010 through 2014 and for distribution in 2018 and subsequent years, the three-cent  
 139.10 amount must be annually increased in the same proportion as the increase in the implicit  
 139.11 price deflator as provided in section 298.24, subdivision 1. The amount available under this  
 139.12 paragraph will be distributed to eligible towns on a per capita basis, provided that no town  
 139.13 may receive more than ~~\$50,000~~ \$70,000 in any year under this paragraph. Any amount of  
 139.14 the distribution that exceeds the ~~\$50,000~~ \$70,000 limitation for a town under this paragraph  
 139.15 must be redistributed on a per capita basis among the other eligible towns, to whose  
 139.16 distributions do not exceed ~~\$50,000~~ \$70,000.

139.17 Sec. 5. Minnesota Statutes 2024, section 298.28, subdivision 4, is amended to read:

139.18 Subd. 4. **School districts.** (a) 32.15 cents per taxable ton, produced by each producer  
 139.19 except Mesabi Metallics or its successor, plus 32.72 cents per taxable ton produced by  
 139.20 Mesabi Metallics or its successor, plus 4.57 cents per taxable ton produced in 2023 from  
 139.21 the proceeds of the taxes collected under section 298.24 from Mesabi Metallics or its  
 139.22 successor, plus \$300,000 from the proceeds of the taxes collected under section 298.24 from  
 139.23 Mesabi Metallics or its successor, plus the increase provided in paragraph (b), clause (3),  
 139.24 plus the increase provided in paragraph (d), less the amount that would have been computed  
 139.25 under Minnesota Statutes 2008, section 126C.21, subdivision 4, for the current year for that  
 139.26 district, must be allocated to qualifying school districts to be distributed, based upon the  
 139.27 certification of the commissioner of revenue, under paragraphs (b), (c), and (f).

139.28 (b)(i) (1) 3.43 cents per taxable ton produced by each producer except Mesabi Metallics  
 139.29 or its successor, and 4.57 cents per taxable ton produced in 2023 from the proceeds of the  
 139.30 taxes collected under section 298.24 from Mesabi Metallics or its successor must be  
 139.31 distributed to the school districts in which the lands from which taconite was mined or  
 139.32 quarried were located or within which the concentrate was produced. as follows:

139.33 (i) \$100,000 from the proceeds of Mesabi Metallics or its successor to Independent  
 139.34 School District No. 695, Chisholm, or its successor district;

140.1 (ii) \$100,000 from the proceeds of Mesabi Metallics or its successor to Independent  
 140.2 School District No. 696, Ely, or its successor district; and

140.3 ~~The distribution must be~~ (iii) the remainder to school districts in which the lands from  
 140.4 which taconite was mined or quarried were located or within which the concentrate was  
 140.5 produced, based on the apportionment formula prescribed in subdivision 2.

140.6 ~~(ii) (2)~~ Four cents per taxable ton from each taconite facility produced by each producer  
 140.7 except Mesabi Metallics or its successor, plus eight cents per taxable ton produced by Mesabi  
 140.8 Metallics or its successor, plus \$300,000 from the proceeds of the taxes collected under  
 140.9 section 298.24 from Mesabi Metallics or its successor must be distributed to each affected  
 140.10 school district for deposit in a fund dedicated to building maintenance and repairs, as follows:

140.11 ~~(1)~~ (i) proceeds from Keewatin Taconite or its successor are distributed to Independent  
 140.12 School Districts Nos. 316, Coleraine, and 319, Nashwauk-Keewatin, or their successor  
 140.13 districts;

140.14 ~~(2)~~ (ii) proceeds from the Hibbing Taconite Company or its successor are distributed to  
 140.15 Independent School Districts Nos. 695, Chisholm, and 701, Hibbing, or their successor  
 140.16 districts;

140.17 ~~(3)~~ (iii) proceeds from the Mittal Steel Company and Minntac or their successors are  
 140.18 distributed to Independent School Districts Nos. 712, Mountain Iron-Buhl, ~~706, Virginia,~~  
 140.19 2711, Mesabi East, and ~~2154, Eveleth-Gilbert~~ 2909, Rock Ridge, or their successor districts;

140.20 ~~(4)~~ (iv) proceeds from the Northshore Mining Company or its successor are distributed  
 140.21 to Independent School Districts Nos. 2142, St. Louis County, and 381, Lake Superior, or  
 140.22 their successor districts; and

140.23 ~~(5)~~ (v) proceeds from United Taconite or its successor are distributed to Independent  
 140.24 School Districts Nos. 2142, St. Louis County, and ~~2154, Eveleth-Gilbert~~ 2909, Rock Ridge,  
 140.25 or their successor districts; and

140.26 (vi) proceeds from Mesabi Metallics or its successor are distributed as follows:

140.27 (A) \$150,000 to Independent School District No. 318, Grand Rapids, or its successor  
 140.28 district;

140.29 (B) \$150,000 to Independent School District No. 696, Ely, or its successor district; and

140.30 (C) eight cents per taxable ton to Independent School District Nos. 316, Greenway, and  
 140.31 319, Nashwauk-Keewatin, or their successor districts.

141.1 Revenues that are required to be distributed to more than one district shall be apportioned  
141.2 according to the number of pupil units identified in section 126C.05, subdivision 1, enrolled  
141.3 in the second previous year.

141.4 (3) Each school district that received a distribution under clause (2) in distribution year  
141.5 2024 shall receive, from the proceeds of the taxes collected under section 298.24 from  
141.6 Mesabi Metallics or its successor, an additional four cents per taxable ton produced in 2023  
141.7 by the producer from which the school district received a distribution under clause (2) in  
141.8 distribution year 2024.

141.9 (c)~~(i)~~ (1) 24.72 cents per taxable ton, less any amount distributed under paragraph (e),  
141.10 shall be distributed to a group of school districts comprised of those school districts which  
141.11 qualify as a tax relief area under section 273.134, paragraph (b), or in which there is a  
141.12 qualifying municipality as defined by section 273.134, paragraph (a), in direct proportion  
141.13 to school district indexes as follows: for each school district, its pupil units determined  
141.14 under section 126C.05 for the prior school year shall be multiplied by the ratio of the average  
141.15 adjusted net tax capacity per pupil unit for school districts receiving aid under this clause  
141.16 as calculated pursuant to chapters 122A, 126C, and 127A for the school year ending prior  
141.17 to distribution to the adjusted net tax capacity per pupil unit of the district. Each district  
141.18 shall receive that portion of the distribution which its index bears to the sum of the indices  
141.19 for all school districts that receive the distributions.

141.20 ~~(ii)~~ (2) Notwithstanding clause ~~(i)~~ (1), each school district that receives a distribution  
141.21 under sections 298.018; 298.24; and 298.25 to 298.28, exclusive of any amount received  
141.22 under this clause; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a  
141.23 tax on severed mineral values after reduction for any portion distributed to cities and towns  
141.24 under section 126C.48, subdivision 8, paragraph (5), that is less than the amount of its levy  
141.25 reduction under section 126C.48, subdivision 8, for the second year prior to the year of the  
141.26 distribution shall receive a distribution equal to the difference; the amount necessary to  
141.27 make this payment shall be derived from proportionate reductions in the initial distribution  
141.28 to other school districts under clause ~~(i)~~ (1). If there are insufficient tax proceeds to make  
141.29 the distribution provided under this paragraph in any year, money must be transferred from  
141.30 the taconite property tax relief account in subdivision 6, to the extent of the shortfall in the  
141.31 distribution.

141.32 (d)(1) Any school district described in paragraph (c) where a levy increase pursuant to  
141.33 section 126C.17, subdivision 9, was authorized by referendum for taxes payable in 2001,  
141.34 shall receive a distribution of 21.3 cents per taxable ton. Each district shall receive \$175  
141.35 times the pupil units identified in section 126C.05, subdivision 1, enrolled in the second

142.1 previous year or the 1983-1984 school year, whichever is greater, less the product of 1.8  
142.2 percent times the district's taxable net tax capacity in 2011.

142.3 (2) Districts qualifying under paragraph (c) must receive additional taconite aid each  
142.4 year equal to 22.5 percent of the amount obtained by subtracting:

142.5 (i) 1.8 percent of the district's net tax capacity for 2011, from:

142.6 (ii) the district's weighted average daily membership for fiscal year 2012, multiplied by  
142.7 the sum of:

142.8 (A) \$415, plus

142.9 (B) the district's referendum revenue allowance for fiscal year 2013.

142.10 If the total amount provided by paragraph (d) is insufficient to make the payments herein  
142.11 required then the entitlement of \$175 per pupil unit shall be reduced uniformly so as not to  
142.12 exceed the funds available. Any amounts received by a qualifying school district in any  
142.13 fiscal year pursuant to paragraph (d) shall not be applied to reduce general education aid  
142.14 which the district receives pursuant to section 126C.13 or the permissible levies of the  
142.15 district. Any amount remaining after the payments provided in this paragraph shall be paid  
142.16 to the commissioner of Iron Range resources and rehabilitation who shall deposit the same  
142.17 in the taconite environmental protection fund and the Douglas J. Johnson economic protection  
142.18 trust fund as provided in subdivision 11.

142.19 Each district receiving money according to this paragraph shall reserve the lesser of the  
142.20 amount received under this paragraph or \$25 times the number of pupil units served in the  
142.21 district. It may use the money for early childhood programs.

142.22 (e) There shall be distributed to any school district the amount which the school district  
142.23 was entitled to receive under section 298.32 in 1975.

142.24 (f) Four cents per taxable ton must be distributed to qualifying school districts according  
142.25 to the distribution specified in paragraph (b), clause ~~(ii)~~ (2), and 11 cents per taxable ton  
142.26 must be distributed according to the distribution specified in paragraph (c). These amounts  
142.27 are not subject to section 126C.48, subdivision 8.

142.28 Sec. 6. Minnesota Statutes 2024, section 298.28, subdivision 7a, is amended to read:

142.29 Subd. 7a. **Iron Range schools and community development account.** (a) The following  
142.30 amounts must be allocated to the commissioner of Iron Range resources and rehabilitation  
142.31 to be deposited in the Iron Range schools and community development account that is  
142.32 hereby created:

143.1 (1)(i) for distributions in 2024 through 2032, 24 cents per taxable ton of the tax imposed  
143.2 under section 298.24, (ii) for distributions beginning in 2033, ten cents per taxable ton of  
143.3 the tax imposed under section 298.24;

143.4 (2) the amount as determined under section 298.17, paragraph (b), clause (3); ~~and~~

143.5 (3) for distributions in the year after the year in which Mesabi Metallics or its successor  
143.6 begins producing tonnage subject to the taxes under section 298.24 through 2050, 20 cents  
143.7 per taxable ton produced by Mesabi Metallics or its successor, provided that the allocation  
143.8 under this clause must only be used for projects within Independent School District No.  
143.9 316, Greenway, that are approved by referendum within five years of the date Mesabi  
143.10 Metallics or its successor begins producing tonnage subject to the taxes under section 298.24,  
143.11 and that are approved by the commissioner of Iron Range resources and rehabilitation after  
143.12 review by the Iron Range Resources and Rehabilitation Advisory Board. If projects are not  
143.13 approved by referendum within five years of the date Mesabi Metallics or its successor  
143.14 begins producing tonnage subject to the taxes under section 298.24, or if the commissioner  
143.15 determines that the allocation exceeds the amount necessary for approved projects, the  
143.16 remainder of the allocation under this clause must be used as provided under paragraph (b);  
143.17 and

143.18 (4) any other amount as provided by law.

143.19 (b) Expenditures from this account, except as provided in paragraph (a), clause (3), may  
143.20 be approved as ongoing annual expenditures and shall be made only to provide for  
143.21 disbursements to assist school districts with the payment of bonds that were issued for  
143.22 qualified school projects, or for any other disbursements to school disbursement as approved  
143.23 by the commissioner of Iron Range resources and rehabilitation after consultation with the  
143.24 Iron Range Resources and Rehabilitation Board districts, or community development. For  
143.25 purposes of this section, "qualified school projects" means school projects within the taconite  
143.26 assistance area as defined in section 273.1341, that were (1) approved, by referendum, after  
143.27 April 3, 2006; and (2) approved by the commissioner of education pursuant to section  
143.28 123B.71.

143.29 (c) Beginning in fiscal year 2019, the disbursement to school districts for payments for  
143.30 bonds issued under section 123A.482, subdivision 9, must be increased each year to offset  
143.31 any reduction in debt service equalization aid that the school district qualifies for in that  
143.32 year, under section 123B.53, subdivision 6, compared with the amount the school district  
143.33 qualified for in fiscal year 2018.

144.1 (d) No expenditure under this section shall be made unless approved by the commissioner  
144.2 of Iron Range resources and rehabilitation after consultation with the Iron Range Resources  
144.3 and Rehabilitation Advisory Board.

144.4 Sec. 7. Minnesota Statutes 2024, section 298.28, subdivision 8, is amended to read:

144.5 Subd. 8. **Range Association of Municipalities and Schools.** 0.50 cent per taxable ton  
144.6 produced by each producer except Mesabi Metallics or its successor shall be paid to the  
144.7 Range Association of Municipalities and Schools, for the purpose of providing an areawide  
144.8 approach to problems which demand coordinated and cooperative actions and which are  
144.9 common to those areas of northeast Minnesota affected by operations involved in mining  
144.10 iron ore and taconite and producing concentrate therefrom, and for the purpose of promoting  
144.11 the general welfare and economic development of the cities, towns, and school districts  
144.12 within the Iron Range area of northeast Minnesota.

144.13 Sec. 8. Minnesota Statutes 2024, section 298.28, subdivision 9a, is amended to read:

144.14 Subd. 9a. **Taconite economic development fund.** (a) 25.1 cents per taxable ton ~~for~~  
144.15 ~~distributions in 2002 and thereafter~~ produced by each producer except Mesabi Metallics or  
144.16 its successor must be paid to the taconite economic development fund. No distribution shall  
144.17 be made under this paragraph in ~~2004~~ 2027 or any subsequent year in which total industry  
144.18 production in the preceding year, excluding production by MagIron or its successor at Plant  
144.19 4 in Arbo Township and production by Mesabi Metallics or its successor, falls below 30  
144.20 million tons. Distribution shall only be made to a Minnesota taconite pellet producer's fund  
144.21 under section 298.227 if the producer timely pays its tax under section 298.24 by the dates  
144.22 provided under section 298.27, or pursuant to the due dates provided by an administrative  
144.23 agreement with the commissioner.

144.24 (b) An amount equal to 50 percent of the ~~tax~~ taxes collected under section 298.24 from  
144.25 each producer except Mesabi Metallics or its successor for concentrate sold in the form of  
144.26 pellet chips and fines not exceeding 5/16 inch in size and not including crushed pellets shall  
144.27 be paid to the taconite economic development fund. The amount paid shall not exceed  
144.28 \$700,000 annually for all Minnesota taconite pellet producers. If the initial amount to be  
144.29 paid to the fund exceeds this amount, each Minnesota taconite pellet producer's payment  
144.30 shall be prorated so the total does not exceed \$700,000.

145.1 Sec. 9. Minnesota Statutes 2024, section 298.28, subdivision 9b, is amended to read:

145.2 Subd. 9b. **Taconite environmental fund.** Five cents per taxable ton must be paid to the  
145.3 taconite environmental fund for use under section 298.2961, subdivision 4.

145.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

145.5 Sec. 10. Minnesota Statutes 2024, section 298.28, is amended by adding a subdivision to  
145.6 read:

145.7 Subd. 10a. **Insufficient proceeds.** If the proceeds of the taxes collected under section  
145.8 298.24 from Mesabi Metallics or its successor are insufficient to fund the allocations  
145.9 designated from those proceeds under this section, the allocations designated from those  
145.10 proceeds that are not calculated based on taxable tonnage produced by Mesabi Metallics or  
145.11 its successor must be proportionally decreased such that the proceeds of the taxes collected  
145.12 under section 298.24 from Mesabi Metallics or its successor are sufficient to fund the  
145.13 allocations designated from those proceeds under this section.

145.14 Sec. 11. Minnesota Statutes 2024, section 298.28, subdivision 11, is amended to read:

145.15 Subd. 11. **Remainder.** (a) The proceeds of the tax imposed by section 298.24 which  
145.16 remain after the distributions and payments in subdivisions 2 to ~~10~~10, as certified by the  
145.17 commissioner of revenue, and paragraphs (b), (c), and (d) have been made, together with  
145.18 interest earned on all money distributed under this section prior to distribution, shall be  
145.19 divided between the taconite environmental protection fund created in section 298.223 and  
145.20 the Douglas J. Johnson economic protection trust fund created in section 298.292 as follows:  
145.21 Two-thirds to the taconite environmental protection fund and one-third to the Douglas J.  
145.22 Johnson economic protection trust fund. The proceeds shall be placed in the respective  
145.23 special accounts.

145.24 (b) There shall be distributed to each city, town, and county the amount that it received  
145.25 under Minnesota Statutes 1978, section 294.26, in calendar year 1977; provided, however,  
145.26 that (1) the amount distributed in 1981 to the unorganized territory number 2 of Lake County  
145.27 and the town of Beaver Bay based on the between-terminal trackage of Erie Mining Company  
145.28 will be distributed in 1982 and subsequent years to the unorganized territory number 2 of  
145.29 Lake County and the towns of Beaver Bay and Stony River based on the miles of track of  
145.30 Erie Mining Company in each taxing district; and (2) a city located within six miles of five  
145.31 other cities qualifying for a distribution under section 298.282 shall receive a distribution  
145.32 equal to \$5,000 under this paragraph in calendar year 2020 and subsequent years. The  
145.33 distribution to all other cities and towns receiving a distribution under this paragraph shall

146.1 be reduced by the ratio that \$5,000 bears to the total aid distribution received by all cities  
146.2 and towns under this paragraph.

146.3 (c) There shall be distributed to the Iron Range resources and rehabilitation account the  
146.4 amounts it received in 1977 under Minnesota Statutes 1978, section 298.22. The amount  
146.5 distributed under this paragraph shall be expended within or for the benefit of the taconite  
146.6 assistance area defined in section 273.1341.

146.7 (d) There shall be distributed to each school district ~~62~~ 75 percent of the amount that it  
146.8 received under Minnesota Statutes 1978, section 294.26, in calendar year 1977.

146.9 Sec. 12. Minnesota Statutes 2024, section 298.282, subdivision 1, is amended to read:

146.10 Subdivision 1. **Distribution of taconite municipal aid account.** (a) The amount  
146.11 deposited with the county as provided in section 298.28, subdivision 3, must be distributed  
146.12 as provided by this section among: (1) the municipalities located within a taconite assistance  
146.13 area under section 273.1341 that meet the criteria of section 273.1341, clause (1) or (2); (2)  
146.14 a township that contains a state park consisting primarily of an underground iron ore mine;  
146.15 (3) a city located within five miles of that state park; (4) the city of Cook in St. Louis County;  
146.16 (5) the city of Two Harbors in Lake County; (6) the city of Orr in St. Louis County; (7) the  
146.17 city of Winton in St. Louis County; and ~~(4)~~ (8) Breitung Township in St. Louis County,  
146.18 each being referred to in this section as a qualifying municipality. ~~The distribution to~~  
146.19 distributions to each of the city of Orr, the city of Winton, and Breitung Township under  
146.20 this subdivision shall be \$25,000 annually. The distributions to each of the city of Cook and  
146.21 the city of Two Harbors under this subdivision shall be \$75,000 annually.

146.22 (b) The amount deposited in the state general fund as provided in section 298.018,  
146.23 subdivision 1, must be distributed in the same manner as provided under paragraph (a),  
146.24 except that subdivisions 3, 4, and 5 do not apply, and the distributions shall be made on the  
146.25 dates provided under section 298.018, subdivision 1a.

146.26 Sec. 13. **EFFECTIVE DATE; REVISOR NOTIFICATION.**

146.27 (a) Sections 1 to 8 and 10 to 12 are effective for distributions in the year after the year  
146.28 in which Mesabi Metallics or its successor begins producing tonnage subject to the taxes  
146.29 under Minnesota Statutes, section 298.24, and thereafter. The commissioner of revenue  
146.30 must certify to the commissioner of Iron Range resources and rehabilitation when production  
146.31 begins.

147.1 (b) The commissioner of revenue must notify the revisor of statutes within 30 days of  
147.2 the certification under paragraph (a).

147.3 **ARTICLE 11**  
147.4 **MISCELLANEOUS**

147.5 Section 1. **[116J.8753] SPORTS AND EVENTS REIMBURSEMENT PROGRAM.**

147.6 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
147.7 the meanings given.

147.8 (b) "Account" means the sports and events reimbursement program account.

147.9 (c) "Event" means any of the following and includes any activity related to or associated  
147.10 with the following:

147.11 (1) Amateur Athletic Union Junior Olympic Games;

147.12 (2) Big Ten football, men's or women's basketball, volleyball, wrestling, or other  
147.13 conference tournament;

147.14 (3) Bowl Season;

147.15 (4) College Football Playoff;

147.16 (5) Confederation of North, Central America, and Caribbean Association Football  
147.17 (CONCACAF) Gold Cup or other matches;

147.18 (6) Confederation Sudamericana de Football (CONMEBOL) Copa America;

147.19 (7) CrossFit Games;

147.20 (8) Federation of Gay Games;

147.21 (9) Formula 1 United States Grand Prix;

147.22 (10) International Ice Hockey Federation (IIHF) World Juniors, Men's, Women's, or any  
147.23 tournament sanctioned by USA hockey or the IIHF;

147.24 (11) International Skating Union (ISU) Worlds;

147.25 (12) International Soccer Match;

147.26 (13) Laver Cup;

147.27 (14) Major League Baseball All-Star Game;

147.28 (15) Major League Soccer All-Star Game or other special events or matches;

- 148.1 (16) National Basketball Association All-Star Game, Cup, or Draft;
- 148.2 (17) National Collegiate Athletic Association's (NCAA) Men's or Women's Final Four
- 148.3 or preliminary round basketball tournament, Men's or Women's Frozen Four, Volleyball
- 148.4 Championship, Wrestling Championship, Gymnastics Championship, or any sanctioned
- 148.5 NCAA championship;
- 148.6 (18) National Football League Draft, Super Bowl, or combine;
- 148.7 (19) National Hockey League All-Star Game, Draft, Four Nations, Stadium Series,
- 148.8 Winter Classic, or World Cup of Hockey;
- 148.9 (20) Rugby World Cup Men's or Women's;
- 148.10 (21) Ultimate Fighting Championship;
- 148.11 (22) United States Figure Skating Championship;
- 148.12 (23) Unrivaled Event;
- 148.13 (24) United States Olympic Team Trials in gymnastics, swimming, and wrestling,
- 148.14 sanctioned by the national governing body, recognized by the United States Olympic
- 148.15 Committee;
- 148.16 (25) Women's National Basketball Association All-Star Game or Draft;
- 148.17 (26) World Cup Soccer Matches for Men's or Women's;
- 148.18 (27) World Wrestling Entertainment Summer Slam, Royal Rumbles, Survivor Series,
- 148.19 WrestleMania, TKO Takeover Weekend, or other premium live event;
- 148.20 (28) X Games;
- 148.21 (29) Professional Golfers' Association (PGA) of America championship-level events
- 148.22 for Men's or Women's; or
- 148.23 (30) any event certified by the commissioner of revenue that:
- 148.24 (i) will include at least 15,000 participants and spectators;
- 148.25 (ii) the site selection organization is considering whether to host in a state other than
- 148.26 Minnesota; and
- 148.27 (iii) is not held more than one time in any year.
- 148.28 (d) "Program" means the sports and events reimbursement program.

149.1 (e) "Local organizing committee" means a body with a demonstrated track record of  
149.2 attracting high-profile events to Minnesota that is responsible for the promotion and execution  
149.3 of an event.

149.4 (f) "Site selection organization" means an organization that has the ability to enter into  
149.5 a contract for an event listed in paragraph (c) with a local organizing committee.

149.6 Subd. 2. **Sports and events reimbursement program account.** The sports and events  
149.7 reimbursement program account is created in the special revenue fund in the state treasury.  
149.8 Except as otherwise appropriated by law, money in the account is appropriated to the  
149.9 commissioner of revenue for the purposes of this section. All money earned by the account  
149.10 must be credited to the account and remain available until expended.

149.11 Subd. 3. **Events eligible for funding.** (a) Only an event listed in subdivision 1, paragraph  
149.12 (c), is eligible for funding under this section.

149.13 (b) A listed event may receive funding through the program only if:

149.14 (1) a site selection organization, after considering one or more sites not in this state,  
149.15 selects a site in this state for the event to be held:

149.16 (i) one time; or

149.17 (ii) if the event is scheduled under an event contract or event support contract to be held  
149.18 each year for a period of years, one time in each year;

149.19 (2) a site selection organization selects a site in this state as:

149.20 (i) the sole site for the event; or

149.21 (ii) the sole site for the event in a region composed of this state and one or more adjoining  
149.22 states; and

149.23 (3) the event is held not more than one time in any year.

149.24 Subd. 4. **Administration of program.** (a) Prior to any determination under section  
149.25 270C.45, subdivision 2, a local organizing committee must submit an application to the  
149.26 commissioner of revenue. Applications must be submitted in the form and manner provided  
149.27 by the commissioner of revenue but must include:

149.28 (1) a certification that the event meets the eligibility requirements for funding under  
149.29 subdivision 3 and all other funding requirements under this section; and

149.30 (2) documentation from a site selection organization selecting the site for the event.

150.1 (b) The commissioner must conduct due diligence in administering the program, including  
150.2 contracting with professionals as needed to assist in the due diligence.

150.3 Subd. 5. **Allowable expenses.** Money in the account may be used to fulfill obligations  
150.4 of the state to a local organizing committee under an event contract including the payment  
150.5 of:

150.6 (1) the costs relating to the preparations necessary or desirable for conducting the event;  
150.7 and

150.8 (2) the costs of conducting the event, including the costs of an improvement or renovation  
150.9 to an existing facility and the costs of the acquisition or construction of a new facility or  
150.10 other facility.

150.11 Subd. 6. **Rulemaking.** The commissioner of revenue may adopt rules necessary to  
150.12 implement this section.

150.13 Subd. 7. **Reporting.** (a) A local organizing committee must provide the following  
150.14 information to the commissioner of revenue:

150.15 (1) annual audited statements of any financial records required by a site selection  
150.16 organization; and

150.17 (2) data obtained by the local organizing committee relating to:

150.18 (i) attendance at the event, including an estimate of the number of people expected to  
150.19 attend the event who are not residents of Minnesota; and

150.20 (ii) the economic impact of the event.

150.21 (b) A local organizing committee must provide an annual audited financial statement  
150.22 required by the commissioner of revenue no later than the end of the fourth month after the  
150.23 last day of the period covered by the financial statement.

150.24 (c) After the conclusion of an event, a local organizing committee must provide  
150.25 information about the event, such as attendance figures, including an estimate of the number  
150.26 of people who attended the event who are not residents of Minnesota, financial information,  
150.27 or other public information held by the committee as requested by the commissioner of  
150.28 revenue.

150.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

151.1 Sec. 2. Minnesota Statutes 2024, section 168E.09, is amended by adding a subdivision to  
151.2 read:

151.3 Subd. 1a. **Deposit of revenues; sports and events reimbursement program**  
151.4 **account.** After deposits under subdivision 1, the commissioner must deposit the share of  
151.5 revenues of the taxes imposed under this chapter that are directly attributable to an event  
151.6 in the amount determined under section 270C.45 to the sports and events reimbursement  
151.7 program account.

151.8 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
151.9 purchases made after the day following final enactment.

151.10 Sec. 3. Minnesota Statutes 2024, section 168E.09, subdivision 2, is amended to read:

151.11 Subd. 2. **Deposits.** After deposits under ~~subdivision~~ subdivisions 1 and 1a, the  
151.12 commissioner must deposit the balance of proceeds from the retail delivery fee in the  
151.13 transportation advancement account under section 174.49.

151.14 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
151.15 purchases made after the day following final enactment.

151.16 Sec. 4. Minnesota Statutes 2024, section 270C.07, is amended to read:

151.17 **270C.07 REVENUE ~~NOTICES~~ RULINGS.**

151.18 Subdivision 1. **Authority.** The commissioner may make, adopt, and publish interpretive  
151.19 revenue ~~notices~~ rulings. A "revenue ~~notice~~ ruling" is a policy statement that has been  
151.20 published pursuant to subdivision 5 and that provides interpretation, details, or supplementary  
151.21 information concerning the application of state revenue laws or rules promulgated by the  
151.22 commissioner. Revenue ~~notices~~ rulings are published for the information and guidance of  
151.23 taxpayers, local government officials, the department, and others concerned.

151.24 Subd. 2. **Effect.** Revenue ~~notices~~ rulings do not have the force and effect of law and  
151.25 have no precedential effect, but may be relied on by taxpayers unless and until revoked or  
151.26 modified. ~~A notice may be expressly revoked or modified by the commissioner, by the~~  
151.27 ~~issuance of a revenue notice, but may not be revoked or modified retroactively to the~~  
151.28 ~~detriment of the taxpayers. A change in the law or an interpretation of the law occurring~~  
151.29 ~~after the revenue notice is issued, whether in the form of a statute, court decision,~~  
151.30 ~~administrative rule, or revenue notice, results in revocation or modification of the notice to~~  
151.31 ~~the extent that the change affects the notice.~~

152.1 Subd. 2a. **Revocation or modification.** A revenue ruling may be expressly revoked or  
152.2 modified by the commissioner, by the issuance of a revenue ruling, but may not be revoked  
152.3 or modified retroactively to the detriment of taxpayers. A change in the law or an  
152.4 interpretation of the law occurring after the revenue ruling is issued, whether in the form  
152.5 of a statute, court decision, administrative rule, or revenue ruling, results in revocation or  
152.6 modification of the ruling to the extent that the change affects the ruling.

152.7 Subd. 3. **Retroactivity.** Revenue ~~notices~~ rulings are generally interpretive of existing  
152.8 law and therefore are retroactive to the effective date of the applicable law provision unless  
152.9 otherwise stated in the ~~notice~~ ruling.

152.10 Subd. 4. **Issuance.** The issuance of revenue ~~notices~~ rulings is at the discretion of the  
152.11 commissioner. The commissioner shall establish procedures governing the issuance of  
152.12 revenue ~~notices~~ rulings and tax information bulletins. ~~At least one week before publication~~  
152.13 ~~of a revenue notice in the State Register, the commissioner shall provide a copy of the notice~~  
152.14 ~~to the chairs of the Taxes Committee of the house of representatives and the Taxes and Tax~~  
152.15 ~~Laws Committee of the senate.~~

152.16 Subd. 4a. **Request.** (a) Any person may submit a revenue ruling request to the  
152.17 commissioner. The request must contain the following:

152.18 (1) tax type;

152.19 (2) the name and characteristics of the taxpayer submitting the request;

152.20 (3) description of the issue to be addressed;

152.21 (4) information demonstrating the frequency of the issue;

152.22 (5) any supporting materials and documents that provide background information on  
152.23 the issue; and

152.24 (6) any other relevant information and documents identified by the commissioner.

152.25 (b) The commissioner must acknowledge all submitted requests within 21 days of receipt.  
152.26 The person making the request must provide additional information and documents as  
152.27 requested by the commissioner within 60 days of the request. Failure to timely provide the  
152.28 requested information and documents may result in the request being denied. Upon the  
152.29 commissioner's receipt of all requested additional information and documents, the person's  
152.30 request is considered complete.

152.31 (c) The commissioner must respond to all requests for revenue rulings either by issuance  
152.32 of a ruling or by letter explaining why the commissioner declined to issue a ruling. If the

153.1 commissioner declines the request, the commissioner shall provide the person making the  
153.2 request with a letter explaining the reasons for declining to do so within 45 days of receipt  
153.3 of the completed request. If the commissioner does not decline the completed request, the  
153.4 commissioner shall complete the revenue ruling and submit the revenue ruling for feedback  
153.5 under subdivision 5 within 210 days of the commissioner's receipt of the completed request.

153.6 (d) The commissioner's revenue rulings, decisions to decline to issue revenue rulings,  
153.7 and other determinations made under this section may not be appealed.

153.8 Subd. 5. **Review and publication.** The commissioner shall seek feedback from the tax  
153.9 section of the Minnesota State Bar Association and the Minnesota Society of Certified  
153.10 Public Accountants prior to publication of a revenue ruling. The commissioner shall publish  
153.11 the revenue ~~notices~~ rulings in the State Register and in any other manner that makes them  
153.12 accessible to the general public. ~~The commissioner may charge a reasonable fee for~~  
153.13 ~~publications.~~ At least two weeks before publication of a revenue ruling in the State Register,  
153.14 the commissioner shall provide a copy of the ruling to the chairs and ranking minority  
153.15 members of the legislative committees with jurisdiction over taxes.

153.16 Subd. 6. **Confidentiality.** Prior to publication or other public dissemination, the  
153.17 commissioner shall redact certain information from a revenue ruling or proposed ruling,  
153.18 including the name and address of the taxpayer and taxpayer's representative.

153.19 Subd. 7. **Effect of determination.** A determination of any kind made by the commissioner  
153.20 pursuant to this section is not a rule and is not subject to the Administrative Procedure Act  
153.21 contained in chapter 14.

153.22 Subd. 8. **Legislative report.** (a) On or before January 31, 2028, and on or before January  
153.23 31 each year thereafter, the commissioner shall report in writing to the legislature the  
153.24 following information for the immediately preceding calendar year:

153.25 (1) the number of revenue ruling requests submitted and the number of those rulings  
153.26 subsequently issued;

153.27 (2) the tax types for which rulings were requested;

153.28 (3) the types and characteristics of taxpayers requesting rulings; and

153.29 (4) any other information that the commissioner considers relevant to legislative oversight  
153.30 of revenue rulings.

153.31 (b) The report must be filed as provided in sections 3.195 and 3.197 and copies must be  
153.32 provided to the chairs and ranking minority members of the legislative committees with  
153.33 jurisdiction over taxes.

154.1 **EFFECTIVE DATE.** This section is effective July 1, 2026, except that the first  
154.2 legislative report under subdivision 8 is due January 31, 2028.

154.3 Sec. 5. Minnesota Statutes 2024, section 270C.08, is amended to read:

154.4 **270C.08 TAX INFORMATION BULLETINS.**

154.5 The commissioner may issue tax information bulletins. "Tax information bulletins" are  
154.6 informational guides to enable taxpayers and local governmental officials to become more  
154.7 familiar with state revenue laws and their rights and responsibilities under these laws.  
154.8 Nothing contained in the tax information bulletins supersedes, alters, or otherwise changes  
154.9 any provisions of the state revenue laws, administrative rules, court decisions, or revenue  
154.10 ~~notices~~ rulings.

154.11 **EFFECTIVE DATE.** This section is effective July 1, 2026.

154.12 Sec. 6. Minnesota Statutes 2024, section 270C.085, is amended to read:

154.13 **270C.085 NOTIFICATION REQUIREMENTS; SALES AND USE TAXES.**

154.14 The commissioner of revenue shall establish a means of electronically notifying persons  
154.15 holding a sales tax permit under section 297A.84 of any statutory change in chapter 297A  
154.16 and any issuance or change in any administrative rule, revenue ~~notice~~ ruling, or sales tax  
154.17 fact sheet or other written information provided by the department explaining the  
154.18 interpretation or administration of the tax imposed under that chapter. The notification must  
154.19 indicate the basic subject of the statute, rule, fact sheet, or other material and provide an  
154.20 electronic link to the material. Any person holding a sales tax permit that provides an  
154.21 electronic address to the department must receive these notifications unless they specifically  
154.22 request electronically, or in writing, to be removed from the notification list. This requirement  
154.23 does not replace traditional means of notifying the general public or persons without access  
154.24 to electronic communications of changes in the sales tax law.

154.25 **EFFECTIVE DATE.** This section is effective July 1, 2026.

154.26 Sec. 7. **[270C.45] CALCULATION AND DEPOSIT OF REVENUES TO THE**  
154.27 **SPORTS AND EVENTS REIMBURSEMENT PROGRAM ACCOUNT.**

154.28 Subdivision 1. Definitions. (a) For purposes of this section, the following terms have  
154.29 the meanings given them.

154.30 (b) "Event" has the meaning given in section 116J.8753, subdivision 1, paragraph (c).

155.1 (c) "Local organizing committee" has the meaning given in section 116J.8753, subdivision  
155.2 1, paragraph (e).

155.3 (d) "Site selection organization" has the meaning given in section 116J.7853, subdivision  
155.4 1, paragraph (f).

155.5 (e) "University" means the University of Minnesota.

155.6 Subd. 2. **Determination of incremental increase in certain tax receipts.** (a) Following  
155.7 each event, a local organizing committee must request a determination of the incremental  
155.8 increase in tax revenues directly attributable to the event. The request must be submitted to  
155.9 the university in the form and manner prescribed by the university and the commissioner.

155.10 (b) Within ten days of the conclusion of an event, the university must commence an  
155.11 estimate of the incremental increase in tax revenues listed in paragraph (c) that the university  
155.12 determines are directly attributable to the preparation for and presentation of an event for  
155.13 a one-year period that begins two months before the date on which the event will begin.  
155.14 The university must use the information submitted by the local organizing committee under  
155.15 paragraph (a) for each event.

155.16 (c) Revenues from the following taxes must be included in the determination of  
155.17 incremental increase under paragraph (b):

155.18 (1) notwithstanding section 297A.62, subdivision 4, the tax imposed under section  
155.19 297A.62, subdivision 1;

155.20 (2) the taxes imposed under section 297A.64, subdivisions 1 and 2;

155.21 (3) the tax imposed under section 295.75;

155.22 (4) the tax imposed under section 295.81;

155.23 (5) the fee imposed under section 168E.03; and

155.24 (6) the taxes imposed under sections 290.02 and 290.03.

155.25 Subd. 3. **Deposit of revenues.** Within 30 days after the determination of incremental  
155.26 increase in the tax revenues under subdivision 2, paragraph (b), the commissioner must  
155.27 disburse the amount of the incremental increase to the local organizing committee for the  
155.28 purposes enumerated in section 116J.8753, subdivision 5. The commissioner of revenue  
155.29 must not make any disbursement to an entity other than the local organizing committee that  
155.30 requested a determination of incremental increase for an event under subdivision 2, paragraph  
155.31 (a).

155.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

156.1 Sec. 8. Minnesota Statutes 2024, section 289A.40, subdivision 1, is amended to read:

156.2 Subdivision 1. **Time limit; generally.** (a) Unless otherwise provided in this chapter, a  
156.3 claim for a refund of an overpayment of state tax must be filed within 3-1/2 years from the  
156.4 date prescribed for filing the return, plus any extension of time granted for filing the return,  
156.5 but only if filed within the extended time, or ~~one year from the date of an order assessing~~  
156.6 ~~tax under section 270C.33 or an order determining an appeal under section 270C.35,~~  
156.7 ~~subdivision 8, or one year from the date of a return made by the commissioner under section~~  
156.8 ~~270C.33, subdivision 3, upon payment in full of the tax, penalties, and interest shown on~~  
156.9 ~~the order or return made by the commissioner~~ two years from the date the tax, penalties, or  
156.10 interest was paid, whichever period expires later. Claims for refund, except for taxes under  
156.11 ~~chapter 297A, filed after the 3-1/2 year period but within the one-year period are limited to~~  
156.12 ~~the amount of the tax, penalties, and interest on the order or return made by the commissioner~~  
156.13 ~~and to issues determined by the order or return made by the commissioner.~~

156.14 ~~In the case of assessments under section 289A.38, subdivision 5 or 6, claims for refund~~  
156.15 ~~under chapter 297A filed after the 3-1/2 year period but within the one-year period are~~  
156.16 ~~limited to the amount of the tax, penalties, and interest on the order or return made by the~~  
156.17 ~~commissioner that are due for the period before the 3-1/2 year period.~~

156.18 (b) For purposes of this subdivision, the amount of a refund is limited as follows:

156.19 (1) if the claim was filed by the taxpayer during the 3-1/2 year period prescribed in  
156.20 paragraph (a), the refund must not exceed the tax, penalties, and interest paid within the  
156.21 period, immediately preceding the filing of the claim, equal to 3-1/2 years plus any extension  
156.22 of time granted for filing the return, but only if filed within the extended time;

156.23 (2) if the claim was not filed by the taxpayer within the 3-1/2 year period prescribed in  
156.24 paragraph (a), the refund must not exceed the tax, penalties, and interest paid during the  
156.25 two years immediately preceding the filing of the claim; and

156.26 (3) if no claim was filed by the taxpayer, the refund must not exceed the amount which  
156.27 would be allowable under clause (1) or (2), if the claim was filed on the date the refund is  
156.28 allowed.

156.29 (c) For purposes of this subdivision, the prepayment of tax made by withholding of tax  
156.30 at the source or payment of estimated tax before the due date is considered paid on the last  
156.31 day prescribed by law for the payment of the tax by the taxpayer. A return filed before the  
156.32 last day prescribed for filing the return is considered to be filed on the last day. If an extension  
156.33 for filing a return is granted, a return filed before the extended due date is considered to be  
156.34 filed on the extended due date.

157.1 **EFFECTIVE DATE.** This section is effective the day following final enactment and  
157.2 applies to claims for refund filed on or after that date.

157.3 Sec. 9. Minnesota Statutes 2024, section 290.62, is amended to read:

157.4 **290.62 DISTRIBUTION OF REVENUES.**

157.5 Subdivision 1. **Deposit of revenues; general fund; refunds.** Except as provided in  
157.6 subdivision 2, all revenues derived from the taxes, interest, penalties and charges under this  
157.7 chapter shall, notwithstanding any other provisions of law, be paid into the state treasury  
157.8 and credited to the general fund, and be distributed as follows:

157.9 (1) There shall, notwithstanding any other provision of the law, be paid from this general  
157.10 fund all refunds of taxes erroneously collected from taxpayers under this chapter as provided  
157.11 herein;

157.12 (2) There is hereby appropriated to the persons entitled to payment herein, from the fund  
157.13 or account in the state treasury to which the money was credited, an amount sufficient to  
157.14 make the refund and payment.

157.15 Subd. 2. **Deposit of revenues; sports and events reimbursement program.** The  
157.16 commissioner must deposit the share of revenues of the taxes imposed under this chapter  
157.17 that are directly attributable to an event in the amount determined under section 270C.45  
157.18 to the sports and events reimbursement program account.

157.19 **EFFECTIVE DATE.** This section is effective for revenues collected in taxable years  
157.20 beginning after the day following final enactment.

157.21 Sec. 10. Minnesota Statutes 2024, section 295.75, subdivision 11, is amended to read:

157.22 Subd. 11. **Deposit of revenues; sports and events reimbursement program**  
157.23 **account.** Except as provided in subdivision 11a, the commissioner shall deposit all revenues,  
157.24 including penalties and interest, derived from the tax imposed by this section in the general  
157.25 fund.

157.26 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
157.27 purchases made after the day following final enactment.

157.28 Sec. 11. Minnesota Statutes 2024, section 295.75, is amended by adding a subdivision to  
157.29 read:

157.30 Subd. 11a. **Deposit of revenues; sports and events reimbursement program**  
157.31 **account.** The commissioner must deposit the share of revenues of the taxes imposed under

158.1 this chapter that are directly attributable to an event in the amount determined under section  
158.2 270C.45 to the sports and events reimbursement program account.

158.3 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
158.4 purchases made after the day following final enactment.

158.5 Sec. 12. Minnesota Statutes 2025 Supplement, section 295.81, subdivision 10, is amended  
158.6 to read:

158.7 Subd. 10. **Deposit of revenues; account established.** Except as provided in subdivision  
158.8 10a, the commissioner must deposit the revenues, including penalties and interest, derived  
158.9 from the tax imposed by this section in the general fund.

158.10 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
158.11 purchases made after the day following final enactment.

158.12 Sec. 13. Minnesota Statutes 2024, section 295.81, is amended by adding a subdivision to  
158.13 read:

158.14 Subd. 10a. **Deposit of revenues; sports and events reimbursement program**  
158.15 **account.** The commissioner must deposit the share of revenues of the taxes imposed under  
158.16 this chapter that are directly attributable to an event in the amount determined under section  
158.17 270C.45 to the sports and events reimbursement program account.

158.18 **EFFECTIVE DATE.** This section is effective for revenues collected for sales and  
158.19 purchases made after the day following final enactment.

158.20 Sec. 14. Minnesota Statutes 2025 Supplement, section 297A.94, is amended to read:

158.21 **297A.94 DEPOSIT OF REVENUES.**

158.22 (a) Except as provided in this section, the commissioner shall deposit the revenues,  
158.23 including interest and penalties, derived from the taxes imposed by this chapter in the state  
158.24 treasury and credit them to the general fund.

158.25 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic  
158.26 account in the special revenue fund if:

158.27 (1) the taxes are derived from sales and use of property and services purchased for the  
158.28 construction and operation of an agricultural resource project; and

158.29 (2) the purchase was made on or after the date on which a conditional commitment was  
158.30 made for a loan guaranty for the project under section 41A.04, subdivision 3.

159.1 The commissioner of management and budget shall certify to the commissioner the date on  
159.2 which the project received the conditional commitment. The amount deposited in the loan  
159.3 guaranty account must be reduced by any refunds and by the costs incurred by the Department  
159.4 of Revenue to administer and enforce the assessment and collection of the taxes.

159.5 (c) The commissioner shall deposit the revenues, including interest and penalties, derived  
159.6 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,  
159.7 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

159.8 (1) first to the general obligation special tax bond debt service account in each fiscal  
159.9 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

159.10 (2) after the requirements of clause (1) have been met, the balance to the general fund.

159.11 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit  
159.12 in the state treasury the revenues collected under section 297A.64, subdivision 1, including  
159.13 interest and penalties and minus refunds, and credit them to the highway user tax distribution  
159.14 fund.

159.15 (e) The commissioner shall deposit the revenues, including interest and penalties,  
159.16 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the  
159.17 general fund. By July 15 of each year the commissioner shall transfer to the highway user  
159.18 tax distribution fund an amount equal to the excess fees collected under section 297A.64,  
159.19 subdivision 5, for the previous calendar year.

159.20 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit  
159.21 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and  
159.22 credit to the highway user tax distribution fund an amount equal to the estimated revenues  
159.23 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or  
159.24 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The  
159.25 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph  
159.26 based on the amount of revenue deposited under paragraph (d).

159.27 (g) Each month the commissioner must deposit an amount equal to the estimated revenues  
159.28 derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and  
159.29 purchase of motor vehicle repair and replacement parts in the state treasury and credit:

159.30 (1) a percentage to the highway user tax distribution fund as follows:

159.31 (i) 43.5 percent in each of fiscal years 2024 and 2025;

159.32 (ii) 43 percent in fiscal year 2026;

160.1 (iii) 41 percent in fiscal year 2027;  
160.2 (iv) 36 percent in fiscal year 2028;  
160.3 (v) 30 percent in fiscal year 2029;  
160.4 (vi) 36 percent in each of fiscal years 2030 to 2034;  
160.5 (vii) 38.5 percent in fiscal year 2035;  
160.6 (viii) 41 percent in fiscal year 2036; and  
160.7 (ix) 43.5 percent in fiscal year 2037 and thereafter;  
160.8 (2) a percentage to the transportation advancement account under section 174.49 as  
160.9 follows:

160.10 (i) 3.5 percent in fiscal year 2024;  
160.11 (ii) 4.5 percent in fiscal year 2025;  
160.12 (iii) 5.5 percent in fiscal year 2026;  
160.13 (iv) 7.5 percent in fiscal year 2027;  
160.14 (v) 14.5 percent in fiscal year 2028;  
160.15 (vi) 21.5 percent in fiscal year 2029;  
160.16 (vii) 28.5 percent in fiscal year 2030;  
160.17 (viii) 36.5 percent in fiscal year 2031;  
160.18 (ix) 44.5 percent in fiscal year 2032; and  
160.19 (x) 56.5 percent in fiscal year 2033 and thereafter; and  
160.20 (3) the remainder in each fiscal year to the general fund.

160.21 After each February forecast, and prior to the following April 15, the commissioner shall  
160.22 estimate the monthly deposit amount for use in the following fiscal year based on the estimate  
160.23 of average revenue derived from the taxes imposed under section 297A.62, subdivision 1,  
160.24 on the sale and purchase of motor vehicle repair and replacement parts from the department's  
160.25 three most recent consumption tax models. For purposes of this paragraph, "motor vehicle"  
160.26 has the meaning given in section 297B.01, subdivision 11, and "motor vehicle repair and  
160.27 replacement parts" includes (i) all parts, tires, accessories, and equipment incorporated into  
160.28 or affixed to the motor vehicle as part of the motor vehicle maintenance and repair, and (ii)  
160.29 paint, oil, and other fluids that remain on or in the motor vehicle as part of the motor vehicle  
160.30 maintenance or repair. For purposes of this paragraph, "tire" means any tire of the type used

161.1 on highway vehicles, if wholly or partially made of rubber and if marked according to  
161.2 federal regulations for highway use.

161.3 (h) 81.56 percent of the revenues, including interest and penalties, transmitted to the  
161.4 commissioner under section 297A.65, must be deposited by the commissioner in the state  
161.5 treasury as follows:

161.6 (1) 47.5 percent of the receipts must be deposited in the heritage enhancement account  
161.7 in the game and fish fund, and may be spent only on activities that improve, enhance, or  
161.8 protect fish and wildlife resources, including conservation, restoration, and enhancement  
161.9 of land, water, and other natural resources of the state;

161.10 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
161.11 be spent only for state parks and trails;

161.12 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
161.13 be spent only on metropolitan park and trail grants;

161.14 (4) three percent of the receipts must be deposited in the natural resources fund, and  
161.15 may be spent only on local trail grants;

161.16 (5) two percent of the receipts must be deposited in the natural resources fund, and may  
161.17 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,  
161.18 and the Duluth Zoo; and

161.19 (6) 2.5 percent of the receipts must be deposited in the pollinator account established in  
161.20 section 103B.101, subdivision 19.

161.21 (i) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
161.22 commissioner under section 297A.65 must be deposited in a regional parks and trails account  
161.23 in the natural resources fund and may only be spent for parks and trails of regional  
161.24 significance outside of the seven-county metropolitan area under section 85.535, based on  
161.25 recommendations from the Greater Minnesota Regional Parks and Trails Commission under  
161.26 section 85.536.

161.27 (j) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
161.28 commissioner under section 297A.65 must be deposited in an outdoor recreational  
161.29 opportunities for underserved communities account in the natural resources fund and may  
161.30 only be spent on projects and activities that connect diverse and underserved Minnesotans  
161.31 through expanding cultural environmental experiences, exploration of their environment,  
161.32 and outdoor recreational activities.

162.1 (k) The revenue dedicated under paragraph (h) may not be used as a substitute for  
162.2 traditional sources of funding for the purposes specified, but the dedicated revenue shall  
162.3 supplement traditional sources of funding for those purposes. Land acquired with money  
162.4 deposited in the game and fish fund under paragraph (h) must be open to public hunting  
162.5 and fishing during the open season, except that in aquatic management areas or on lands  
162.6 where angling easements have been acquired, fishing may be prohibited during certain times  
162.7 of the year and hunting may be prohibited. At least 87 percent of the money deposited in  
162.8 the game and fish fund for improvement, enhancement, or protection of fish and wildlife  
162.9 resources under paragraph (h) must be allocated for field operations.

162.10 (l) The commissioner must deposit the revenues, including interest and penalties minus  
162.11 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,  
162.12 that may be sold to persons 18 years old or older and that are not prohibited from use by  
162.13 the general public under section 624.21, in the state treasury and credit:

162.14 (1) 25 percent to the volunteer fire assistance grant account established under section  
162.15 88.068;

162.16 (2) 25 percent to the fire safety account established under section 297I.06, subdivision  
162.17 3; and

162.18 (3) the remainder to the general fund.

162.19 For purposes of this paragraph, the percentage of total sales and use tax revenue derived  
162.20 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be  
162.21 sold to persons 18 years old or older and are not prohibited from use by the general public  
162.22 under section 624.21, is a set percentage of the total sales and use tax revenues collected in  
162.23 the state, with the percentage determined under Laws 2017, First Special Session chapter  
162.24 1, article 3, section 39.

162.25 (m) The commissioner must deposit the share of revenues of the taxes imposed under  
162.26 this chapter that are directly attributable to an event in the amount determined under section  
162.27 270C.45 to the sports and events reimbursement program account.

162.28 ~~(m)~~ (n) The revenues deposited under paragraphs (a) to ~~(l)~~ (m) do not include the  
162.29 revenues, including interest and penalties, generated by the sales tax imposed under section  
162.30 297A.62, subdivision 1a, which must be deposited as provided under the Minnesota  
162.31 Constitution, article XI, section 15.

162.32 **EFFECTIVE DATE.** This section is effective for revenue collected for sales and  
162.33 purchases made after the day following final enactment.

163.1 Sec. 15. Minnesota Statutes 2024, section 383A.80, subdivision 4, is amended to read:

163.2 Subd. 4. **Expiration.** The authority to impose the tax under this section expires January  
163.3 1, ~~2028~~ 2036.

163.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

163.5 Sec. 16. Minnesota Statutes 2024, section 383B.80, subdivision 4, is amended to read:

163.6 Subd. 4. **Expiration.** The authority to impose the tax under this section expires January  
163.7 1, ~~2028~~ 2036.

163.8 **EFFECTIVE DATE.** This section is effective the day following final enactment.

163.9 Sec. 17. **EFFECT OF REVENUE NOTICES.**

163.10 A revenue notice published by the commissioner of revenue on or before July 1, 2026,  
163.11 has the full force and effect of revenue rulings under Minnesota Statutes, section 270C.07.  
163.12 If the commissioner of revenue modifies a revenue notice after June 30, 2026, the  
163.13 commissioner of revenue must publish the modification as a revenue ruling pursuant to  
163.14 Minnesota Statutes, section 270C.07.

163.15 **EFFECTIVE DATE.** This section is effective the day after final enactment.

163.16 Sec. 18. **NO OBLIGATION TO LIST ON LIQUOR POSTING; TEMPORARY**  
163.17 **AUTHORITY.**

163.18 (a) Notwithstanding Minnesota Statutes, section 270C.725, the commissioner of revenue  
163.19 is under no obligation to list a qualifying taxpayer whose business is a place of public  
163.20 accommodation.

163.21 (b) For purposes of this section the following definitions apply:

163.22 (1) "qualifying taxpayer" means a taxpayer that:

163.23 (i) is ten days or more delinquent in either filing a tax return or paying a tax imposed  
163.24 by Minnesota Statutes, sections 290.02, 290.0922, 290.92, 290.9727, 290.9728, 290.9729,  
163.25 or 297A.62, or local sales and use tax payable to the commissioner of revenue, or a local  
163.26 option tax administered and collected by the commissioner of revenue; and

163.27 (ii) within seven days of receiving notification from the commissioner of revenue of the  
163.28 intended action to list the taxpayer on the liquor posting, has filed a request for abatement  
163.29 of penalty under Minnesota Statutes, section 270C.34 or section 289A.60, subdivision 4,  
163.30 or a request for abatement of interest or additional tax charge; and

164.1 (2) "place of public accommodation" has the meaning given in Minnesota Statutes,  
164.2 section 363A.03, subdivision 34.

164.3 (c) This section expires December 31, 2027.

164.4 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026, and  
164.5 applies to taxes first required to be paid, and returns first required to be filed, after that date.

164.6 **Sec. 19. APPROPRIATION; CITY OF SOUTH ST. PAUL; GRANT.**

164.7 (a) \$250,000 in fiscal year 2026 is appropriated from the general fund to the commissioner  
164.8 of revenue for a grant to the city of South St. Paul. This is a onetime appropriation. The  
164.9 grant must be paid by June 30, 2026. The grant under this section is not subject to retention  
164.10 of administrative costs under Minnesota Statutes, section 16B.98, subdivision 14.

164.11 (b) The grant under this section must be used by the city of South St. Paul to pay for  
164.12 planning and development costs within the city.

164.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

164.14 **Sec. 20. APPROPRIATION; PROFESSIONAL GOLFERS' ASSOCIATION OF**  
164.15 **AMERICA (PGA) CHAMPIONSHIP EVENTS.**

164.16 \$7,000,000 in fiscal year 2027 is appropriated from the general fund to the director of  
164.17 Explore Minnesota for a grant to the city of Chaska to attract, and for costs associated with  
164.18 hosting, a package of future PGA of America championship-level events, which shall include  
164.19 at least one men's PGA championship and one women's PGA championship. This  
164.20 appropriation is onetime and is available until June 30, 2029. Notwithstanding Minnesota  
164.21 Statutes, section 16B.98, subdivision 14, the director may use up to two percent of the  
164.22 amount appropriated for administrative costs.

164.23 **Sec. 21. CANCELLATIONS.**

164.24 \$7,000,000 of the fiscal year 2024 Minnesota forward fund account appropriation in  
164.25 Laws 2023, chapter 53, article 21, section 7, paragraph (c), is canceled.

164.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

164.27 **Sec. 22. TRANSFER.**

164.28 \$7,000,000 in fiscal year 2027 is transferred from the Minnesota forward fund account  
164.29 established in Minnesota Statutes, section 116J.8752, subdivision 3, to the general fund.  
164.30 This is a onetime transfer.

165.1

**ARTICLE 12**

165.2

**DEPARTMENT OF REVENUE; INDIVIDUAL INCOME AND CORPORATE**

165.3

**FRANCHISE TAXES**

165.4

Section 1. Minnesota Statutes 2024, section 289A.08, subdivision 7, is amended to read:

165.5

Subd. 7. **Composite income tax returns for nonresident partners, shareholders, and**

165.6

**beneficiaries.** (a) The commissioner may allow a partnership with nonresident partners to

165.7

file a composite return and to pay the tax on behalf of nonresident partners who have no

165.8

other Minnesota source income. This composite return must include the names, addresses,

165.9

Social Security numbers, income allocation, and tax liability for the nonresident partners

165.10

electing to be covered by the composite return.

165.11

(b) The computation of a partner's tax liability must be determined by multiplying the

165.12

income allocated to that partner by the highest rate used to determine the tax liability for

165.13

individuals under section 290.06, subdivision 2c. Nonbusiness deductions, standard

165.14

deductions, or personal exemptions are not allowed. The computation of a partner's net

165.15

investment income tax liability must be computed under section 290.033.

165.16

(c) The partnership must submit a request to use this composite return filing method for

165.17

nonresident partners. The requesting partnership must file a composite return in the form

165.18

prescribed by the commissioner of revenue. The filing of a composite return is considered

165.19

a request to use the composite return filing method.

165.20

(d) The electing partner must not have any Minnesota source income other than the

165.21

income from the partnership, other electing partnerships, and other qualifying entities

165.22

electing to file and pay the pass-through entity tax under subdivision 7a. If it is determined

165.23

that the electing partner has other Minnesota source income, the inclusion of the income

165.24

and tax liability for that partner under this provision will not constitute a return to satisfy

165.25

the requirements of subdivision 1. The tax paid for the individual as part of the composite

165.26

return is allowed as a payment of the tax by the individual on the date on which the composite

165.27

return payment was made. If the electing nonresident partner has no other Minnesota source

165.28

income, filing of the composite return is a return for purposes of subdivision 1.

165.29

(e) This subdivision does not negate the requirement that an individual pay estimated

165.30

tax if the individual's liability would exceed the requirements set forth in section 289A.25.

165.31

The individual's liability to pay estimated tax is, however, satisfied when the partnership

165.32

pays composite estimated tax in the manner prescribed in section 289A.25.

165.33

(f) If an electing partner's share of the partnership's gross income from Minnesota sources

165.34

is less than the filing requirements for a nonresident under this subdivision, the tax liability

166.1 is zero. However, a statement showing the partner's share of gross income must be included  
166.2 as part of the composite return.

166.3 (g) The election provided in this subdivision is only available to a partner who has no  
166.4 other Minnesota source income and who is either (1) a full-year nonresident individual or  
166.5 (2) a trust or estate that does not claim a deduction under either section 651 or 661 of the  
166.6 Internal Revenue Code.

166.7 (h) The composite return election provided in this subdivision is available to a nonresident  
166.8 partner who incurs an accelerated gain on installment sales under section 290.0137, paragraph  
166.9 (a). A nonresident partner who elects to defer the gain on installment sales under section  
166.10 290.0137, paragraph (b), cannot utilize the composite return election for the partnership  
166.11 until the recognition of the deferred gain is completed. A nonresident who makes the election  
166.12 in section 290.0137, paragraph (b), must report the deferred gain on the nonresident's  
166.13 individual income tax return in the manner prescribed by the commissioner.

166.14 ~~(h)~~ (i) A corporation defined in section 290.9725 and its nonresident shareholders may  
166.15 make an election under this ~~paragraph~~ subdivision. The provisions covering the partnership  
166.16 apply to the corporation and the provisions applying to the partner apply to the shareholder.

166.17 ~~(i)~~ (j) Estates and trusts distributing current income only and the nonresident individual  
166.18 beneficiaries of the estates or trusts may make an election under this ~~paragraph~~ subdivision.  
166.19 The provisions covering the partnership apply to the estate or trust. The provisions applying  
166.20 to the partner apply to the beneficiary.

166.21 ~~(j)~~ (k) For the purposes of this subdivision, "income" has the meaning given in section  
166.22 290.01, subdivision 19, paragraph (h).

166.23 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
166.24 31, 2025.

166.25 Sec. 2. Minnesota Statutes 2024, section 290.01, subdivision 19, is amended to read:

166.26 Subd. 19. **Net income.** (a) For a trust or estate taxable under section 290.03, and a  
166.27 corporation taxable under section 290.02, the term "net income" means the federal taxable  
166.28 income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through  
166.29 the date named in this subdivision, incorporating the federal effective dates of changes to  
166.30 the Internal Revenue Code and any elections made by the taxpayer in accordance with the  
166.31 Internal Revenue Code in determining federal taxable income for federal income tax  
166.32 purposes, and with the modifications provided in sections 290.0131 to 290.0136.

167.1 (b) For an individual, the term "net income" means federal adjusted gross income with  
167.2 the modifications provided in sections 290.0131, 290.0132, and 290.0135 to 290.0137.

167.3 (c) In the case of a regulated investment company or a fund thereof, as defined in section  
167.4 851(a) or 851(g) of the Internal Revenue Code, federal taxable income means investment  
167.5 company taxable income as defined in section 852(b)(2) of the Internal Revenue Code,  
167.6 except that:

167.7 (1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal  
167.8 Revenue Code does not apply;

167.9 (2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue  
167.10 Code must be applied by allowing a deduction for capital gain dividends and exempt-interest  
167.11 dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code;  
167.12 and

167.13 (3) the deduction for dividends paid must also be applied in the amount of any  
167.14 undistributed capital gains which the regulated investment company elects to have treated  
167.15 as provided in section 852(b)(3)(D) of the Internal Revenue Code.

167.16 (d) The net income of a real estate investment trust as defined and limited by section  
167.17 856(a), (b), and (c) of the Internal Revenue Code means the real estate investment trust  
167.18 taxable income as defined in section 857(b)(2) of the Internal Revenue Code.

167.19 (e) The net income of a designated settlement fund as defined in section 468B(d) of the  
167.20 Internal Revenue Code means the gross income as defined in section 468B(b) of the Internal  
167.21 Revenue Code.

167.22 (f) The Internal Revenue Code of 1986, as amended through May 1, 2023, applies for  
167.23 taxable years beginning after December 31, 1996.

167.24 (g) Except as otherwise provided, references to the Internal Revenue Code in this  
167.25 subdivision and sections 290.0131 to 290.0136 mean the code in effect for purposes of  
167.26 determining net income for the applicable year.

167.27 (h) In the case of a partnership electing to file a composite return under section 289A.08,  
167.28 subdivision 7, "net income" means the partner's share of federal adjusted gross income from  
167.29 the partnership modified by:

167.30 (1) the additions provided in section 290.0131, subdivisions 8 to 10, 16, and 17, and  
167.31 section 290.0137, paragraph (a); and

168.1 (2) the subtractions provided in: ~~(1)~~ (i) section 290.0132, subdivisions 9, 27, and 28, to  
168.2 the extent the amount is assignable or allocable to Minnesota under section 290.17; ~~and (2)~~  
168.3 (ii) section 290.0132, subdivision 14; and (iii) section 290.0137, paragraph (c).

168.4 The subtraction allowed under section 290.0132, subdivision 9, is only allowed on the  
168.5 composite tax computation to the extent the electing partner would have been allowed the  
168.6 subtraction.

168.7 (i) In the case of a qualifying entity electing to pay the pass-through entity tax under  
168.8 section 289A.08, subdivision 7a, "net income" means the qualifying owner's share of federal  
168.9 adjusted gross income from the qualifying entity modified by the additions provided in  
168.10 section 290.0131, subdivisions 5, 8 to 10, 16, and 17, and the subtractions provided in: (1)  
168.11 section 290.0132, subdivisions 3, 9, 27, and 28, to the extent the amount is assignable or  
168.12 allocable to Minnesota under section 290.17; and (2) section 290.0132, subdivision 14. The  
168.13 subtraction allowed under section 290.0132, subdivision 9, is only allowed on the  
168.14 pass-through entity tax computation to the extent the qualifying owners would have been  
168.15 allowed the subtraction. The income of both a resident and nonresident qualifying owner  
168.16 is allocated and assigned to this state as provided for nonresident partners and shareholders  
168.17 under sections 290.17, 290.191, and 290.20.

168.18 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
168.19 31, 2025.

168.20 Sec. 3. Minnesota Statutes 2024, section 290.0137, is amended to read:

168.21 **290.0137 ACCELERATED RECOGNITION OF CERTAIN INSTALLMENT**  
168.22 **SALE GAINS.**

168.23 (a) In the case of a nonresident individual or a person who becomes a nonresident  
168.24 individual during the tax year, taxable net income shall include the amount realized upon  
168.25 a sale of the assets of, or any interest in, an S corporation or partnership that operated in  
168.26 Minnesota during the year of sale, including any income or gain to be recognized in future  
168.27 years pursuant to an installment sale method of reporting under the Internal Revenue Code.

168.28 (1) For the purposes of this paragraph, an individual who becomes a nonresident of  
168.29 Minnesota in any year after an installment sale is required to recognize the full amount of  
168.30 any income or gain described in this paragraph on the individual's final Minnesota resident  
168.31 tax return to the extent that such income has not been recognized in a prior year.

168.32 (2) For the purposes of this section, "realized" has the meaning given in section 1001(b)  
168.33 of the Internal Revenue Code.

169.1 (3) For the purposes of this section, "installment sale" means any installment sale under  
169.2 section 453 of the Internal Revenue Code and any other sale that is reported utilizing a  
169.3 method of accounting authorized under subchapter E of the Internal Revenue Code that  
169.4 allows taxpayers to delay reporting or recognizing a realized gain until a future year.

169.5 (b) Notwithstanding paragraph (a), nonresident taxpayers may elect to defer recognizing  
169.6 unrecognized installment sale gains by making an election under this paragraph. The election  
169.7 must be filed on a form to be determined or prescribed by the commissioner and must be  
169.8 filed by the due date of the individual income tax return, including any extension. Electing  
169.9 taxpayers must make an irrevocable agreement to:

169.10 (1) file Minnesota tax returns in all subsequent years when gains from the installment  
169.11 sales are recognized and reported to the Internal Revenue Service;

169.12 (2) allocate gains to the state of Minnesota as though the gains were realized in the year  
169.13 of sale under section 290.17, 290.191, or 290.20; and

169.14 (3) include all relevant federal tax documents reporting the installment sale with  
169.15 subsequent Minnesota tax returns.

169.16 (c) Income or gain recognized for Minnesota purposes pursuant to paragraph (a) must  
169.17 be excluded from taxable net income in any future year that ~~the taxpayer files a Minnesota~~  
169.18 ~~tax return~~ a composite Minnesota tax return is filed to the extent that the income or gain  
169.19 has already been subject to tax pursuant to paragraph (a). If a composite Minnesota tax  
169.20 return is not filed, then any income or gain recognized for Minnesota purposes under  
169.21 paragraph (a) must be excluded from taxable net income in any future year in which the  
169.22 taxpayer files a Minnesota tax return to the extent that the income or gain has already been  
169.23 subject to tax pursuant to paragraph (a).

169.24 **EFFECTIVE DATE.** This section is effective for taxable years beginning after December  
169.25 31, 2025.

## 169.26 ARTICLE 13

### 169.27 DEPARTMENT OF REVENUE; PROPERTY TAXES

169.28 Section 1. Minnesota Statutes 2024, section 273.032, is amended to read:

#### 169.29 **273.032 MARKET VALUE DEFINITION.**

169.30 (a) Unless otherwise provided, for the purpose of determining any property tax levy  
169.31 limitation based on market value or any limit on net debt, the issuance of bonds, certificates  
169.32 of indebtedness, or capital notes based on market value, any qualification to receive state

170.1 aid based on market value, or any state aid amount based on market value, the terms "market  
170.2 value," "estimated market value," and "market valuation," whether equalized or unequalized,  
170.3 mean the estimated market value of taxable property within the local unit of government  
170.4 before any of the following or similar adjustments for:

170.5 (1) the market value exclusions under:

170.6 (i) section 273.11, subdivisions 14a and 14c (vacant platted land);

170.7 ~~(ii) section 273.11, subdivisions 19 and 20 (certain improvements to business properties);~~

170.8 ~~(iii)~~ (ii) section 273.11, subdivision 21 (homestead property damaged by mold);

170.9 ~~(iv)~~ (iii) section 273.13, subdivision 34 (homestead of a veteran with a disability or  
170.10 family caregiver); or

170.11 ~~(v)~~ (iv) section 273.13, subdivision 35 (homestead market value exclusion); or

170.12 (2) the deferment of value under:

170.13 (i) the Minnesota Agricultural Property Tax Law, section 273.111;

170.14 (ii) the Aggregate Resource Preservation Law, section 273.1115;

170.15 (iii) the Minnesota Open Space Property Tax Law, section 273.112;

170.16 (iv) the rural preserves property tax program, section 273.114; or

170.17 (v) the Metropolitan Agricultural Preserves Act, section 473H.10; or

170.18 (3) the adjustments to tax capacity for:

170.19 (i) tax increment financing under sections 469.174 to 469.1794;

170.20 (ii) fiscal disparities under chapter 276A or 473F; or

170.21 (iii) powerline credit under section 273.425.

170.22 (b) Estimated market value under paragraph (a) also includes the market value of  
170.23 tax-exempt property if the applicable law specifically provides that the limitation,  
170.24 qualification, or aid calculation includes tax-exempt property.

170.25 (c) Unless otherwise provided, "market value," "estimated market value," and "market  
170.26 valuation" for purposes of property tax levy limitations and calculation of state aid, refer  
170.27 to the estimated market value for the previous assessment year and for purposes of limits  
170.28 on net debt, the issuance of bonds, certificates of indebtedness, or capital notes refer to the  
170.29 estimated market value as last finally equalized.

171.1 (d) For purposes of a provision of a home rule charter or of any special law that is not  
171.2 codified in the statutes and that imposes a levy limitation based on market value or any limit  
171.3 on debt, the issuance of bonds, certificates of indebtedness, or capital notes based on market  
171.4 value, the terms "market value," "taxable market value," and "market valuation," whether  
171.5 equalized or unequalized, mean "estimated market value" as defined in paragraph (a).

171.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

171.7 Sec. 2. Minnesota Statutes 2024, section 273.111, subdivision 9, is amended to read:

171.8 Subd. 9. **Additional taxes.** ~~(a) Except as provided in paragraph (b),~~ When real property  
171.9 which is being, or has been valued and assessed under this section no longer qualifies under  
171.10 subdivision 3, the portion no longer qualifying shall be subject to additional taxes, in the  
171.11 amount equal to the difference between the taxes determined in accordance with subdivision  
171.12 4, and the amount determined under subdivision 5. Provided, however, that the amount  
171.13 determined under subdivision 5 shall not be greater than it would have been had the actual  
171.14 bona fide sale price of the real property at an arm's-length transaction been used in lieu of  
171.15 the market value determined under subdivision 5. Such additional taxes shall be extended  
171.16 against the property on the tax list for the current year, provided, however, that no interest  
171.17 or penalties shall be levied on such additional taxes if timely paid, and provided further,  
171.18 that such additional taxes shall only be levied with respect to the last three years that the  
171.19 said property has been valued and assessed under this section.

171.20 ~~(b) Real property that has been valued and assessed under this section prior to May 29,~~  
171.21 ~~2008, and that ceases to qualify under this section after May 28, 2008, and is withdrawn~~  
171.22 ~~from the program before August 16, 2010, is not subject to additional taxes under this~~  
171.23 ~~subdivision or subdivision 3, paragraph (c). If additional taxes have been paid under this~~  
171.24 ~~subdivision with respect to property described in this paragraph prior to April 3, 2009, the~~  
171.25 ~~county must repay the property owner in the manner prescribed by the commissioner of~~  
171.26 ~~revenue.~~

171.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

171.28 Sec. 3. **REPEALER.**

171.29 Minnesota Statutes 2024, sections 272.02, subdivision 31; 273.11, subdivisions 19 and  
171.30 20; 273.1315, subdivision 1; 273.1385; 273.25; 273.65; 273.66; 273.67; 274.07; 428B.02,  
171.31 subdivision 7; 477A.085; and 477A.18, are repealed.

171.32 **EFFECTIVE DATE.** This section is effective the day following final enactment.

172.1

**ARTICLE 14**

172.2

**DEPARTMENT OF REVENUE; MISCELLANEOUS**

172.3 Section 1. Minnesota Statutes 2024, section 123B.53, subdivision 1, is amended to read:

172.4 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible debt service  
172.5 revenue of a district is defined as follows:

172.6 (1) the amount needed to produce between five and six percent in excess of the amount  
172.7 needed to meet when due the principal and interest payments on the obligations of the district  
172.8 for eligible projects according to subdivision 2, excluding the amounts listed in paragraph  
172.9 (b), minus

172.10 (2) the amount of debt service excess levy reduction for that school year calculated  
172.11 according to the procedure established by the commissioner.

172.12 (b) The obligations in this paragraph are excluded from eligible debt service revenue:

172.13 (1) obligations under section 123B.61;

172.14 (2) the part of debt service principal and interest paid from the taconite environmental  
172.15 protection fund or Douglas J. Johnson economic protection trust, excluding the portion of  
172.16 taconite payments from the Iron Range schools and community development account under  
172.17 section 298.28, subdivision 7a;

172.18 (3) obligations for long-term facilities maintenance under section 123B.595;

172.19 (4) obligations under section 123B.62; and

172.20 (5) obligations equalized under section 123B.535.

172.21 (c) For purposes of this section, if a preexisting school district reorganized under sections  
172.22 123A.35 to 123A.43, 123A.46, and 123A.48 is solely responsible for retirement of the  
172.23 preexisting district's bonded indebtedness or capital loans, debt service equalization aid  
172.24 must be computed separately for each of the preexisting districts.

172.25 ~~(d) For purposes of this section, the adjusted net tax capacity determined according to~~  
172.26 ~~sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property~~  
172.27 ~~generally exempted from ad valorem taxes under section 272.02, subdivision 64.~~

172.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

173.1 Sec. 2. Minnesota Statutes 2024, section 123B.535, subdivision 1, is amended to read:

173.2 Subdivision 1. **Definitions.** (a) For purposes of this section, the eligible natural disaster  
173.3 debt service revenue of a district is defined as the amount needed to produce between five  
173.4 and six percent in excess of the amount needed to meet when due the principal and interest  
173.5 payments on the obligations of the district that would otherwise qualify under section  
173.6 123B.53 under the following conditions:

173.7 (1) the district was impacted by a natural disaster event or area occurring January 1,  
173.8 2005, or later, as declared by the President of the United States of America, which is eligible  
173.9 for Federal Emergency Management Agency payments;

173.10 (2) the natural disaster caused \$500,000 or more in damages to school district buildings;  
173.11 and

173.12 (3) the repair and replacement costs are not covered by insurance payments or Federal  
173.13 Emergency Management Agency payments.

173.14 (b) For purposes of this section, the adjusted net tax capacity equalizing factor equals  
173.15 the quotient derived by dividing the total adjusted net tax capacity of all school districts in  
173.16 the state for the year before the year the levy is certified by the total number of adjusted  
173.17 pupil units in the state for the year prior to the year the levy is certified.

173.18 ~~(c) For purposes of this section, the adjusted net tax capacity determined according to~~  
173.19 ~~sections 127A.48 and 273.1325 shall be adjusted to include the tax capacity of property~~  
173.20 ~~generally exempted from ad valorem taxes under section 272.02, subdivision 64.~~

173.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

173.22 Sec. 3. Minnesota Statutes 2025 Supplement, section 268.19, subdivision 1, is amended  
173.23 to read:

173.24 Subdivision 1. **Use of data.** (a) Except as provided by this section, data gathered from  
173.25 any person under the administration of the Minnesota Unemployment Insurance Law are  
173.26 private data on individuals or nonpublic data not on individuals as defined in section 13.02,  
173.27 subdivisions 9 and 12, and may not be disclosed except according to a district court order  
173.28 or section 13.05. A subpoena is not considered a district court order. These data may be  
173.29 disseminated to and used by the following agencies without the consent of the subject of  
173.30 the data:

173.31 (1) state and federal agencies specifically authorized access to the data by state or federal  
173.32 law;

- 174.1 (2) any agency of any other state or any federal agency charged with the administration  
174.2 of an unemployment insurance program;
- 174.3 (3) any agency responsible for the maintenance of a system of public employment offices  
174.4 for the purpose of assisting individuals in obtaining employment;
- 174.5 (4) the public authority responsible for child support in Minnesota or any other state in  
174.6 accordance with section 518A.83;
- 174.7 (5) human rights agencies within Minnesota that have enforcement powers;
- 174.8 (6) the Department of Revenue to the extent necessary for its duties under Minnesota  
174.9 laws;
- 174.10 (7) public and private agencies responsible for administering publicly financed assistance  
174.11 programs for the purpose of monitoring the eligibility of the program's recipients;
- 174.12 (8) the Department of Labor and Industry, the Department of Commerce, and the Bureau  
174.13 of Criminal Apprehension for uses consistent with the administration of their duties under  
174.14 Minnesota law;
- 174.15 (9) the Department of Human Services and the Office of Inspector General and its agents  
174.16 within the Department of Human Services, including county fraud investigators, for  
174.17 investigations related to recipient or provider fraud and employees of providers when the  
174.18 provider is suspected of committing public assistance fraud;
- 174.19 (10) the Department of Human Services for the purpose of evaluating medical assistance  
174.20 services and supporting program improvement;
- 174.21 (11) local and state welfare agencies for monitoring the eligibility of the data subject  
174.22 for assistance programs, or for any employment or training program administered by those  
174.23 agencies, whether alone, in combination with another welfare agency, or in conjunction  
174.24 with the department or to monitor and evaluate the statewide Minnesota family investment  
174.25 program and other cash assistance programs, the Supplemental Nutrition Assistance Program,  
174.26 and the Supplemental Nutrition Assistance Program Employment and Training program by  
174.27 providing data on recipients and former recipients of Supplemental Nutrition Assistance  
174.28 Program (SNAP) benefits, cash assistance under chapter 256, 256D, 256J, or 256K, child  
174.29 care assistance under chapter 142E, or medical programs under chapter 256B or 256L or  
174.30 formerly codified under chapter 256D;
- 174.31 (12) local and state welfare agencies for the purpose of identifying employment, wages,  
174.32 and other information to assist in the collection of an overpayment debt in an assistance  
174.33 program;

175.1 (13) local, state, and federal law enforcement agencies for the purpose of ascertaining  
175.2 the last known address and employment location of an individual who is the subject of a  
175.3 criminal investigation;

175.4 (14) the United States Immigration and Customs Enforcement has access to data on  
175.5 specific individuals and specific employers provided the specific individual or specific  
175.6 employer is the subject of an investigation by that agency;

175.7 (15) the Department of Health for the purposes of epidemiologic investigations;

175.8 (16) the Department of Corrections for the purposes of case planning and internal research  
175.9 for preprobation, probation, and postprobation employment tracking of offenders sentenced  
175.10 to probation and preconfinement and postconfinement employment tracking of committed  
175.11 offenders;

175.12 ~~(17) the state auditor to the extent necessary to conduct audits of job opportunity building~~  
175.13 ~~zones as required under section 469.3201;~~

175.14 ~~(18)~~ (17) the Office of Higher Education for purposes of supporting program  
175.15 improvement, system evaluation, and research initiatives including the Statewide  
175.16 Longitudinal Education Data System;

175.17 ~~(19)~~ (18) the Family and Medical Benefits Division of the Department of Employment  
175.18 and Economic Development to be used as necessary to administer chapter 268B; and

175.19 ~~(20)~~ (19) the executive director or interim executive director of the Minnesota Secure  
175.20 Choice Retirement Program established under chapter 187 for the purposes of assisting with  
175.21 communication with employers and to verify employer compliance with chapter 187.

175.22 (b) Data on individuals and employers that are collected, maintained, or used by the  
175.23 department in an investigation under section 268.182 are confidential as to data on individuals  
175.24 and protected nonpublic data not on individuals as defined in section 13.02, subdivisions 3  
175.25 and 13, and must not be disclosed except under statute or district court order or to a party  
175.26 named in a criminal proceeding, administrative or judicial, for preparation of a defense.

175.27 (c) Data gathered by the department in the administration of the Minnesota unemployment  
175.28 insurance program must not be made the subject or the basis for any suit in any civil  
175.29 proceedings, administrative or judicial, unless the action is initiated by the department.

175.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

176.1 Sec. 4. Minnesota Statutes 2024, section 270B.14, subdivision 3, is amended to read:

176.2 Subd. 3. **Administration of enterprise and job opportunity programs.** The  
176.3 commissioner may disclose return information relating to the taxes imposed by chapters  
176.4 290 and 297A to the Department of Employment and Economic Development or a  
176.5 municipality with a border city enterprise zone as defined under section 469.166, but only  
176.6 as necessary to administer the funding limitations under section 469.169, ~~or to the Department~~  
176.7 ~~of Employment and Economic Development and appropriate officials from the local~~  
176.8 ~~government units in which a qualified business is located but only as necessary to enforce~~  
176.9 ~~the job opportunity building zone benefits under section 469.315.~~

176.10 **EFFECTIVE DATE.** This section is effective the day following final enactment.

176.11 Sec. 5. Minnesota Statutes 2024, section 270B.15, is amended to read:

176.12 **270B.15 DISCLOSURE TO LEGISLATIVE AUDITOR AND STATE AUDITOR.**

176.13 ~~(a)~~ Returns and return information must be disclosed to the legislative auditor to the  
176.14 extent necessary for the legislative auditor to carry out sections 3.97 to 3.979.

176.15 ~~(b) The commissioner must disclose return information, including the report required~~  
176.16 ~~under section 289A.12, subdivision 15, to the state auditor to the extent necessary to conduct~~  
176.17 ~~audits of job opportunity building zones as required under section 469.3201.~~

176.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

176.19 Sec. 6. Minnesota Statutes 2024, section 270C.055, is amended by adding a subdivision  
176.20 to read:

176.21 Subd. 4. **Venue.** Unless otherwise provided in chapter 289A, if two or more criminal  
176.22 offenses under the state revenue laws or chapter 349 are committed by the same person in  
176.23 more than one county, the accused may be prosecuted for all the offenses in any county in  
176.24 which one of the offenses was committed.

176.25 **EFFECTIVE DATE.** This section is effective for criminal offenses committed after  
176.26 July 31, 2026.

176.27 Sec. 7. Minnesota Statutes 2024, section 290.01, subdivision 29, is amended to read:

176.28 Subd. 29. **Taxable income.** The term "taxable income" means:

176.29 (1) for individuals, estates, and trusts, the same as taxable net income;

176.30 (2) for corporations, the taxable net income less

- 177.1 (i) the net operating loss deduction under section 290.095; and
- 177.2 (ii) the dividends received deduction under section 290.21, subdivision 4; and
- 177.3 ~~(iii) the exemption for operating in a job opportunity building zone under section 469.317.~~

177.4 **EFFECTIVE DATE.** This section is effective the day following final enactment.

177.5 Sec. 8. Minnesota Statutes 2024, section 290.0921, subdivision 3, is amended to read:

177.6 Subd. 3. **Alternative minimum taxable income.** "Alternative minimum taxable income"  
177.7 is Minnesota net income as defined in section 290.01, subdivision 19, and includes the  
177.8 adjustments and tax preference items in sections 56, 57, 58, and 59(d), (e), (f), and (h) of  
177.9 the Internal Revenue Code. If a corporation files a separate company Minnesota tax return,  
177.10 the minimum tax must be computed on a separate company basis. If a corporation is part  
177.11 of a tax group filing a unitary return, the minimum tax must be computed on a unitary basis.  
177.12 The following adjustments must be made.

177.13 (1) The portion of the depreciation deduction allowed for federal income tax purposes  
177.14 under section 168(k) of the Internal Revenue Code that is required as an addition under  
177.15 section 290.0133, subdivision 11, is disallowed in determining alternative minimum taxable  
177.16 income.

177.17 (2) The subtraction for depreciation allowed under section 290.0134, subdivision 13, is  
177.18 allowed as a depreciation deduction in determining alternative minimum taxable income.

177.19 (3) The alternative tax net operating loss deduction under sections 56(a)(4) and 56(d)  
177.20 of the Internal Revenue Code does not apply.

177.21 (4) The special rule for certain dividends under section 56(g)(4)(C)(ii) of the Internal  
177.22 Revenue Code does not apply.

177.23 (5) The tax preference for depletion under section 57(a)(1) of the Internal Revenue Code  
177.24 does not apply.

177.25 (6) The tax preference for tax exempt interest under section 57(a)(5) of the Internal  
177.26 Revenue Code does not apply.

177.27 (7) The tax preference for charitable contributions of appreciated property under section  
177.28 57(a)(6) of the Internal Revenue Code does not apply.

177.29 (8) For purposes of calculating the adjustment for adjusted current earnings in section  
177.30 56(g) of the Internal Revenue Code, the term "alternative minimum taxable income" as it  
177.31 is used in section 56(g) of the Internal Revenue Code, means alternative minimum taxable

178.1 income as defined in this subdivision, determined without regard to the adjustment for  
178.2 adjusted current earnings in section 56(g) of the Internal Revenue Code.

178.3 (9) For purposes of determining the amount of adjusted current earnings under section  
178.4 56(g)(3) of the Internal Revenue Code, no adjustment shall be made under section 56(g)(4)  
178.5 of the Internal Revenue Code with respect to (i) the amount of foreign dividend gross-up  
178.6 subtracted as provided in section 290.0134, subdivision 2, or (ii) the amount of refunds of  
178.7 income, excise, or franchise taxes subtracted as provided in section 290.0134, subdivision  
178.8 8.

178.9 ~~(10) Alternative minimum taxable income excludes the income from operating in a job~~  
178.10 ~~opportunity building zone as provided under section 469.317.~~

178.11 ~~Items of tax preference must not be reduced below zero as a result of the modifications~~  
178.12 ~~in this subdivision.~~

178.13 ~~(11)~~ (10) The subtraction for disallowed section 280E expenses under section 290.0134,  
178.14 subdivision 19, is allowed as a deduction in determining alternative minimum taxable  
178.15 income.

178.16 Items of tax preference must not be reduced below zero as a result of the modifications  
178.17 in this subdivision.

178.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

178.19 Sec. 9. Minnesota Statutes 2024, section 290.0922, subdivision 2, is amended to read:

178.20 Subd. 2. **Exemptions.** The following entities are exempt from the tax imposed by this  
178.21 section:

178.22 (1) corporations exempt from tax under section 290.05;

178.23 (2) real estate investment trusts;

178.24 (3) regulated investment companies or a fund thereof;

178.25 (4) entities having a valid election in effect under section 860D(b) of the Internal Revenue  
178.26 Code;

178.27 (5) township mutual insurance companies; and

178.28 (6) cooperatives organized under chapter 308A, 308B, or 308C that provide housing  
178.29 exclusively to persons age 55 and over and are classified as homesteads under section  
178.30 273.124, subdivision 3; and.

179.1 ~~(7) a qualified business as defined under section 469.310, subdivision 11, if for the~~  
179.2 ~~taxable year all of its property is located in a job opportunity building zone designated under~~  
179.3 ~~section 469.314 and all of its payroll is a job opportunity building zone payroll under section~~  
179.4 ~~469.310.~~

179.5 Entities not specifically exempted by this subdivision are subject to tax under this section,  
179.6 notwithstanding section 290.05.

179.7 **EFFECTIVE DATE.** This section is effective the day following final enactment.

179.8 Sec. 10. Minnesota Statutes 2024, section 290.0922, subdivision 3, is amended to read:

179.9 Subd. 3. **Definitions.** (a) "Minnesota sales or receipts" means the total sales apportioned  
179.10 to Minnesota pursuant to section 290.191, subdivision 5, the total receipts attributed to  
179.11 Minnesota pursuant to section 290.191, subdivisions 6 to 8, and/or the total sales or receipts  
179.12 apportioned or attributed to Minnesota pursuant to any other apportionment formula  
179.13 applicable to the taxpayer.

179.14 (b) "Minnesota property" means total Minnesota tangible property as provided in section  
179.15 290.191, subdivisions 9 to 11, and any other tangible property located in Minnesota, ~~but~~  
179.16 ~~does not include the property of a qualified business as defined under section 469.310,~~  
179.17 ~~subdivision 11, that is located in a job opportunity building zone designated under section~~  
179.18 ~~469.314.~~ Intangible property shall not be included in Minnesota property for purposes of  
179.19 this section. Taxpayers who do not utilize tangible property to apportion income shall  
179.20 nevertheless include Minnesota property for purposes of this section. On a return for a short  
179.21 taxable year, the amount of Minnesota property owned, as determined under section 290.191,  
179.22 shall be included in Minnesota property based on a fraction in which the numerator is the  
179.23 number of days in the short taxable year and the denominator is 365.

179.24 (c) "Minnesota payrolls" means total Minnesota payrolls as provided in section 290.191,  
179.25 subdivision 12, but does not include the job opportunity building zone payroll under section  
179.26 469.310, subdivision 8, of a qualified business as defined under section 469.310, subdivision  
179.27 11. Taxpayers who do not utilize payrolls to apportion income shall nevertheless include  
179.28 Minnesota payrolls for purposes of this section.

179.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

179.30 Sec. 11. Minnesota Statutes 2024, section 295.52, subdivision 5, is amended to read:

179.31 Subd. 5. **Volunteer ambulance services.** Volunteer ambulance services are not subject  
179.32 to the tax under this section. For purposes of this requirement, "volunteer ambulance service"

180.1 means an ambulance service in which all of the individuals whose primary responsibility  
180.2 is direct patient care meet the definition of volunteer ambulance attendant under section  
180.3 144E.001, subdivision 15. The ambulance service may employ administrative and support  
180.4 staff, and remain eligible for this exemption, if the primary responsibility of these staff is  
180.5 not direct patient care.

180.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

180.7 Sec. 12. Minnesota Statutes 2025 Supplement, section 297A.75, subdivision 1, is amended  
180.8 to read:

180.9 Subdivision 1. **Tax collected.** The tax on the gross receipts from the sale of the following  
180.10 exempt items must be imposed and collected as if the sale were taxable and the rate under  
180.11 section 297A.62, subdivision 1, applied. The exempt items include:

180.12 (1) building materials for an agricultural processing facility exempt under section  
180.13 297A.71, subdivision 13;

180.14 (2) building materials for mineral production facilities exempt under section 297A.71,  
180.15 subdivision 14;

180.16 (3) building materials for correctional facilities under section 297A.71, subdivision 3;

180.17 (4) building materials used in a residence for veterans with a disability exempt under  
180.18 section 297A.71, subdivision 11;

180.19 (5) elevators and building materials exempt under section 297A.71, subdivision 12;

180.20 (6) materials and supplies for qualified low-income housing under section 297A.71,  
180.21 subdivision 23;

180.22 (7) materials, supplies, and equipment for municipal electric utility facilities under  
180.23 section 297A.71, subdivision 35;

180.24 ~~(8) equipment and materials used for the generation, transmission, and distribution of~~  
180.25 ~~electrical energy and an aerial camera package exempt under section 297A.68, subdivision~~  
180.26 ~~37;~~

180.27 ~~(9)~~ (8) commuter rail vehicle and repair parts under section 297A.70, subdivision 3,  
180.28 paragraph (a), clause (10);

180.29 ~~(10)~~ (9) materials, supplies, and equipment for construction or improvement of projects  
180.30 and facilities under section 297A.71, subdivision 40;

181.1 ~~(11)~~ (10) enterprise information technology equipment and computer software for use  
 181.2 in a qualified data center, qualified large-scale data center, or qualified refurbished data  
 181.3 center exempt under section 297A.68, subdivision 42;

181.4 ~~(12)~~ (11) materials, supplies, and equipment for qualifying capital projects under section  
 181.5 297A.71, subdivision 44, paragraphs (a) and (b);

181.6 ~~(13)~~ (12) items purchased for use in providing critical access dental services exempt  
 181.7 under section 297A.70, subdivision 7, paragraph (c);

181.8 ~~(14)~~ (13) items and services purchased under a business subsidy agreement for use or  
 181.9 consumption primarily in greater Minnesota exempt under section 297A.68, subdivision  
 181.10 44;

181.11 ~~(15)~~ (14) building materials, equipment, and supplies for constructing or replacing real  
 181.12 property exempt under section 297A.71, subdivisions ~~49~~; 50, paragraph (b)~~;~~<sub>2</sub> and 51;

181.13 ~~(16)~~ (15) building materials, equipment, and supplies for qualifying capital projects  
 181.14 under section 297A.71, subdivision 52;

181.15 ~~(17)~~ (16) building materials, equipment, and supplies for constructing, remodeling,  
 181.16 expanding, or improving a fire station, police station, or related facilities exempt under  
 181.17 section 297A.71, subdivision 53; and

181.18 ~~(18)~~ (17) building materials, equipment, and supplies for constructing, remodeling, or  
 181.19 improving a sustainable aviation fuel facility exempt under section 297A.71, subdivision  
 181.20 54.

181.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.

181.22 Sec. 13. Minnesota Statutes 2025 Supplement, section 297A.75, subdivision 2, is amended  
 181.23 to read:

181.24 Subd. 2. **Refund; eligible persons.** Upon application on forms prescribed by the  
 181.25 commissioner, a refund equal to the tax paid on the gross receipts of the exempt items must  
 181.26 be paid to the applicant. Only the following persons may apply for the refund:

181.27 (1) for subdivision 1, clauses (1), (2), and ~~(13)~~ (12), the applicant must be the purchaser;

181.28 (2) for subdivision 1, clause (3), the applicant must be the governmental subdivision;

181.29 (3) for subdivision 1, clause (4), the applicant must be the recipient of the benefits  
 181.30 provided in United States Code, title 38, chapter 21;

182.1 (4) for subdivision 1, clause (5), the applicant must be the owner of the homestead  
182.2 property;

182.3 (5) for subdivision 1, clause (6), the owner of the qualified low-income housing project;

182.4 (6) for subdivision 1, clause (7), the applicant must be a municipal electric utility or a  
182.5 joint venture of municipal electric utilities;

182.6 (7) for subdivision 1, clauses ~~(8), (11), and (14)~~ (10) and (13), the owner of the qualifying  
182.7 business;

182.8 (8) for subdivision 1, clauses ~~(9), (10), (12), (16), and (17)~~ (8), (9), (11), (15), and (16),  
182.9 the applicant must be the governmental entity that owns or contracts for the project or  
182.10 facility;

182.11 (9) for subdivision 1, clause ~~(15)~~ (14), the applicant must be the owner or developer of  
182.12 the building or project; and

182.13 (10) for subdivision 1, clause ~~(18)~~ (17), the applicant must be the owner or developer  
182.14 of the sustainable aviation fuel facility.

182.15 **EFFECTIVE DATE.** This section is effective the day following final enactment.

182.16 Sec. 14. Minnesota Statutes 2025 Supplement, section 297A.75, subdivision 3, is amended  
182.17 to read:

182.18 Subd. 3. **Application.** (a) The application must include sufficient information to permit  
182.19 the commissioner to verify the tax paid. If the tax was paid by a contractor, subcontractor,  
182.20 or builder, under subdivision 1, clauses (3) to ~~(12)~~ (11) or ~~(14) to (18)~~ (13) to (17), the  
182.21 contractor, subcontractor, or builder must furnish to the refund applicant a statement including  
182.22 the cost of the exempt items and the taxes paid on the items unless otherwise specifically  
182.23 provided by this subdivision. The provisions of sections 289A.40 and 289A.50 apply to  
182.24 refunds under this section.

182.25 (b) An applicant may not file more than two applications per calendar year for refunds  
182.26 for taxes paid on capital equipment exempt under section 297A.68, subdivision 5.

182.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

183.1 Sec. 15. Minnesota Statutes 2025 Supplement, section 297A.94, is amended to read:

183.2 **297A.94 DEPOSIT OF REVENUES.**

183.3 (a) Except as provided in this section, the commissioner shall deposit the revenues,  
183.4 including interest and penalties, derived from the taxes imposed by this chapter in the state  
183.5 treasury and credit them to the general fund.

183.6 (b) The commissioner shall deposit taxes in the Minnesota agricultural and economic  
183.7 account in the special revenue fund if:

183.8 (1) the taxes are derived from sales and use of property and services purchased for the  
183.9 construction and operation of an agricultural resource project; and

183.10 (2) the purchase was made on or after the date on which a conditional commitment was  
183.11 made for a loan guaranty for the project under section 41A.04, subdivision 3.

183.12 The commissioner of management and budget shall certify to the commissioner the date on  
183.13 which the project received the conditional commitment. The amount deposited in the loan  
183.14 guaranty account must be reduced by any refunds and by the costs incurred by the Department  
183.15 of Revenue to administer and enforce the assessment and collection of the taxes.

183.16 (c) The commissioner shall deposit the revenues, including interest and penalties, derived  
183.17 from the taxes imposed on sales and purchases included in section 297A.61, subdivision 3,  
183.18 paragraph (g), clauses (1) and (4), in the state treasury, and credit them as follows:

183.19 (1) first to the general obligation special tax bond debt service account in each fiscal  
183.20 year the amount required by section 16A.661, subdivision 3, paragraph (b); and

183.21 (2) after the requirements of clause (1) have been met, the balance to the general fund.

183.22 (d) Beginning with sales taxes remitted after July 1, 2017, the commissioner shall deposit  
183.23 in the state treasury the revenues collected under section 297A.64, subdivision 1, including  
183.24 interest and penalties and minus refunds, and credit them to the highway user tax distribution  
183.25 fund.

183.26 (e) The commissioner shall deposit the revenues, including interest and penalties,  
183.27 collected under section 297A.64, subdivision 5, in the state treasury and credit them to the  
183.28 general fund. By July 15 of each year the commissioner shall transfer to the highway user  
183.29 tax distribution fund an amount equal to the excess fees collected under section 297A.64,  
183.30 subdivision 5, for the previous calendar year.

183.31 (f) Beginning with sales taxes remitted after July 1, 2017, in conjunction with the deposit  
183.32 of revenues under paragraph (d), the commissioner shall deposit into the state treasury and

184.1 credit to the highway user tax distribution fund an amount equal to the estimated revenues  
184.2 derived from the tax rate imposed under section 297A.62, subdivision 1, on the lease or  
184.3 rental for not more than 28 days of rental motor vehicles subject to section 297A.64. The  
184.4 commissioner shall estimate the amount of sales tax revenue deposited under this paragraph  
184.5 based on the amount of revenue deposited under paragraph (d).

184.6 (g) Each month the commissioner must deposit an amount equal to the estimated revenues  
184.7 derived from the taxes imposed under section 297A.62, subdivision 1, on the sale and  
184.8 purchase of motor vehicle repair and replacement parts in the state treasury and credit:

184.9 (1) a percentage to the highway user tax distribution fund as follows:

184.10 (i) 43.5 percent in each of fiscal years 2024 and 2025;

184.11 (ii) 43 percent in fiscal year 2026;

184.12 (iii) 41 percent in fiscal year 2027;

184.13 (iv) 36 percent in fiscal year 2028;

184.14 (v) 30 percent in fiscal year 2029;

184.15 (vi) 36 percent in each of fiscal years 2030 to 2034;

184.16 (vii) 38.5 percent in fiscal year 2035;

184.17 (viii) 41 percent in fiscal year 2036; and

184.18 (ix) 43.5 percent in fiscal year 2037 and thereafter;

184.19 (2) a percentage to the transportation advancement account under section 174.49 as  
184.20 follows:

184.21 (i) 3.5 percent in fiscal year 2024;

184.22 (ii) 4.5 percent in fiscal year 2025;

184.23 (iii) 5.5 percent in fiscal year 2026;

184.24 (iv) 7.5 percent in fiscal year 2027;

184.25 (v) 14.5 percent in fiscal year 2028;

184.26 (vi) 21.5 percent in fiscal year 2029;

184.27 (vii) 28.5 percent in fiscal year 2030;

184.28 (viii) 36.5 percent in fiscal year 2031;

184.29 (ix) 44.5 percent in fiscal year 2032; and

185.1 (x) 56.5 percent in fiscal year 2033 and thereafter; and

185.2 (3) the remainder in each fiscal year to the general fund.

185.3 After each February forecast, and prior to the following April 15, the commissioner shall  
185.4 estimate the monthly deposit amount for use in the following fiscal year based on the estimate  
185.5 of average revenue derived from the taxes imposed under section 297A.62, subdivision 1,  
185.6 on the sale and purchase of motor vehicle repair and replacement parts from the department's  
185.7 three most recent consumption tax models. If, after the commissioner estimates the monthly  
185.8 deposit amounts and prior to July 1, the rate of tax imposed under section 297A.62,  
185.9 subdivision 1, or the percentages specified under this paragraph are impacted by a law  
185.10 change, then the commissioner must update the estimated deposit amount by July 15. For  
185.11 purposes of this paragraph, "motor vehicle" has the meaning given in section 297B.01,  
185.12 subdivision 11, and "motor vehicle repair and replacement parts" includes (i) all parts, tires,  
185.13 accessories, and equipment incorporated into or affixed to the motor vehicle as part of the  
185.14 motor vehicle maintenance and repair, and (ii) paint, oil, and other fluids that remain on or  
185.15 in the motor vehicle as part of the motor vehicle maintenance or repair. For purposes of this  
185.16 paragraph, "tire" means any tire of the type used on highway vehicles, if wholly or partially  
185.17 made of rubber and if marked according to federal regulations for highway use.

185.18 (h) 81.56 percent of the revenues, including interest and penalties, transmitted to the  
185.19 commissioner under section 297A.65, must be deposited by the commissioner in the state  
185.20 treasury as follows:

185.21 (1) 47.5 percent of the receipts must be deposited in the heritage enhancement account  
185.22 in the game and fish fund, and may be spent only on activities that improve, enhance, or  
185.23 protect fish and wildlife resources, including conservation, restoration, and enhancement  
185.24 of land, water, and other natural resources of the state;

185.25 (2) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
185.26 be spent only for state parks and trails;

185.27 (3) 22.5 percent of the receipts must be deposited in the natural resources fund, and may  
185.28 be spent only on metropolitan park and trail grants;

185.29 (4) three percent of the receipts must be deposited in the natural resources fund, and  
185.30 may be spent only on local trail grants;

185.31 (5) two percent of the receipts must be deposited in the natural resources fund, and may  
185.32 be spent only for the Minnesota Zoological Garden, the Como Park Zoo and Conservatory,  
185.33 and the Duluth Zoo; and

186.1 (6) 2.5 percent of the receipts must be deposited in the pollinator account established in  
186.2 section 103B.101, subdivision 19.

186.3 (i) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
186.4 commissioner under section 297A.65 must be deposited in a regional parks and trails account  
186.5 in the natural resources fund and may only be spent for parks and trails of regional  
186.6 significance outside of the seven-county metropolitan area under section 85.535, based on  
186.7 recommendations from the Greater Minnesota Regional Parks and Trails Commission under  
186.8 section 85.536.

186.9 (j) 1.5 percent of the revenues, including interest and penalties, transmitted to the  
186.10 commissioner under section 297A.65 must be deposited in an outdoor recreational  
186.11 opportunities for underserved communities account in the natural resources fund and may  
186.12 only be spent on projects and activities that connect diverse and underserved Minnesotans  
186.13 through expanding cultural environmental experiences, exploration of their environment,  
186.14 and outdoor recreational activities.

186.15 (k) The revenue dedicated under paragraph (h) may not be used as a substitute for  
186.16 traditional sources of funding for the purposes specified, but the dedicated revenue shall  
186.17 supplement traditional sources of funding for those purposes. Land acquired with money  
186.18 deposited in the game and fish fund under paragraph (h) must be open to public hunting  
186.19 and fishing during the open season, except that in aquatic management areas or on lands  
186.20 where angling easements have been acquired, fishing may be prohibited during certain times  
186.21 of the year and hunting may be prohibited. At least 87 percent of the money deposited in  
186.22 the game and fish fund for improvement, enhancement, or protection of fish and wildlife  
186.23 resources under paragraph (h) must be allocated for field operations.

186.24 (l) The commissioner must deposit the revenues, including interest and penalties minus  
186.25 any refunds, derived from the sale of items regulated under section 624.20, subdivision 1,  
186.26 that may be sold to persons 18 years old or older and that are not prohibited from use by  
186.27 the general public under section 624.21, in the state treasury and credit:

186.28 (1) 25 percent to the volunteer fire assistance grant account established under section  
186.29 88.068;

186.30 (2) 25 percent to the fire safety account established under section 297I.06, subdivision  
186.31 3; and

186.32 (3) the remainder to the general fund.

187.1 For purposes of this paragraph, the percentage of total sales and use tax revenue derived  
187.2 from the sale of items regulated under section 624.20, subdivision 1, that are allowed to be  
187.3 sold to persons 18 years old or older and are not prohibited from use by the general public  
187.4 under section 624.21, is a set percentage of the total sales and use tax revenues collected in  
187.5 the state, with the percentage determined under Laws 2017, First Special Session chapter  
187.6 1, article 3, section 39.

187.7 (m) The revenues deposited under paragraphs (a) to (l) do not include the revenues,  
187.8 including interest and penalties, generated by the sales tax imposed under section 297A.62,  
187.9 subdivision 1a, which must be deposited as provided under the Minnesota Constitution,  
187.10 article XI, section 15.

187.11 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2026.

187.12 Sec. 16. Minnesota Statutes 2024, section 297B.03, is amended to read:

187.13 **297B.03 EXEMPTIONS.**

187.14 There is specifically exempted from the provisions of this chapter and from computation  
187.15 of the amount of tax imposed by it the following:

187.16 (1) purchase or use, including use under a lease purchase agreement or installment sales  
187.17 contract made pursuant to section 465.71, of any motor vehicle by the United States and its  
187.18 agencies and instrumentalities and by any person described in and subject to the conditions  
187.19 provided in section 297A.67, subdivision 11;

187.20 (2) purchase or use of any motor vehicle by any person who was a resident of another  
187.21 state or country at the time of the purchase and who subsequently becomes a resident of  
187.22 Minnesota, provided the purchase occurred more than 60 days prior to the date such person  
187.23 began residing in the state of Minnesota and the motor vehicle was registered in the person's  
187.24 name in the other state or country;

187.25 (3) purchase or use of any motor vehicle by any person making a valid election to be  
187.26 taxed under the provisions of section 297A.90;

187.27 (4) purchase or use of any motor vehicle previously registered in the state of Minnesota  
187.28 when such transfer constitutes a transfer within the meaning of section 118, 331, 332, 336,  
187.29 337, 338, 351, 355, 368, 721, 731, 1031, 1033, or 1563(a) of the Internal Revenue Code,  
187.30 as amended through December 16, 2016;

187.31 (5) purchase or use of any vehicle owned by a resident of another state and leased to a  
187.32 Minnesota-based private or for-hire carrier for regular use in the transportation of persons

188.1 or property in interstate commerce provided the vehicle is titled in the state of the owner or  
188.2 secured party, and that state does not impose a sales tax or sales tax on motor vehicles used  
188.3 in interstate commerce;

188.4 (6) purchase or use of a motor vehicle by a private nonprofit or public educational  
188.5 institution for use as an instructional aid in automotive training programs operated by the  
188.6 institution. "Automotive training programs" includes motor vehicle body and mechanical  
188.7 repair courses but does not include driver education programs;

188.8 (7) purchase of a motor vehicle by an ambulance service licensed under section 144E.10  
188.9 when that vehicle is equipped and specifically intended for emergency response or for  
188.10 providing ambulance service;

188.11 (8) purchase of a motor vehicle by or for a public library, as defined in section 134.001,  
188.12 subdivision 2, as a bookmobile or library delivery vehicle;

188.13 (9) purchase of a ready-mixed concrete truck;

188.14 (10) purchase or use of a motor vehicle by a town for use exclusively for road  
188.15 maintenance, including snowplows and dump trucks, but not including automobiles, vans,  
188.16 or pickup trucks;

188.17 (11) purchase or use of a motor vehicle by a corporation, society, association, foundation,  
188.18 or institution organized and operated exclusively for charitable, religious, or educational  
188.19 purposes, except a public school, university, or library, but only if the vehicle is:

188.20 (i) a truck, as defined in section 168.002, a bus, as defined in section 168.002, or a  
188.21 passenger automobile, as defined in section 168.002, if the automobile is designed and used  
188.22 for carrying more than nine persons including the driver; and

188.23 (ii) intended to be used primarily to transport tangible personal property or individuals,  
188.24 other than employees, to whom the organization provides service in performing its charitable,  
188.25 religious, or educational purpose;

188.26 (12) purchase of a motor vehicle for use by a transit provider exclusively to provide  
188.27 transit service is exempt if the transit provider is either (i) receiving financial assistance or  
188.28 reimbursement under section 174.24 or 473.384, or (ii) operating under section 174.29,  
188.29 473.388, or 473.405;

188.30 ~~(13) purchase or use of a motor vehicle by a qualified business, as defined in section~~  
188.31 ~~469.310, located in a job opportunity building zone, if the motor vehicle is principally~~  
188.32 ~~garaged in the job opportunity building zone and is primarily used as part of or in direct~~  
188.33 ~~support of the person's operations carried on in the job opportunity building zone. The~~

189.1 ~~exemption under this clause applies to sales, if the purchase was made and delivery received~~  
189.2 ~~during the duration of the job opportunity building zone. The exemption under this clause~~  
189.3 ~~also applies to any local sales and use tax;~~

189.4 ~~(14)~~ (13) purchase of a leased vehicle by the lessee who was a participant in a  
189.5 lease-to-own program from a charitable organization that is:

189.6 (i) described in section 501(c)(3) of the Internal Revenue Code; and

189.7 (ii) licensed as a motor vehicle lessor under section 168.27, subdivision 4;

189.8 ~~(15)~~ (14) purchase of a motor vehicle used exclusively as a mobile medical unit for the  
189.9 provision of medical or dental services by a federally qualified health center, as defined  
189.10 under title 19 of the Social Security Act, as amended by Section 4161 of the Omnibus Budget  
189.11 Reconciliation Act of 1990; and

189.12 ~~(16)~~ (15) purchase of a motor vehicle by a veteran having a total service-connected  
189.13 disability, as defined in section 171.01, subdivision 51.

189.14 **EFFECTIVE DATE.** This section is effective the day following final enactment.

189.15 Sec. 17. Minnesota Statutes 2025 Supplement, section 299C.76, subdivision 1, is amended  
189.16 to read:

189.17 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following definitions  
189.18 apply.

189.19 (b) "Federal tax information" means federal tax returns and return information or  
189.20 information derived or created from federal tax returns, in possession of or control by the  
189.21 requesting agency, that is covered by the safeguarding provisions of section 6103(p)(4) of  
189.22 the Internal Revenue Code.

189.23 (c) "IRS Publication 1075" means Internal Revenue Service Publication 1075 that  
189.24 provides guidance and requirements for the protection and confidentiality of federal tax  
189.25 information as required in section 6103(p)(4) of the Internal Revenue Code.

189.26 (d) "National criminal history record information" means the Federal Bureau of  
189.27 Investigation identification records as defined in Code of Federal Regulations, title 28,  
189.28 section 20.3(d).

189.29 (e) "Requesting agency" means the Department of Revenue; Department of Employment  
189.30 and Economic Development; Department of Human Services; Department of Children,  
189.31 Youth, and Families; board of directors of MNsure; Department of Information Technology  
189.32 Services; attorney general; Office of the Legislative Auditor; and counties.

190.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.

190.2 Sec. 18. **REPEALER.**

190.3 Minnesota Statutes 2024, sections 272.02, subdivision 64; 272.029, subdivision 7;  
 190.4 289A.12, subdivision 15; 290.06, subdivision 29; 297A.68, subdivision 37; 469.310; 469.311;  
 190.5 469.312; 469.313; 469.314; 469.315; 469.316; 469.317; 469.318; 469.3181; 469.319;  
 190.6 469.3191; 469.3192; 469.3193; 469.320; and 469.3201, are repealed.

190.7 **EFFECTIVE DATE.** This section is effective the day following final enactment."

190.8 Delete the title and insert:

190.9 "A bill for an act

190.10 relating to taxation; modifying individual income and corporate franchise taxes,  
 190.11 property taxes, sales and use taxes, excise taxes, local government aids, tax  
 190.12 increment financing provisions, local sales and use taxes, mining and mineral  
 190.13 taxes, public finance provisions, and other miscellaneous taxes and tax-related  
 190.14 provisions; providing for certain federal conformity; modifying and providing for  
 190.15 income tax credits and subtractions; modifying and providing for property tax  
 190.16 exemptions and classifications; providing for certain sales tax exemptions;  
 190.17 establishing a social media tax; authorizing and modifying local sales taxes;  
 190.18 establishing seasonal tax base replacement aid and federal enforcement  
 190.19 reimbursement aid; modifying and providing for various local government aids;  
 190.20 establishing and modifying various programs; modifying and clarifying certain  
 190.21 definitions; establishing a Hennepin County health care tax; modifying the  
 190.22 allocation of production tax proceeds; making related clarifying and technical  
 190.23 changes; requiring and modifying reports; modifying and canceling appropriations;  
 190.24 appropriating and transferring money; amending Minnesota Statutes 2024, sections  
 190.25 41A.30, subdivisions 1, 2, 7; 116U.27, subdivisions 1, 4, 5; 123B.53, subdivision  
 190.26 1; 123B.535, subdivision 1; 126C.17, by adding a subdivision; 168E.09, subdivision  
 190.27 2, by adding a subdivision; 270B.14, subdivision 3; 270B.15; 270C.055, by adding  
 190.28 a subdivision; 270C.07; 270C.08; 270C.085; 272.01, subdivision 2; 272.02,  
 190.29 subdivision 101, by adding subdivisions; 273.032; 273.111, subdivision 9; 273.124,  
 190.30 subdivision 14; 273.13, subdivision 34; 289A.02, subdivision 7; 289A.08,  
 190.31 subdivision 7; 289A.40, subdivision 1; 290.01, subdivisions 19, 29, 31; 290.0132,  
 190.32 subdivision 11; 290.0137; 290.0681, subdivisions 3, 4; 290.0683, subdivisions 1,  
 190.33 3; 290.0921, subdivision 3; 290.0922, subdivisions 2, 3; 290.62; 290.92, by adding  
 190.34 a subdivision; 290A.03, subdivision 15; 291.005, subdivision 1; 295.52, subdivision  
 190.35 5; 295.75, subdivision 11, by adding a subdivision; 295.81, by adding a subdivision;  
 190.36 297A.993, subdivision 4; 297A.994, subdivision 4; 297B.03; 297H.01, subdivisions  
 190.37 2, 8; 298.225; 298.227; 298.28, subdivisions 2, 3, 4, 7a, 8, 9a, 9b, 11, by adding  
 190.38 a subdivision; 298.282, subdivision 1; 383A.80, subdivision 4; 383B.80, subdivision  
 190.39 4; 428B.02, subdivision 4; 469.060, subdivision 3; 469.171, subdivisions 1, 4, 6a;  
 190.40 469.1731, subdivision 1; 469.176, subdivision 2; 473.756, by adding a subdivision;  
 190.41 473.757, subdivisions 1, 2, 3, 4, 7, 8, 9, 10, 11, by adding subdivisions; 473.759,  
 190.42 subdivision 3; 477A.011, subdivision 34, by adding a subdivision; 477A.23,  
 190.43 subdivision 6; 477A.35, subdivisions 4, 6; 477A.36, subdivisions 4, 5a, 6;  
 190.44 Minnesota Statutes 2025 Supplement, sections 41A.30, subdivision 5; 41B.0391,  
 190.45 subdivisions 2, 4, 6a; 116U.27, subdivision 2; 126C.13, subdivision 4; 268.19,  
 190.46 subdivision 1; 273.13, subdivisions 22, 23; 295.81, subdivision 10; 297A.75,  
 190.47 subdivisions 1, 2, 3; 297A.94; 299C.76, subdivision 1; 477A.35, subdivision 5;  
 190.48 477A.36, subdivision 5; Laws 1986, chapter 400, section 44, as amended; Laws  
 190.49 1993, chapter 375, article 9, section 46, subdivisions 2, as amended, 2b, as added,

191.1 3, as amended, 5, as amended; Laws 1996, chapter 471, article 2, section 30,  
191.2 subdivision 5, as amended; Laws 1998, chapter 389, article 8, sections 36; 37,  
191.3 subdivision 2, as amended; Laws 2005, First Special Session chapter 3, article 5,  
191.4 section 38, as amended; Laws 2006, chapter 259, article 3, sections 9, subdivision  
191.5 4, by adding subdivisions; 10, subdivisions 3, as amended, 4, as amended, 5, as  
191.6 amended; Laws 2019, First Special Session chapter 6, article 6, sections 17,  
191.7 subdivisions 1, 3, 4, by adding a subdivision; 28, subdivisions 3, 4, by adding a  
191.8 subdivision; Laws 2021, First Special Session chapter 14, article 8, section 5,  
191.9 subdivisions 2, as amended, 3, as amended; article 9, sections 9; 11; Laws 2023,  
191.10 chapter 64, article 5, section 25, subdivision 1; Laws 2025, First Special Session  
191.11 chapter 13, article 5, section 11, subdivision 3; proposing coding for new law in  
191.12 Minnesota Statutes, chapters 116J; 270C; 290; 295; repealing Minnesota Statutes  
191.13 2024, sections 272.02, subdivisions 31, 64; 272.029, subdivision 7; 273.11,  
191.14 subdivisions 19, 20; 273.1315, subdivision 1; 273.1385; 273.25; 273.65; 273.66;  
191.15 273.67; 274.07; 289A.12, subdivision 15; 290.06, subdivision 29; 297A.68,  
191.16 subdivision 37; 428B.02, subdivision 7; 469.310; 469.311; 469.312; 469.313;  
191.17 469.314; 469.315; 469.316; 469.317; 469.318; 469.3181; 469.319; 469.3191;  
191.18 469.3192; 469.3193; 469.320; 469.3201; 477A.085; 477A.18; 477A.30, subdivision  
191.19 8."