

CHAPTER 294

GENERAL PROVISIONS RELATING TO GROSS EARNINGS TAXES

294.01 COMPANIES TO REPORT GROSS EARNINGS.

HISTORY. 1909 c. 504 s. 1; 1913 c. 487 s. 1; G.S. 1913 s. 2214; G.S. 1923 s. 2233; 1927 c. 308; M.S. 1927 s. 2233.

Process of finding true and full value. *State v Penn. Mutual*, 198 M 126, 269 NW 37.

The Burlington formula, for computing credit balances from the interchange of freight cars between railroads operating within the state, is approved, and there is no constitutional objection to its use. *State v Illinois Central*, 205 M 1, 284 NW 360.

Election requirement. *Godward v Minneapolis*, 190 M 54, 250 NW 719.

The lien of gross earnings taxes is entirely statutory. The commissioner of taxation inspects the reports and certifies the basic facts to the state auditor, who in turn makes draft upon the railroad. The law does not have a retroactive effect. *State v Chicago, Milwaukee & St. Paul*, 210 M 484, 299 NW 212.

294.02 DUTIES OF COMMISSIONER OF TAXATION.

HISTORY. 1909 c. 504 s. 2; 1913 c. 487 s. 2; G.S. 1913 s. 2215; G.S. 1923 s. 2234; M.S. 1927 s. 2234.

Duties of commissioner of taxation and state auditor. *State v Chi. Milw. & St. P. Ry. Co.* 210 M 484, 299 NW 212.

294.03 FAILURE TO PAY TAX.

HISTORY. 1873 c. 104 s. 4; G.S. 1878 c. 11 s. 135; G.S. 1894 s. 1674; 1897 c. 309 s. 6; 1899 c. 317; 1901 c. 124; R.L. 1905 ss. 1009, 1020; 1913 c. 487 s. 3; G.S. 1913 s. 2216; G.S. 1923 s. 2235; M.S. 1927 s. 2235.

The state is authorized to collect the penalty and interest from the time payment of tax should have been made. *State v Chi. & R. I. Ry. Co.* 181 M 615, 233 NW 866.

Where a railroad has for a long period of time kept accounts and made reports on forms prescribed by the public examiner and approved by the commissioner of taxation, and has paid the tax on credit balances, it is not subject to penalties prescribed in this section computed on some newly discovered formula. *State v Ill. Central*, 205 M 1, 284 NW 360.

Where there has been a transfer through receivership of the ownership of a railroad whose returns were omitted, the properties acquired by the successor road are not subject to a lien, the law not being retroactive. *State v C. M. & St. P. Ry.* 210 M 484, 299 NW 212.

294.04 CERTIFICATION OF TAX, WHEN NOT NECESSARY.

HISTORY. 1919 c. 502; G.S. 1923 s. 2236; M.S. 1927 s. 2236.

294.05 FAILURE TO MAKE REPORT.

HISTORY. 1873 c. 104 s. 6; 1874 c. 4 s. 1; G.S. 1878 c. 11 s. 137; G.S. 1894 s. 1676; R.L. 1905 s. 1007; 1909 c. 504 s. 4; 1913 c. 487 s. 4; G.S. 1913 s. 2217; G.S. 1923 s. 2237; M.S. 1927 s. 2237.

See annotations under section 294.03.

MINNESOTA STATUTES 1945 ANNOTATIONS

1821

GROSS EARNINGS TAXES, GENERAL PROVISIONS 294.12

294.06 DELINQUENT TAX, A LIEN.

HISTORY. 1913 c. 487 s. 5; G.S. 1913 s. 2218; G.S. 1923 s. 2238; M.S. 1927 s. 2238; 1943 c. 120 s. 1.

294.07 UNIFORM SYSTEM OF ACCOUNTING.

HISTORY. 1909 c. 504 s. 4; 1913 c. 487 s. 6; G.S. 1913 s. 2219; G.S. 1923 s. 2239; M.S. 1927 s. 2239.

Because the obligation to pay gross earnings is imposed by statute, and an account stated has the effect of creating a new cause of action independently of its original subject matter, the taxpayer cannot have the benefit of discharge as on an account stated because of the payment of a sum, erroneously computed. State v Ill. Central, 200 M 583, 275 NW 854.

294.08 EVASIONS; VIOLATIONS.

HISTORY. 1873 c. 104 s. 6; 1874 c. 4 s. 1; G.S. 1878 c. 11 s. 135; G.S. 1894 s. 1674; 1897 c. 309 s. 6; 1899 c. 317; 1901 c. 317; R.L. 1905 ss. 1009, 1020; 1909 c. 504 s. 5; 1913 c. 487 s. 7; G.S. 1913 s. 2220; G.S. 1923 s. 2240; M.S. 1927 s. 2240.

Failure to report earnings and default in payment renders the company liable for penalties and interest. State v Chi. & R. I. 181 M 615, 233 NW 866.

A tender of part of the tax relieves the company from liability as to that part. State v Ill. Central, 205 M 1, 284 NW 360.

Omitted earnings were regarded by the legislature as independent from the original return. Note reference in section 294.08 to section 294.05. State v C. M. & St. P. Ry. 210 M 488, 299 NW 212.

294.09 RECORDS RELATING TO TAXES AND PENALTIES, WHO TO KEEP.

HISTORY. 1913 c. 487 s. 8; G.S. 1913 s. 2221; G.S. 1923 s. 2241; M.S. 1927 s. 2241.

294.10 RECORDS AND FILES KEPT FOR SIX YEARS BY COMPANIES.

HISTORY. 1909 c. 258 s. 1; G.S. 1913 s. 2223; G.S. 1923 s. 2243; M.S. 1927 s. 2243.

294.11 DESTRUCTION OF CERTAIN PAPERS.

HISTORY. 1909 c. 258 s. 2; G.S. 1913 s. 2224; G.S. 1923 s. 2244; M.S. 1927 s. 2244.

294.12 VIOLATION, A GROSS MISDEMEANOR.

HISTORY. 1909 c. 258 s. 3; G.S. 1913 s. 2225; G.S. 1923 s. 2245; M.S. 1927 s. 2245.