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State of Minnesota  
HOUSE OF REPRESENTATIVES

EIGHTY-SIXTH  
SESSION

HOUSE FILE No. **3807**

April 26, 2010

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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; local sales; extending the limitation on seeking authorization;  
1.3 amending Minnesota Statutes 2008, section 297A.99, subdivision 1.

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

1.5 Section 1. Minnesota Statutes 2008, section 297A.99, subdivision 1, is amended to  
1.6 read:

1.7 Subdivision 1. **Authorization; scope.** (a) A political subdivision of this state may  
1.8 impose a general sales tax (1) under section 297A.992, (2) under section 297A.993, (3) if  
1.9 permitted by special law enacted prior to May 20, 2008, or (4) if the political subdivision  
1.10 enacted and imposed the tax before January 1, 1982, and its predecessor provision.

1.11 (b) This section governs the imposition of a general sales tax by the political  
1.12 subdivision. The provisions of this section preempt the provisions of any special law:

1.13 (1) enacted before June 2, 1997, or

1.14 (2) enacted on or after June 2, 1997, that does not explicitly exempt the special law  
1.15 provision from this section's rules by reference.

1.16 (c) This section does not apply to or preempt a sales tax on motor vehicles or a  
1.17 special excise tax on motor vehicles.

1.18 (d) Until after May 31, ~~2010~~ 2012, a political subdivision may not advertise,  
1.19 promote, expend funds, or hold a referendum to support imposing or extending a local  
1.20 option sales tax ~~unless it is for extension of an existing tax or the tax was authorized by a~~  
1.21 ~~special law enacted prior to May 20, 2008.~~ For purposes of this section, "extending" a tax  
1.22 means using an existing tax to fund one or more projects or purposes not authorized in the  
1.23 existing special law, or increasing the amount of money allowed to be spent on projects or  
1.24 purposes authorized under the existing special law.

2.1 **EFFECTIVE DATE.** This section is effective the day following final enactment.