

1.1 A bill for an act

1.2 relating to taxation; sales and use; authorizing the city of Biwabik to impose
1.3 local taxes.

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

1.5 Section 1. **GIANTS RIDGE RECREATION AREA TAXING AUTHORITY.**

1.6 Subdivision 1. Additional taxes authorized. Notwithstanding Minnesota Statutes,
1.7 section 477A.016, or any other law, ordinance, or charter provision to the contrary, the
1.8 city of Biwabik, upon approval both by its governing body and by the vote of at least
1.9 seven members of the Iron Range Resources and Rehabilitation Board, may impose any or
1.10 all of the taxes described in this section.

1.11 Subd. 2. Use of proceeds. The proceeds of any taxes imposed under this section,
1.12 less refunds and costs of collection, must be deposited into the Iron Range Resources and
1.13 Rehabilitation Board account enterprise fund created under the provisions of Minnesota
1.14 Statutes, section 298.221, paragraph (c), and must be dedicated and expended by the
1.15 commissioner of the Iron Range Resources and Rehabilitation Board, upon approval by
1.16 the vote of at least seven members of the Iron Range Resources and Rehabilitation Board,
1.17 to pay costs for the construction, renovation, improvement, expansion, and maintenance
1.18 of public recreational facilities located in those portions of the city within the Giants
1.19 Ridge Recreation Area as defined in Minnesota Statutes, section 298.22, subdivision 7, or
1.20 to pay any principal, interest, or premium on any bond issued to finance the construction,
1.21 renovation, improvement, or expansion of such public recreational facilities.

1.22 Subd. 3. Sales tax. The city of Biwabik, upon approval both by its governing
1.23 body and by the vote of at least seven members of the Iron Range Resources and
1.24 Rehabilitation Board, may impose, by ordinance, a sales tax of not more than one percent

2.1 within the Giants Ridge Recreation Area as defined in Minnesota Statutes, section
2.2 298.22, subdivision 7. The provisions of Minnesota Statutes, section 297A.99, except for
2.3 subdivisions 2 and 3, govern the imposition, administration, collection, and enforcement
2.4 of the tax authorized in this subdivision.

2.5 Subd. 4. **Lodging tax.** The city of Biwabik, upon approval both by its governing
2.6 body and by the vote of at least seven members of the Iron Range Resources and
2.7 Rehabilitation Board, may impose, by ordinance, a tax of not more than five percent on the
2.8 gross receipts subject to the lodging tax under Minnesota Statutes, section 469.190. This
2.9 tax is in addition to any tax imposed under Minnesota Statutes, section 469.190, and may
2.10 be imposed only on gross lodging receipts generated within the Giants Ridge Recreation
2.11 Area as defined in Minnesota Statutes, section 298.22, subdivision 7.

2.12 Subd. 5. **Admissions and recreation tax.** (a) The city of Biwabik, upon approval
2.13 both by its governing body and by the vote of at least seven members of the Iron Range
2.14 Resources and Rehabilitation Board, may impose, by ordinance, a tax of not more than five
2.15 percent on admission receipts to entertainment and recreational facilities and on receipts
2.16 from the rental of recreation equipment, at sites within the Giants Ridge Recreation Area as
2.17 defined in Minnesota Statutes, section 298.22, subdivision 7. The provisions of Minnesota
2.18 Statutes, section 297A.99, except for subdivisions 2 and 3, govern the imposition,
2.19 administration, collection, and enforcement of the tax authorized in this subdivision.

2.20 (b) If the city imposes the tax under paragraph (a), it must include in the ordinance
2.21 an exemption for purchases of season tickets or passes. The city may also include an
2.22 exemption from the tax for individuals who are residents of the area, designated under
2.23 Minnesota Statutes, section 273.134.

2.24 Subd. 6. **Food and beverage tax.** The city of Biwabik, upon approval both by its
2.25 governing body and by the vote of at least seven members of the Iron Range Resources
2.26 and Rehabilitation Board, may impose, by ordinance, an additional sales tax of not more
2.27 than one percent on sales of food and beverages primarily for consumption on or off
2.28 the premises by restaurants and places of refreshment as defined by resolution of the
2.29 city within the Giants Ridge Recreation Area as defined in Minnesota Statutes, section
2.30 298.22, subdivision 7. The provisions of Minnesota Statutes, section 297A.99, except for
2.31 subdivisions 2 and 3, govern the imposition, administration, collection, and enforcement
2.32 of the tax authorized in this subdivision.

2.33 **EFFECTIVE DATE.** This section shall be effective the day after compliance with
2.34 Minnesota Statutes, section 645.021, subdivisions 2 and 3, by the governing body of the
2.35 city of Biwabik. Notwithstanding Minnesota Statutes, section 645.021, subdivision 3, the

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- 3.1 city may comply with Minnesota Statutes, section 645.021, at any time before January
- 3.2 1, 2012.