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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 889

02/17/2025 Authored by Fogelman
The bill was read for the first time and referred to the Committee on Taxes

1.1 A bill for an act
1.2 relating to taxation; sales and use; providing a refundable exemption for
1.3 construction materials used in certain projects in the Heron Lake-Okabena
1.4 Independent School District.

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

1.6 Section 1. HERON LAKE-OKABENA INDEPENDENT SCHOOL DISTRICT;
1.7 SALES AND USE TAX EXEMPTION FOR CONSTRUCTION MATERIALS.

1.8 Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
1.9 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,
1.10 or remodeling of the following projects in Independent School District No. 330, Heron
1.11 Lake-Okabena, are exempt from sales and use tax imposed under Minnesota Statutes, chapter
1.12 297A, if the materials, supplies, and equipment are purchased after May 31, 2024, and
1.13 before January 1, 2025:

- 1.14 (1) roof replacement;
1.15 (2) concrete work;
1.16 (3) tuckpointing;
1.17 (4) windows;
1.18 (5) flooring;
1.19 (6) bus garage doors;
1.20 (7) Heron Lake doors;
1.21 (8) bathroom fixtures and upgrades; and

2.1 (9) pool filter replacement.

2.2 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section  
2.3 297A.62, subdivisions 1 and 1a, applied and then refunded in the same manner provided  
2.4 for projects under Minnesota Statutes, section 297A.75, subdivision 1, clause (17).

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

2.7 **EFFECTIVE DATE.** This section is effective retroactively for sales and purchases  
2.8 made after May 31, 2024, and before January 1, 2025.