

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

S.F. No. 808

(SENATE AUTHORS: BAKK and Franzen)

DATE
02/04/2019

D-PG
246 Introduction and first reading
Referred to Taxes

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to taxation; lodging; authorizing Lake County to impose a lodging tax;
1.3 modifying the city of Two Harbors lodging tax authority; amending Laws 1994,
1.4 chapter 587, article 9, section 11.

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

1.6 Section 1. Laws 1994, chapter 587, article 9, section 11, is amended to read:

1.7 Sec. 11. **TWO HARBORS LODGING TAX.**

1.8 Notwithstanding Minnesota Statutes, section 477A.016, or other law, in addition to a
1.9 tax authorized in Minnesota Statutes, section 469.190, the city of Two Harbors may impose,
1.10 by ordinance, a tax of up to one percent on the gross receipts subject to the lodging tax
1.11 under Minnesota Statutes, section 469.190. The proceeds of the tax shall be dedicated and
1.12 used to provide preservation, display, and interpretation of the tug boat Edna G. The total
1.13 tax imposed by the city under this section, by Lake County under section 2, and under
1.14 Minnesota Statutes, section 469.190, shall not exceed ~~three~~ seven percent.

1.15 Sec. 2. **LAKE COUNTY LODGING TAX.**

1.16 Subdivision 1. Lodging tax. Notwithstanding Minnesota Statutes, section 477A.016,
1.17 or any other provision of law, ordinance, or city charter, the Board of Commissioners of
1.18 Lake County may impose, by ordinance, a tax of up to four percent on the gross receipts
1.19 subject to the lodging tax under Minnesota Statutes, section 469.190. This tax is in addition
1.20 to any tax imposed under Minnesota Statutes, section 469.190. The total tax imposed by
1.21 the county under this section, by the city of Two Harbors under Laws 1994, chapter 587,

2.1 article 9, section 11, and under Minnesota Statutes, section 469.190, must not exceed seven
2.2 percent.

2.3 Subd. 2. **Allowed use of revenues.** The revenues derived from the taxes imposed in
2.4 subdivision 1 must be used to fund a new Lake County Event and Visitors Bureau as
2.5 established by the Board of Commissioners of Lake County. Three percent of revenues
2.6 must be used for marketing the county and one percent of revenues must be used to fund
2.7 and promote events and festivals in Fall Lake, Beaver Bay, Silver Bay, Two Harbors, Knife
2.8 River, and The Board of Commissioners of Lake County must annually review the
2.9 budget of the Lake County Event and Visitors Bureau. The event and visitors bureau may
2.10 not receive revenues raised from the taxes imposed in subdivision 1 until the Board of
2.11 Commissioners approves the annual budget.

2.12 Sec. 3. **EFFECTIVE DATE.**

2.13 Sections 1 and 2 are effective the day after the governing bodies of Lake County and
2.14 the city of Two Harbors and their chief clerical officers comply with Minnesota Statutes,
2.15 section 645.021, subdivisions 2 and 3.