

nor more than three years or by a fine of not less than \$25 nor more than \$1,000 or by both such fine and imprisonment; and no person so convicted shall be permitted to take or hold office to which he was elected, if any, or receive the emoluments thereof.

ARTICLE XIII REPEALS AND CONSTRUCTION

Section 1. Minnesota Statutes 1957, Chapters 200 to 212, and section 367.03, are hereby repealed, except that sections 201.25, 201.26, 201.27, 201.28, 201.29, 202.011 and 205.04 are not repealed.

Sec. 2. Laws 1957, Chapter 197, is hereby repealed.

Sec. 3. The provisions of this act shall be considered to be reenactments of existing laws, and in construing this act the sections thereof shall be deemed to be continuations of and subject to the same interpretations as existing laws wherever they are the same.

Sec. 4. This act takes effect on January 1, 1960.

Approved April 24, 1959.

CHAPTER 676—H. F. No. 1424

An act relating to the distribution of taxes upon the gross earnings of taconite railroad companies; amending Minnesota Statutes 1957, Sections 294.28 and 294.26.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1957, Section 294.28, is amended to read:

294.28 **Deductions from permissible levies.** The amount distributed to any city, village or school district under the provisions hereof shall be included in computing the permissible levies of such city, village or school district under Minnesota Statutes, Sections 275.11 or 275.12, *provided, in computing the deduction from permissible levies of cities or villages by reason hereof effect shall be given to the cost of living adjustment allowed by section 275.11, subdivision 2, regardless of whether or not more than 50 percent of the assessed valuation consists of iron ore. On or before October 10 of each calendar year each taconite railroad company shall file with the commissioner of taxation, county auditor of each*

county in which it operates, and with the chief clerical officer of each school district, city or village which is entitled to participate in the distribution of the tax, an estimate of the amount of tax which would be payable in the next ensuing calendar year on the gross earnings of such taconite railroad company in excess of any credit allowable as hereinafter provided. Such estimate shall list the taxing districts entitled to participate in the distribution of such tax and the amount of the estimated tax which would be distributable to each such district in said next ensuing calendar year on the basis of the last percentage distribution certified by the commissioner of taxation; if there be no such prior certification, the company shall set forth its estimate of the proper distribution of such tax under the law, which estimate may be corrected by the commissioner if he deems it improper, notice of such correction being given by him to the company, and the public officers receiving such estimate. The officers with whom such report is so filed shall use the amounts indicated as being distributable to each taxing district in computing, pursuant to Minnesota Statutes, Sections 275.11 or 275.12, the permissible tax levies of such city, village or school district in the year in which such estimate is made and payable in the next ensuing calendar year. Such taconite railroad company shall then pay at the times payments are required to be made under section 294.25, as the amount of tax payable under section 294.22 the greater of (a) the amounts shown by such estimate or (b) the amount due on its gross earnings as finally determined. If the amount payable under clause (a) is greater than the amount which would be payable under clause (b) the payment of the excess shall be made at the time of making the semi-annual payment covering the earnings for the six months ending on June 30 of said year. If, as a result of the making of an estimate and the payment of the amount of such estimate as hereinabove provided, the taconite railroad company has paid in any calendar year an amount of tax in excess of the amount due in such year under section 294.22, less credit for any excess payments in previous years, all as determined by the commissioner of taxation, the taxpayer shall be given credit for such excess amount against any taxes which may become due on gross earnings from said taconite railroad in subsequent periods. In any calendar year in which a general property tax levy subject to sections 275.11 or 275.12 has been made, if the taxes distributable to any such city, village or school district are greater than the amount estimated to be paid to any such city, village or school district in such year, the excess of such distribution shall be held in a special fund by the city, village or school district and shall not be expended

until the succeeding year, and shall be included in computing the permissible levies under sections 275.11 or 275.12 of such city, village or school district payable in such year. If the amounts distributable to any such city, village or school district, after final determination by the commissioner of taxation under section 294.26, are less than the amounts indicated by such estimates, such city, village or school district may issue certificates of indebtedness in the amount of the shortage, and may include in its next tax levy, in excess of the limitations of sections 275.11 or 275.12 an amount sufficient to pay such certificates of indebtedness and interest thereon, or, if no certificates were issued, an amount equal to such shortage.

Sec. 2. Minnesota Statutes 1957, Section 294.26, is amended to read:

294.26 Division of proceeds of tax. The proceeds of the taxes collected under sections 294.21 to 294.28 shall be distributed by the state treasurer, upon certificate of the commissioner of taxation, to the general fund of the state and to the various taxing districts in which such railway operations are conducted, in the following proportions: 22 percent thereof to the city, village or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If such railroad operation, or different steps therein, are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities, villages or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the terminal facilities at each end of the railway line of a taconite railroad company, and the remaining 20 percent thereof to the railway trackage connecting such terminals, and with respect to each such portion giving due consideration to the relative extent of such portion of the operation performed in each such taxing district. *If any part of such facilities are located outside the limits of any organized city, village or town, 70 percent of the portion of the tax which would be distributed to any such governmental unit, if it existed and the facilities were located therein, shall be added to the portion distributed to the school district, and 30 percent thereof shall be added to the portion distributed to the county in which such facilities are located; also, if the amount otherwise distributable to any city, village or town hereunder would exceed \$75 per capita of the population thereof, the amount of such excess shall be added to the por-*

tions distributed to the school district and county in which such facilities are located in the proportions above set forth. The commissioner's order making such apportionment shall be subject to review by the board of tax appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount so distributed shall be divided among the various funds of the taxing district in the same proportion as the general ad valorem property tax thereof.

Approved April 24, 1959.

CHAPTER 677—H. F. No. 1426

An act relating to taxes upon taconite and iron sulphides and the production thereof; amending Minnesota Statutes 1957, Section 298.28.

Be it enacted by the Legislature of the State of Minnesota:

Section 1. Minnesota Statutes 1957, Section 298.28, is amended to read:

298.28 Division of proceeds. The proceeds of the tax collected under section 298.24 shall be distributed by the state treasurer, upon certificate of the commissioner of taxation to the general fund of the state and to the various taxing districts in which the lands from which the taconite was mined or quarried were located in the following proportions: 22 percent thereof to the city, village or town; 50 percent thereof to the school district; 22 percent thereof to the county; six percent thereof to the state. If the mining and concentration, or different steps in either thereof are carried on in more than one taxing district, the commissioner shall apportion equitably the proceeds of the part of the tax going to cities, villages or towns among such subdivisions, and the part going to school districts among such districts, and the part going to counties among such counties, upon the basis of attributing 40 percent of the proceeds of the tax to the operation of mining or quarrying the taconite, and the remainder to the concentrating plant and to the processes of concentration, and with respect to each thereof giving due consideration to the relative extent of such operations performed in each such taxing district. His order making such apportionment shall be subject to review by the board of tax appeals at the instance of any of the interested taxing districts, in the same manner as other orders of the commissioner. The amount