
DAKOTA COUNTY POLICIES AND PROCEDURES MANUAL

Policy 8001 Aggregate Tax

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Department: Property Taxation & Records

Board or Administrative: Administrative

Related Policies:

POLICY STATEMENT

It is the policy of Dakota County to impose an aggregate production tax on every importer and operator at a rate of 21.5 cents per cubic yard or 15 cents per ton of aggregate material removed in compliance with Minn. Stat. § 298.75. The tax shall be imposed on aggregate material produced in Dakota County when the aggregate material is transported from the extraction site or sold. Dakota County will distribute the local portion of the tax to the general fund of the city or township in which the mine is located. Dakota County has established an aggregate reporting review / examination of records function within the Public Services and Revenue Division.

DEFINITIONS

Aggregate Material: Nonmetallic natural mineral aggregate including, but not limited to sand, silica sand, gravel, crushed rock, limestone, granite, and granular borrow, but only if the granular borrow is transported on a public road, street, or highway.

Operator: Any person engaged in the business of removing aggregate material from the surface or subsurface of the soil, for the purpose of sale, either directly or indirectly, through the use of aggregate material in a marketable product or service.

Importer: Any person who buys aggregate material excavated from another state or a county not authorized to impose a tax, and causes the aggregate material to be imported into a county in this state which imposes a tax on aggregate material.

Extraction Site: A pit, quarry, or deposit containing aggregate material and any contiguous property to the pit, quarry, or deposit which is used by the operator for stockpiling the aggregate material.

SOURCE

Minn. Stat. § 298.75, Aggregate material removal; production tax.

GENERAL

Dakota County has collected aggregate tax since 1983. This is a self-reporting tax collected on a quarterly basis. Minn. Stat. § 298.75 governs aggregate tax collected in Dakota County. Dakota County collects the tax for the removal of aggregate material. The tax imposed on importers and operators is 21.5 cents per cubic yard or 15 cents per ton. Collection of the aggregate tax is the responsibility of the County Auditor in each County that

imposes the tax on its aggregate operations. The County Auditor is required to develop the tax reports, correspond with aggregate operators or importers, and collect the tax. The County Auditor has the authority to examine all business records related to an importer's or operator's collection, transportation, and disposal of aggregate. Dakota County collects the tax, and, after retention of a 5% administrative fee, distributes the balance of the tax according to the legally required formula (42.5% -- County Road and Bridge Fund, 42.5% -- General Fund of the City or Township in which the mine is located, 15% -- Special Reserve Fund for restoration of abandoned pits, quarries, or deposits. If there are no abandoned pits, quarries, or deposits this portion of the tax shall be used for any other unmet reclamation, conservation or other environmental needs).

PROCEDURES

Procedures will be maintained by Public Services & Revenue Administration.

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Board Resolution or Manager Signature: /s/ Matt Smith 10/15/2020