

**SENATE
STATE OF MINNESOTA
NINETY-THIRD SESSION**

S.F. No. 2686

(SENATE AUTHORS: FARNSWORTH, Green, Hauschild and Eichorn)

DATE
03/07/2023

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Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxes; sales and use; providing a refundable construction exemption for
1.3 a new and remodeled courthouse and correctional facility in Itasca County.

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

1.5 Section 1. **SALES TAX EXEMPTION FOR CONSTRUCTION MATERIALS;**
1.6 **ITASCA COUNTY.**

1.7 Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and
1.8 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,
1.9 or remodeling of the Itasca County courthouse and new correctional facility are exempt
1.10 from sales and use tax under Minnesota Statutes, chapter 297A, provided that the materials,
1.11 supplies, and equipment are purchased after April 30, 2021, and before January 1, 2025.

1.12 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
1.13 297A.62, subdivision 1, applied and then refunded in the same manner provided in Minnesota
1.14 Statutes, section 297A.75, subdivision 1, clause (17). Refunds for eligible purchases must
1.15 not be issued until after June 30, 2023.

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

1.18 EFFECTIVE DATE. This section is effective retroactively from May 1, 2021, and
1.19 applies to sales and purchases made after April 30, 2021, and before January 1, 2025.