



# MARSHALL

344 West Main | Marshall, MN

www.ci.marshall.mn.us  
507-537-6760

March 1, 2025

Dear Property Owner or Tenant,

Per Minnesota Statutes, cities that impose a local sales tax must annually inform city residents and businesses about their duty to pay local use tax when applicable.

A 0.5% percent sales and use tax administered by the Minnesota Department of Revenue. Local use tax applies when purchasing items or services for business or personal use in the local area. Residents and businesses are required to remit the local use tax to the State of Minnesota regardless of where or how the item was purchased. For example, if purchasing a taxable item for your business or home from an out-of-state seller who does not charge or collect local sales tax, use tax would still be remitted to the State of Minnesota. The sales and use tax does not apply to sales of motor vehicles registered for road use.

A 1.5% sales tax on gross receipts of food and beverages sold and administered by the Minnesota Department of Revenue. The tax is primarily for consumption on the premises by restaurants and places of refreshment in the City of Marshall. The food and beverage sales tax applies to the sales made within the city limits of Marshall.

Additional information on calculating and paying the City of Marshall 0.5% sales and use tax or the 1.5% food and beverage tax can be found on the Minnesota Department of Revenue's website at [www.revenue.state.mn.us/local-sales-tax-notice](http://www.revenue.state.mn.us/local-sales-tax-notice) or by calling 651-296-6181 or toll free 1-800-657-3777.

A lodging tax of 4.5% on the rent charged by an operator for providing lodging within the City of Marshall limits to any person. This tax is administered by the City of Marshall. Please contact the City Clerk at 507-537-6775 for lodging tax related questions.

These taxes are used to pay the costs of the existing facilities of the Minnesota Emergency Response and Industry Training (MERIT) Center and the costs of the facilities of the Southwest Minnesota Regional Amateur Sports Center. A portion of the lodging tax is used to market and promote the city as a tourist and convention center.

After all related debt service costs for the MERIT Center and Southwest Minnesota Regional Amateur Sports Center have been paid in full, the sales and use tax will be used to pay the costs of financing the construction of an aquatic center as approved by voter referendum in November 2023.