

February 7, 2025

	Yes	No
DOR Administrative Costs/Savings		X

Department of Revenue
Analysis of S.F. 195 (Kunesh)

	Fund Impact			
	<u>F.Y. 2026</u>	<u>F.Y. 2027</u>	<u>F.Y. 2028</u>	<u>F.Y. 2029</u>
	(000's)			
General Fund	(\$210)	\$0	\$0	\$0
Natural Resources and Arts Funds	(\$10)	\$0	\$0	\$0
Total- All Funds	(\$220)	\$0	\$0	\$0

Effective retroactively for purchases made after August 31,2021 and before April 1, 2024.

EXPLANATION OF THE BILL

The bill would exempt materials, supplies, and equipment used in the construction, reconstruction upgrade, expansion or remodeling of the city hall facility in the city of Columbia Heights from the sales and use tax. The exemption would be administered as a refund and apply to purchases made after August 31,2021 and before April 1, 2024.

REVENUE ANALYSIS DETAIL

- Information for the estimates was provided by a representative of the city of Columbia Heights.
- Total construction costs for materials, supplies, and equipment are estimated to be \$3.2 million and the project has been completed and the project is completed.
- It is assumed that all refunds will be filed and paid in fiscal year 2026.

Minnesota Department of Revenue
Tax Research Division
<https://www.revenue.state.mn.us/revenue-analyses>