

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

S.F. No. 2530

(SENATE AUTHORS: DAHMS and Weber)

DATE
03/06/2023

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 an exemption for construction materials
1.3 for certain school buildings and facilities.

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

1.5 Section 1. **RED ROCK CENTRAL SCHOOL DISTRICT; SALES TAX EXEMPTION**
1.6 **FOR CONSTRUCTION MATERIALS.**

1.7 Subdivision 1. Exemption; refund. (a) Materials and supplies used in and equipment
1.8 incorporated into the construction of a new prekindergarten through grade 12 learning
1.9 facility in Independent School District No. 2884, Red Rock Central School District, are
1.10 exempt from sales and use tax imposed under Minnesota Statutes, chapter 297A, if materials,
1.11 supplies, and equipment are purchased after December 31, 2021, and before July 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 for projects
1.14 under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). Refunds for eligible
1.15 purchases must 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 January 1, 2022, and
1.19 applies to sales and purchases made after December 31, 2021, and before July 1, 2025.

2.1 Sec. 2. **SPRINGFIELD SCHOOL DISTRICT; SALES TAX EXEMPTION FOR**
2.2 **CONSTRUCTION MATERIALS.**

2.3 Subdivision 1. **Exemption; refund.** (a) Materials and supplies used in and equipment
2.4 incorporated into the following projects for Independent School District No. 85, Springfield
2.5 School District, are exempt:

2.6 (1) construction of a main secure entrance;

2.7 (2) construction of a required tornado storm shelter and related safety, security, and
2.8 accessibility improvements;

2.9 (3) installation of HVAC improvements;

2.10 (4) renovation and interior modifications necessary to convert the existing elementary
2.11 school gymnasium for use for career and technical education trades and auto shop; and

2.12 (5) addition of a new school gymnasium, including the construction and improvement
2.13 of new locker rooms, and the renovation and repurposing of existing locker rooms for use
2.14 for cafeteria improvements and school programming needs.

2.15 (b) The tax must be imposed and collected as if the rate under Minnesota Statutes, section
2.16 297A.62, subdivision 1, applied, and then refunded in the same manner provided for projects
2.17 under Minnesota Statutes, section 297A.75, subdivision 1, clause (17). Refunds for eligible
2.18 purchases must not be issued until after June 30, 2023.

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

2.21 **EFFECTIVE DATE.** This section is effective retroactively from January 1, 2022, and
2.22 applies to sales and purchases made after December 31, 2021, and before July 1, 2025.