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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-FIFTH  
SESSION

HOUSE FILE No. **422**

January 29, 2007

Authored by Seifert, by request,

The bill was read for the first time and referred to the Committee on Environment and Natural Resources

March 23, 2007

Committee Recommendation and Adoption of Report:

To Pass and re-referred to the Committee on Finance

1.1 A bill for an act  
1.2 relating to taxation; authorizing the city of Emily to impose a sales and use tax  
1.3 for certain purposes.

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

1.5 Section 1. **CITY OF EMILY; TAXES AUTHORIZED.**

1.6 Subdivision 1. Sales and use tax authorized. Notwithstanding Minnesota Statutes,  
1.7 section 477A.016, or any other provision of law, ordinance, or city charter, pursuant to the  
1.8 approval of the voters on November 7, 2006, and pursuant to Minnesota Statutes, section  
1.9 297A.99, the city of Emily may impose by ordinance a sales and use tax of one-half of one  
1.10 percent for the purposes specified in subdivision 2. The provisions of Minnesota Statutes,  
1.11 section 297A.99, govern the imposition, administration, collection, and enforcement of  
1.12 the tax authorized under this subdivision.

1.13 Subd. 2. Use of revenues. Revenues received from the tax authorized by  
1.14 subdivision 1 must be used to pay the cost of collecting and administering the tax and to  
1.15 pay the capital costs of new wastewater systems infrastructure to serve the city of Emily,  
1.16 as approved by the voters at the referendum authorizing the tax. Authorized costs include,  
1.17 but are not limited to, acquiring property and paying construction and engineering costs  
1.18 related to the projects.

1.19 Subd. 3. Termination of tax. The tax imposed under subdivision 1 expires at the  
1.20 earlier of a date 40 years after the imposition of the tax or when the Emily City Council  
1.21 first determines that the amount of revenues raised from the tax to pay for the project  
1.22 under subdivision 2 equals or exceeds \$1,637,000 plus any interest on loans taken by the  
1.23 city for the project. Any funds remaining after the expiration of the tax and payment of

2.1 the loans must be placed in the general fund of the city of Emily. The tax imposed under  
2.2 subdivision 1 may expire at an earlier time if the city of Emily so determines by ordinance.

2.3 **EFFECTIVE DATE.** This section is effective the day after the governing body of  
2.4 the city of Emily and its chief clerical officer comply with Minnesota Statutes, section  
2.5 645.021, subdivisions 2 and 3.