

## FAQ for the Proposed Food and Beverage Tax

What is the current sales tax in the City of Sartell?

- Current Sartell sales tax is 7.625% which includes state sales tax of 6.875 percent, Stearns County tax of .25 percent, and the regional tax of .5 percent.

Is the food and beverage tax the first of its kind that a small tax is being allocated for a specific funding stream in the city?

- No, our regional tax of .5 percent provides funding for regional projects, and is shared by the cities of St. Cloud, Sartell, Sauk Rapids, and Waite Park via a formula calculated annually.

Do other local cities have this tax?

- The City of St. Cloud has a similar tax on food and beverages that they have been collecting for over 30 years.

What will be taxed?

- Food sales and retail sales of alcoholic beverages, sold in a "ready to consume" state, sold by any place of refreshment in Sartell. This does not include grocery stores or off-sale liquor sales. It also is not a tax on the establishment/business owner, but a tax on the consumer.

What can the tax be used for?

- The tax collected **only** can only be used on recreational amenities within the City of Sartell. It can be used for capital or operating costs associated with the recreational amenities, such as an inclusive-playground, aquatic center, or upgrades at any of our local parks.

How will the funding be allocated to those recreational amenities?

- For large projects, a volunteer committee will recommend projects to the City Council who will vote on the proposed projects.
- For smaller projects, City staff will provide a priority list for Council to review and vote on as necessary.

Who will be administering the funds collected?

- The State of Minnesota will be administering and auditing the funds collected and making sure it is used for its intended purpose.

Is there a potential dollar amount the City could collect from this tax?

- Using data from 2020, the City of Sartell is estimating it will collect approximately \$300,000 per calendar year from the tax.

How will this affect business owners?

- Businesses will collect the tax from the consumer during the sale of the foods or beverages. These businesses are simply the "pass through" and do not pay the tax as business owners.

Can I vote early?

- Yes, City Hall is open to early voting until February 7<sup>th</sup>. Please visit [www.sartellmn.com](http://www.sartellmn.com) to find times.

Where do I find my polling location?

- To find your polling location: <https://pollfinder.sos.state.mn.us/Default.aspx>