

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

**S.F. No. 3422**

(SENATE AUTHORS: NELSON and Boldon)

DATE  
02/12/2024

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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 construction exemption  
1.3 for a materials recovery facility in Olmsted County.

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

1.5 Section 1. **OLMSTED COUNTY; REFUNDABLE SALES AND USE TAX**  
1.6 **EXEMPTION FOR CONSTRUCTION MATERIALS.**

1.7 Subdivision 1. Exemption; refund. (a) Materials and supplies used or consumed in and  
1.8 equipment incorporated into the construction, reconstruction, upgrade, expansion, renovation,  
1.9 or remodeling of a materials recovery facility in Olmsted County are exempt from sales  
1.10 and use tax under Minnesota Statutes, chapter 297A, provided that the materials, supplies,  
1.11 and equipment are purchased after December 31, 2023, and before January 1, 2028.

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).

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

1.17 EFFECTIVE DATE. This section is effective retroactively for sales and purchases  
1.18 made after December 31, 2023, and before January 1, 2028.