



**It's Better  
in Becker**

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Administration

February 21, 2025



Community  
Center

Representative Greg Davids, Chair  
House Taxes Committee  
St. Paul, MN 55155



Community  
Development

RE: Support for HF 1277 – Sales tax exemption for data center developments



Finance

Dear Chair Davids and Committee members,



Parks and  
Recreation

The city of Becker supports the passage of HF1277 to extend the sales tax exemption to data center projects. Becker is home to the Sherco Power plant, where the generating units are being retired between 2023 and 2030. The loss of this tax base represents approximately 65% of the city's total tax base. Transition aid was approved during the 2023 legislative session and will provide declining aid for that loss revenue over a 20-year period. The city, however, would prefer that we develop and attract business to replace that lost tax revenue, and this bill is critical to attracting data centers to Minnesota, and Becker in particular.



Pebble Creek  
Golf Club



Police  
Department

The city is engaged with two companies interested in constructing data centers in Becker. These potential projects represent significant capital investment, and the city supports the incentive of a sales tax exemption for these projects. If these proposed projects are constructed, they will result in an ongoing stream of new taxes and revenue being paid, such as corporate state taxes, income taxes, sales taxes paid on ancillary construction, and local property taxes.



Public Works

This bill will put Minnesota on par with incentives offered by competing states, and the city supports passage of HF 1277.

Regards,

Greg Lerud

Becker City Administrator