

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

**S.F. No. 2857**

(SENATE AUTHORS: MILLER)

DATE  
03/13/2023

D-PG

Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to taxation; sales and use; providing a refundable exemption for building  
1.3 materials and capital equipment for the city of Spring Grove; appropriating money.

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

1.5 Section 1. **CITY OF SPRING GROVE; SALES AND USE TAX EXEMPTION FOR**  
1.6 **CONSTRUCTION MATERIALS AND CAPITAL EQUIPMENT.**

1.7 Subdivision 1. Exemption; refund. (a) The sale and purchase of the following items  
1.8 are exempt from sales and use tax imposed under Minnesota Statutes, chapter 297A, if the  
1.9 items are used to repair, replace, or otherwise recover from real and personal property  
1.10 damage that occurred during the fire on December 22, 2022, in the city of Spring Grove:

1.11 (1) building materials and supplies used or consumed in, and equipment incorporated  
1.12 into, the construction, replacement, or repair of real property; and

1.13 (2) capital equipment to replace equipment destroyed in the fire.

1.14 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section  
1.15 297A.62, subdivision 1, applied, and then refunded in the same manner provided for projects  
1.16 under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). The exemption under  
1.17 paragraph (a) applies to sales and purchases made after December 22, 2022, and before  
1.18 January 1, 2028. Refunds for eligible purchases must not be issued until after June 30, 2023.

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

2.1 **EFFECTIVE DATE.** This section is effective retroactively from December 23, 2022,  
2.2 and applies to sales and purchases made after December 22, 2022, and before January 1,  
2.3 2028.