



City of  
**Blue Earth**

**CITY OF BLUE EARTH  
AGENDA  
CITY COUNCIL WORKSESSION  
TUESDAY, JANUARY 2, 2018 @ 4:30 P.M.**

**Call to order.**

**Roll call.**

**Old Business.**

1. Sales Tax Discussion and Review

**New Business.**

1. Goal Setting Review of 2017

**Adjourn.**

**By Order of the Blue Earth City Council**

**Timothy Ibisch**

**City Administrator**

Post @ City Hall-Friday, December 29, 2017 through Tuesday, January 2, 2018

Distribute to Mayor & Council members-Media & file

## **Sales Tax Timeline**

Winter 2018: Council makes decision regarding implementing a local sales tax and selects question terminology.

May 2018: Local question is submitted to County for inclusion on general election ballot

November 2018: Public votes on ballot question.

Spring of 2019: City receives authorization from the MN Legislature

Fall 2019: City approves ordinance and submits documentation to Department of Revenue, begins collection of local sales tax

**Projected Local Option Sales Tax Revenue  
County Projections**

Faribault
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**Sales Tax**

Taxable Sales	\$ 76,099,581
Proposed Local Rate	0.50%
Gross Local Sales Tax	\$ 380,498

Percent of Sales Outside County	20%
Net Local Sales Tax	<u>\$ 304,398</u>

**Use Tax**

Gross Use Tax	\$ 962,896
State Sales Tax Rate	6.875%
Proposed Local Rate	0.50%
Net Local Use Tax	<u>\$ 70,029</u>

<b>Total Local Sales and Use Tax</b>	<b><u>\$ 374,427</u></b>
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Department of Revenue indicates a 0.50% local sales tax would generate approximately \$165,000 annually. If we capitalize the revenue and issue bonds, we could issue about \$2.2 million. Based on 20 years at 4.0%. \$165,000 is about 45% of what Faribault County would generate, so that makes sense.

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December 4, 2017

RE: City of Blue Earth ½ Percent Sales and Use Tax Memorandum

Dear Council Member:

The City of Blue Earth has recently discussed the process to establish a Sales and Use Tax in the City of Blue Earth.

The first step is to pass a resolution to place the matter on the election ballot. Attached is a first draft of that resolution.

The referendum election would occur in November of 2018. Assuming the measure is approved, the matter can then be submitted to the legislature in 2019.

Once passed and approved by the State legislature, the local sales and use tax must be officially implemented by the passage of an ordinance by the City Council. Per our charter, 30 days must pass for it to become effective with a possibility of a second referendum vote being required if an appropriate petition is filed after passage of the approving ordinance.

Finally, if no referendum petition is filed, the notice of implementation is filed with the State Department of Revenue and the tax will begin at the beginning of the next quarter. In theory, that places the start of the sales tax in either October 2019 or January 2020, depending on which legislature gets its work done.

If you have any questions, please contact me.

Very Truly Yours,

**FRUNDT & JOHNSON, LTD**

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DFF/

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STATE OF MINNESOTA )  
COUNTY OF FARIBAULT )  
CITY OF BLUE EARTH )

TO PLACE LOCAL OPTIONAL SALES TAX ON  
THE NOVEMBER 2018 GENERAL ELECTION BALLOT

WHEREAS, the City of Blue Earth has a demand for capital investment beyond its current tax levy; and,

WHEREAS, the City is facing increasing demand for public wastewater infrastructure improvements, public street improvements and for recreational amenities, trails and public park improvements.

WHEREAS, the City Staff and Community groups have assessed the City's recreational amenities and engaged the citizens in conversations that identified the needs and wants of the community. The estimated cost to meet those needs will be in excess of \_\_\_\_\_; and,

WHEREAS, Blue Earth currently has a 0.00% local sales tax in place; and,

WHEREAS, a half-cent sales tax would generate an estimated \$\_\_\_\_\_ over the next 25 years.

NOW THEREFORE, BE IT RESOLVED, that the City of Blue Earth authorize a referendum for the November 2018 general election, proposing a 25 year, half-cent sales tax to commence in 2020 and run until 2045 to fund Blue Earth's recreational needs and to further seek legislative approval for the authority to implement such a sales tax.

Motion by:  
Seconded by:  
All in favor:  
Opposed:  
Abstained:  
Absent:

## **Codified Local Sales Tax Rules**

### **History**

In 1997, the sales tax advisory council—a group of legislators, administration staff, and representatives of the business community—recommended that the legislature adopt model statutory language for the imposition and administration of local sales taxes. The goal was to create consistency in the application of new and existing local taxes that would (1) ease the compliance costs for businesses located outside the taxing jurisdiction who were required to collect the local tax, and (2) simplify the Department of Revenue’s administration of these taxes.

The proposed local sales tax statute laying out these rules was enacted in the 1997 session.<sup>1</sup> Language was added in 1998 and 1999 to incorporate some standards that the House and Senate tax committees had started to use in evaluating proposals for new local sales tax authority and to clarify some additional administration issues. Further changes were made during the 2003 session to make the law conform to the Streamlined Sales and Use Tax Agreement (SSUTA).<sup>2</sup> Several additional minor modifications have been made since then and are explained in the summary below.

Local sales tax rules are codified in Minnesota Statutes, section 297A.99.

## **Summary of the Local Sales Tax Provisions**

### **Local Taxes Subject to the Statutory Provisions**

The statutory provisions apply to all local sales taxes authorized after June 2, 1997, unless the enabling legislation specifically exempts the local authority from all or part of this statute. Since January 1, 2000, the statutory provisions apply to and preempt any contrary provisions of all local sales taxes authorized before June 2, 1997. Minn. Stat. § 297A.99, subd. 1.

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<sup>1</sup> The original provisions were codified in Minnesota Statutes, section 297A.48, and were amended in 1998 and 1999. The amended provisions were moved to Minnesota Statutes, section 297A.99, in 2000, as part of a recodification of the sales tax chapter.

<sup>2</sup> The Streamlined Sales and Use Tax Agreement (SSUTA) is a voluntary agreement in which participating states simplify and standardize sales tax administration and definitions between states. Minnesota is a member—see Minnesota Statutes, section 297A.995. Remaining in compliance allows the state to collect sales tax revenues from certain out-of-state businesses that it would otherwise not collect due to nexus requirements.

## Steps That a Political Subdivision Must Follow to Impose a Local Sales Tax

In order to impose a local sales tax, a political subdivision must obtain enactment of a special law authorizing it to do so by taking the following steps (in the order listed):

1. The governing body of political subdivision must pass a resolution proposing the tax stating (at least) the:
  - a. Proposed tax rate,
  - b. Amount of revenue to be raised and its intended uses, and
  - c. Anticipated date that the tax will expire.
2. The proposed tax, then, must be submitted to and passed by the majority of the voters at a general election held at least 90 days after the resolution was passed. The political subdivision may not expend money to advertise or promote the tax.
3. The political subdivision must request and get enacted a special law authorizing imposition of the tax.
4. The political subdivision must file local approval with the secretary of state before the start of the next regular legislative session after the session in which the enabling law is enacted.
5. The political subdivision must pass an ordinance imposing the tax and notify the Commissioner of Revenue at least 90 days before the first day of the calendar quarter on which the tax is to be imposed.

A political subdivision must get special legislation authorizing the imposition of the sales tax. The statute requires that the governing body of the political subdivision pass a resolution indicating its desire to impose the tax prior to requesting the enabling legislation. The resolution must include information on the proposed tax rate, the amount of revenue to be raised and its intended use, and the anticipated date when the tax will expire. This resolution requirement was added during the 1998 session. Minn. Stat. § 297A.99, subd. 9a.

Since 1999, political subdivisions have been required to hold a local referendum at a general election<sup>3</sup> before imposing an authorized local sales tax. The revenue may only be used to fund specific capital improvements, which must be identified at least 90 days before the referendum. This codified existing practice, since most special legislation authorizing local taxes passed in recent years already imposed this requirement. However the 1999 law was ambiguous on the timing of the referendum—whether it should be held before or after the enabling legislation had passed. In 2011 the law was clarified to require the political subdivision to hold the referendum prior to coming to the legislature for authority to impose the tax. Minn. Stat. § 297A.99, subs. 2 and 3.

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<sup>3</sup> A general election means either the state general election held on the first Tuesday after the first Monday in November of an even-numbered year, or a regularly scheduled election for local public officials for that political subdivision.

In 2008, a temporary prohibition was added to the law forbidding a political subdivision to “advertise, promote, expend funds, or hold a referendum to support imposing a local option sales tax” unless it was to extend or change an already authorized tax. The prohibition was until May 31, 2010, and the practical intent was to eliminate new local sales tax proposals coming before the legislature during the 2009 and 2010 legislative sessions. In 2011 the expired provision was replaced with a new limitation allowing political subdivisions to hold referenda to impose a local sales tax but still prohibiting them from advertising or spending funds to promote imposing the tax. In 2013, the provision was loosened to allow a political subdivision to also spend money to provide the public with certain facts about the proposed tax and to host public forums on the issue, provided proponents and opponents were given equal time to speak. Minn. Stat. § 297A.99, subd. 1, para. (d).

### **Determination of the Local Tax Rate**

The local tax rate is set in the legislation authorizing the tax. The statute clarifies that the full local tax rate applies to all taxable sales. SSUTA allows lower rates to apply to certain items but all current local sales taxes have only one rate.<sup>4</sup> Minn. Stat. § 297A.99, subd. 5.

### **Definition of the Tax Base for the Local Tax**

The statute provides that the local sales tax applies to the same tax base, with the same exemptions, as the state sales tax. A taxable service is subject to the local tax if more than one-half of the service, based on the cost, is performed within the local jurisdiction. Minn. Stat. § 297A.99, subs. 4 and 7. The following sales made within the local taxing jurisdiction are exempt from the local tax:

- Purchases shipped outside the taxing jurisdiction for use in a trade or business outside of the jurisdiction
- Purchases temporarily stored in the taxing jurisdiction before being shipped by common carrier for use outside of the jurisdiction
- Purchases that are subject to the direct pay provisions for interstate motor carriers under Minnesota Statutes, section 297A.90

Although the statute does not apply to or preempt a local sales tax on motor vehicles, a law passed in 2000 prohibits a local tax on motor vehicles greater than \$20 per vehicle. Laws 2000, ch. 490, art. 8, § 21.

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<sup>4</sup> The one-rate-per-taxing-jurisdiction requirement in SSUTA does not apply to the sale of the following items: electricity, gas, or other heating fuels delivered by the seller, or the transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.



## **Requirements of a Complementary Use Tax**

A complementary use tax<sup>5</sup> is required in all jurisdictions with a local sales tax. Four local taxes enacted before 1997 did not include a use tax; a local use tax was imposed in these political subdivisions beginning January 1, 2000.<sup>6</sup>

The statute also allows a credit against the use tax owed for a local sales or use tax paid to another political subdivision. This is similar to the credit against state sales and use tax for the amount of sales taxes paid to another state.

In 2005, the law began requiring political subdivisions with a local sales and use tax to notify their citizens about the local use tax and provide information or electronic links to allow persons to get information and forms needed to pay the tax. The political subdivision must post the information on the main page of its website and provide an annual notice with the billing statement for any public utilities provided by the jurisdiction. Minn. Stat. § 297A.99, subsds. 6, 8, and 12a.

## **Collection, Administration, and Enforcement of Local Taxes**

The statute requires the Commissioner of Revenue to administer and collect local sales and use taxes. This merely codified preexisting practice. All local sales taxes, except for the tax imposed in the city of Duluth, have been administered and collected by the state. The city of Duluth, at its own request, was specifically exempted from the collection and administration provisions of the statute. However, the commissioner began collecting the Duluth tax January 1, 2006, because the SSUTA requires collection of all local and state sales taxes by one agency.

The local taxes are subject to the same penalties, interest, and enforcement provisions as the state sales tax. Refunds of excess state sales taxes paid must also include a refund of any excess local sales tax paid. The state deducts its collection and administration costs from the tax revenue returned to the local taxing jurisdiction. The net local tax revenue is paid to the local taxing jurisdiction on a quarterly basis. Minn. Stat. § 297A.99, subsds. 9 and 11.

## **Imposing and Repealing Local Sales Tax**

To facilitate state administration of local taxes, the imposition of a tax may only begin on the first day of a calendar quarter. Repeal of a local tax is only effective at the end of a calendar quarter. A local taxing jurisdiction must give the Department of Revenue at least 90 days' notice before a tax is imposed or repealed. The notice provision was amended in 2003 to include SSUTA requirements. The tax will only be effective after the commissioner has given sellers located in the area at least 60 days' notice and will apply to catalog or remote sales only after the

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<sup>5</sup> The use tax is imposed on the consumption or "use" of taxable items for which no sales tax was paid. The tax is imposed mainly on purchases by resident buyers from sellers located outside of the local taxing jurisdiction. The use tax removes the disadvantage to local businesses from competition with businesses located outside of the taxing area that are not required to collect the local sales tax.

<sup>6</sup> A complementary use tax was not originally authorized in Cook County and the cities of Hermantown, Mankato, and St. Paul.

commissioner has given these sellers 120 days' notice. The practical effect is that local taxing jurisdictions will have to give the commissioner more than 90 days' notice.

The statute was amended in 1999 to require a break between the repeal of an existing sales tax and the reimposition of a sales tax for another purpose. A new local sales tax must now expire after completion of the specified project, and the political subdivision must wait one year after the expiration before imposing a new tax for a different project. A number of political subdivisions in the past have had their sales taxes extended and the allowed uses of the tax proceeds expanded before the tax expired. Despite this requirement, extensions were granted to three existing taxes in 2005 without the one-year wait. In 2008 and 2009, four existing taxes were extended to allow funding of additional projects; Rochester was granted an additional extension in 2011, and three cities were granted extensions in 2014 before their taxes expired.<sup>7</sup> Minn. Stat. § 297A.99, subds. 3, para. (d), and 12.

### **Determining the Site of a Delivery for Local Tax Purposes**

The 1999 Legislature added a provision dealing with the use of zip codes to determine whether a delivery sale is subject to a local sales and use tax. This was amended in 2003 to follow SSUTA requirements. Under the change, the lowest combined tax rate applies if a zip code area includes more than one tax rate. For example, if a zip code includes both a portion of Edina (with no local sales tax) and a portion of Minneapolis (with a half-cent local sales tax), the Minneapolis tax may not be collected. Nine-digit zip codes should be used, if available, to determine the tax rate. Minn. Stat. § 297A.99, subd. 10.

### **Special Authority for First-class Cities**

Notwithstanding the requirement that sales tax revenues only fund the projects explicitly specified in the enabling legislation, the 2012 Legislature granted authority to cities of the first class (Minneapolis, St. Paul, Duluth, and Rochester) to also use the revenues to fund certain large capital projects of regional significance without additional voter approval. These cities may use revenues that exceed the amount needed to pay for the financing of the specified capital projects to help fund a sports facility, convention center, or civic center that has a construction cost of at least \$40 million. Minn. Stat. § 297A.9905.<sup>8</sup>

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<sup>7</sup> In 2005 Mankato, Rochester, and the Central Minnesota cities were allowed to extend their taxes without a one-year wait; however, the extensions still required voter approval. In 2008, Mankato, Hermantown, and Proctor were allowed tax extensions to fund additional projects, and in 2009 Cook County was allowed to extend its tax to fund two additional projects. In 2014 Albert Lea was allowed to extend its existing tax for an additional five years without voter approval and Baxter and Brainerd were authorized to extend their taxes without a break provided they were approved by the voters at the 2014 general election.

<sup>8</sup> This authority was granted in the bill authorizing the use of the Minneapolis sales tax to fund a portion of the Vikings football stadium. The city of St. Paul is helping to finance a minor league baseball stadium from its existing tax.

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## Local Sales and Use Taxes (see the table on page 5 for a listing of the local taxes)

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### Local sales tax

The Minnesota Department of Revenue currently administers the local taxes shown in the chart on pages 5-7. Local sales tax applies to retail sales made and taxable services provided within the local taxing area. The tax applies to the same items that are taxed by Minnesota Sales and Use Tax law.

To figure the tax, combine the state tax rate and the local rates. Apply the combined rate to the taxable sales price and round to the nearest full cent. Rate charts are available on our website or upon request.

Report local taxes when you electronically file your Minnesota sales and use tax. The figures are reported separately from state taxes.

### Who is required to collect local tax

All retailers who are registered to collect Minnesota sales tax and are doing business in an area with a local tax must be register to collect that local tax. This includes any sellers from outside the locality who:

- have an office, distribution, sales, sample, or warehouse location, or other place of business in the local area either directly or by a subsidiary
- have a representative, agent, salesperson, canvasser, or solicitor in the local area, on either a permanent or temporary basis, who operates under the authority of the retailer or its subsidiary for any purpose, such as repairing, selling, installing, or soliciting orders for the retailer's goods or services, or leasing tangible personal property in the local area
- ship or deliver tangible personal property in your own vehicle to the local area
- perform taxable services in the local area

Local tax applies to sales made or services performed within city limits or county boundaries only. ZIP Codes help to determine the taxing area, but don't always correspond exactly with city or county limits, so part of a ZIP Code may be outside the city or county. (See the "ZIP Codes" section on page 4.)

### Local use tax

Local use tax applies when you buy items or services for use, storage, distribution, or consumption in the local area without paying local sales tax to the seller. Use tax is similar to sales tax and the rates are identical. It is based on your cost of taxable purchases. Common examples of when use tax is due:

- You buy items outside the local area and the seller doesn't charge local sales tax, and you use or store the item in the local area.

- You buy a taxable item from an out-of-state seller who does not charge local sales tax.

For more information, see Fact Sheets 146, *Use Tax for Businesses*, and 156, *Use Tax for Individuals*.

**Credit for local tax paid.** If you pay local sales tax in Minnesota to one locality but use the items in another area that imposes local sales and use tax, you are allowed credit for the local sales tax already paid.

### Ways to register

You may register for local taxes when filing your Sales and Use Tax return in e-Services.

1. Select the dropdown arrow next to the blank row on the return.
2. Select the local tax that you need to add.
3. Enter the dollar amount for this local tax.

If you file by phone, you must register for local tax before you file your return. Call 651-282-5225 or 1-800-657-3605 (toll-free).

You can email us at [salesuse.tax@state.mn.us](mailto:salesuse.tax@state.mn.us) to register. If you send us an email, include your Minnesota Tax ID number.

### When to charge local tax

As a general rule, charge local sales tax on all sales made in a local taxing area that are subject to Minnesota state sales tax.

- Charge local sales tax to customers from outside the city or county who pick up items in the local area for business or personal use, even if the items are taken out of the local area.
- Charge local sales tax to customers from outside the local area if you perform taxable services in the local area. For example, charge local tax if you perform a car wash or deliver dry cleaned items in an area with a local tax.

### Exemptions

Do not charge local sales tax on sales of taxable items when:

- your customer gives you a completed Form ST3, *Certificate of Exemption*
- you ship or deliver the items to your customer outside the local area
- you sell direct-to-home satellite (DBS) services (not cable). These services are subject to state sales tax, but not local sales tax. This is a federal preemption from the Telecommunications Act of 1996.

**Federal government agencies** are exempt from state and local sales and use taxes.

**Minnesota state agencies** have Direct Pay authorization when buying tangible items, which means that they do not pay sales tax to the seller—they pay use tax directly to the state.

**Local governments** including cities, towns, counties, instrumentalities, political subdivisions, commissions, special districts, and governmental boards are not required to pay general local sales taxes. No exemption certificate is necessary. Cities, counties, and towns do not pay the state sales tax on most purchases. For more information, see Fact Sheet 142, *Sales to Governments*.

### Vehicle leases

**Long-term leases.** If you enter into a long term lease for a vehicle that is principally based or garaged in an area with local sales tax, local sales tax applies. The local tax applies even if the leasing company is located outside the city or county.

If the lease is for a vehicle that requires an up-front payment of state sales tax, local tax is also due up-front, if the vehicle is principally garaged in the local area.

**Short-term rentals.** Vehicles leased or rented under agreements for less than 29 days are subject to local tax if the lease agreement is entered into in the local taxing area, even if the lessee intends to use the vehicle outside the city or county.

### Vehicle sales

Local sales tax does not apply to sales of motor vehicles. However, **\$20 vehicle excise tax** applies to sales of motor vehicles when the sale occurs in a county listed in the table below.

### Special local taxes

The Minnesota Department of Revenue also administers special local taxes that are imposed in Detroit Lakes, Giants Ridge Recreation Area, Mankato, Minneapolis, Proctor Rochester, St. Cloud, and St. Paul.

The city of Detroit Lakes imposes a 1 percent Food and Beverage tax. Giants Ridge Recreation Area imposes a 2 percent Admissions and Recreation tax; a 1 percent Food and Beverage tax; and a 2 percent Lodging tax. The city of Mankato imposes a 0.5 percent Food and Beverage tax; and a 0.5 percent Entertainment tax. The city of Proctor imposes a 1 percent Food and Beverage tax. St. Cloud imposes a 1 percent tax on liquor and food sold at restaurants and “places of refreshment” located within the city limits. Minneapolis, Rochester, and St. Paul impose various lodging taxes administered

County	Effective Date
Anoka*	10/1/2017
Beltrami	4/1/2014
Carver	10/1/2017
Carlton, St. Louis	4/1/2015
Dakota*	10/1/2017
Hennepin*	10/1/2017
Otter Tail	1/1/2016
Ramsey*	10/1/2017
Scott	10/1/2015
Transit Improvement Area*	7/1/2008
Washington*	10/1/2017

\*The Transit Improvement Area Tax (includes the counties of Anoka, Dakota, Hennepin, Ramsey, and Washington) ends September 30, 2017. Starting October 1, 2017, each county will have their own \$20 vehicle excise tax.

This excise tax must be collected by any person in the business of selling new or used motor vehicles at retail and must be submitted to the Minnesota Department of Revenue on your Minnesota Sales and Use Tax return.

Motor vehicle means any self-propelled vehicle required to be licensed for road use and any vehicle propelled or drawn by a self-propelled vehicle required to be licensed for road use. It includes, but is not limited to, cars, vans, pickups, trucks, truck-tractors, tractors, trailers, motor homes, and motor cycles.

**Note:** An excise tax of \$20 also applies to sales of vehicles made by dealers located within Baxter, Brainerd, Clearwater, Hutchinson, Mankato, New Ulm, Rochester and Worthington. For more information, contact the city offices directly. The Department of Revenue does not administer the excise tax for these cities.

by the Department of Revenue. Minneapolis imposes a city wide 3 percent entertainment tax. Special 3 percent restaurant and 3 percent liquor taxes apply in the Minneapolis downtown taxing district.

See Fact Sheets 164M, Minneapolis Special Taxes and 164S, Special Local Taxes, for more information about special local taxes administered by the Department of Revenue.

### Lodging taxes

Many Minnesota cities, towns, and areas impose a lodging tax. Except for the ones listed in the chart, these taxes are not administered by the Minnesota Department of Revenue. All questions should be directed to the city or town imposing the tax.

## Examples of when to charge local tax

In the examples below, Minnesota state tax always applies. Local tax applies as indicated.

- A Duluth company sells items to a Hermantown company. The Duluth company delivers the items to Hermantown in their own truck. The Duluth company is required to collect the Hermantown and the St. Louis County Transit Sales and Use Tax.
- A contractor buys and picks up materials in a city with a local tax for use in an area without a local tax. Since the materials are picked up in the city with a local tax, that city's local sales tax applies. If the materials are delivered by the seller to the construction site, no local tax is due.
- A North Dakota contractor buys there and pays the North Dakota tax. The materials are brought into Minnesota to be used at a construction site in Bemidji. Bemidji local use tax is due. (Also, since North Dakota's tax rate is lower than Minnesota's rate, the difference is due as Minnesota state use tax.)
- A person sells at a craft show located in a city with a local tax and customers take possession of the items in that city. Since the sales are being made in a city with a local tax, the seller must collect the local tax. This is true even if the seller is from outside the city.
- A photographer takes pictures at a site where there is no local tax. The customer picks up the photos at the photographer's studio in a city with a local tax. Local tax is due because the customer takes possession of the photos in a city with a local tax. If the photographer mails the photos to an area with no local tax, no local tax is due.

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## ZIP Codes

You can use the **Sales Tax Rate Calculator** to help you determine the sales tax rate. You can find the calculator on our website. Go to [www.revenue.state.mn.us](http://www.revenue.state.mn.us) and type **sales tax calculator** into the Search box.

**Note:** the rate calculator **does not include special local taxes** (lodging, entertainment, liquor, admissions, and restaurant taxes).

For information, see:

Fact Sheet 164S, *Special Local Taxes*

Fact Sheet 164M, *Minneapolis Special Local Taxes*

The general ZIP Code area for each local tax is listed in the **Local Tax Guide – ZIP Codes, Cities, and Towns** on our website. Unfortunately, ZIP Codes do not correspond exactly with city/county limits. To be sure you are getting the correct results for the specific address you are looking up, use the sales tax rate calculator on our website.

### Legal References

Minnesota Statutes 297A.63, Use Taxes Imposed; Rates  
Minnesota Statutes 297A.95, Coordination of state and local sales tax rates

Minnesota Statutes 297A.98, Local governments exempt from local sales taxes

Minnesota Statutes 297A.99, Local sales taxes

### Other Fact Sheets

142, Sales to Government

146, Use Tax for Businesses

156, Use Tax for Individuals

164M, Minneapolis Special Local Taxes

164S, Special Local Taxes

## **2017 Priorities List**

### **John Huisman**

1. Housing
2. Park Improvements- Ballfields and Recreation Facilities
3. Street Projects

### **Rick Scholtes**

1. Housing Development
2. Annexation and completion of additional infrastructure
3. Street Projects
4. Safe routes to school/walking paths
5. Getting the 3 sisters building back into the public hands

### **Glenn Gaylord**

1. Development of BARCO area
2. Employee Communication
3. Better training for Supervisors on budgets and time-use/Hold staff accountable
4. Restructure committees so hiring authority is controlled by City Council
5. Find new ways to show employees how much we value them

### **Dan Warner**

1. Housing Development (street/infrastructure ready for housing)
2. Public Works Shop
3. Street Projects and sidewalk projects
4. Park and trails improvements
5. Overall enforcement of city ordinances and code (lawn mowing, nuisances, unsafe/unsanitary properties that make impressions on prospective home buyers)

### **Wendy Cole**

1. Three Sisters buildings, Main Street shops/eateries.
2. Housing, housing for Seniors
3. Streets...ongoing
4. Sidewalk repair.
5. Green Giant project/visitor's center/camping, bringing people into Blue Earth/tourism

### **Russ Erichsrud**

1. Wastewater Plant
2. Street and Sidewalks
3. 3 sisters and industrial park
4. Housing and Blight Reduction
5. Restrooms at 14<sup>th</sup> street
6. Public Works Building

## **Marty Cassem**

1. Sidewalk from Blue Ridge
2. Senior Center Women's Bathroom
3. Restrooms at 14<sup>th</sup> Street
4. Housing Demolitions for new lots

These were the goals from 2017. Most of them have been accomplished. Most notably the Wastewater plan project is underway and due to be complete in 2018. The Housing is part way construction with mid-summer completion scheduled. The sidewalk extension is planned and ready to go out to bids in mid spring. Senior Center Men's and Women's bathroom remodel is complete. We stepped up enforcement of zoning and code violations this year and used additional part officers to crack down on repeat offenders. We demolished 3 derelict houses and facilitated the sale of another to a responsible new owner. A large street project has been authorized and will move into the bidding process in February of 2018. The Green Giant Welcome Center project has gone out for bids and we will see what some of numbers we get back on January 23rd. We made a number of park improvements including a new swing set setup at Putnam and a bathroom at the Fairgrounds.

There were a couple of areas where additional progress will be made i.e. the 3 Sisters is a project that will require more time and energy next year. Due to issues with the Executive Director at FCDC not as much progress was made as should have been. While the buildings have been cleared out and cleaned up, it's only now that we've been able to move forward on much needed improvements. So that will be a focus point in 2018. We are also going to keep up the press on home demos. I have 3 currently lined up for next year. Additionally, we've run into some difficulties with the Public Works Garage. We will continue to work on that as well.

I am hoping that over the next few weeks the members of the Council can get me their lists of items they want to work on next year.