

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

**S.F. No. 438**

(SENATE AUTHORS: FRENTZ)

DATE  
01/24/2019

D-PG

Introduction and first reading  
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act  
1.2 relating to taxation; allowing the city of North Mankato to impose a local food  
1.3 and beverage tax.

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

1.5 Section 1. **CITY OF NORTH MANKATO; FOOD AND BEVERAGE TAX**  
1.6 **AUTHORIZED.**

1.7 Subdivision 1. Food and beverage tax authorized. Notwithstanding Minnesota Statutes,  
1.8 section 477A.016, or any ordinance, city charter, or other provision of law, the city of North  
1.9 Mankato may, by ordinance, impose a sales tax of up to one percent on the gross receipts  
1.10 on all sales of food and beverages by a restaurant or place of refreshment, as defined by  
1.11 resolution of the city, that are located within the city. For purposes of this section, "food  
1.12 and beverages" includes retail on-sale of intoxicating liquor and fermented malt beverages.

1.13 Subd. 2. Use of proceeds from tax. (a) The proceeds of any tax imposed under  
1.14 subdivision 1 shall be used by the city to pay all or a portion of the expenses of:

1.15 (1) operation, maintenance, and capital expenses for the Caswell Park Regional Sporting  
1.16 Complex; and

1.17 (2) for costs related to regional tourism events.

1.18 (b) Authorized capital expenses include securing or paying debt service on bonds or  
1.19 other obligations issued to finance the construction of the Caswell Park Regional Sporting  
1.20 Complex facilities.

1.21 Subd. 3. Collection, administration, and enforcement. If the city desires, it may enter  
1.22 into an agreement with the commissioner of revenue to administer, collect, and enforce the

2.1 taxes authorized under subdivisions 1 and 2. If the commissioner agrees to collect the tax,  
2.2 the provisions of Minnesota Statutes, section 297A.99, related to collection, administration,  
2.3 and enforcement apply.

2.4 **EFFECTIVE DATE.** This section is effective the day after the governing body of the  
2.5 city of North Mankato and its chief clerical officer comply with Minnesota Statutes, section  
2.6 645.021, subdivisions 2 and 3.