

nation and for the issuance of original and renewal credentialing certificates. All fees received shall be deposited with the state treasurer to be credited to the general fund.

Sec. 7. There is hereby appropriated to the board from the general fund in the state treasury the sum of \$30,000 each year of the biennium ending June 30, 1975, for the administration of this act.

Approved May 24, 1973.

CHAPTER 710—S.F.No.1824

An act relating to motor carriers; permit carriers; providing that permits may be assigned or transferred under certain conditions; amending Minnesota Statutes 1971, Section 221.151, Subdivision 1; and repealing Minnesota Statutes 1971, Section 221.151, Subdivision 2.

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

Section 1. Minnesota Statutes 1971, Section 221.151, Subdivision 1, is amended to read:

221.151 MOTOR VEHICLE CARRIERS; PERMITS ASSIGNABLE OR TRANSFERABLE. Subdivision 1. Permits, ~~except livestock permits,~~ issued under the provisions of sections 221.011 to 221.291 may be assigned or transferred but only upon the order of the department approving same after notice and hearing.

The proposed seller and buyer or lessor and lessee of a permit, ~~except for livestock carrier permits,~~ shall file a joint petition with the department setting forth the name and address of the parties, the identifying number of the permit and the description of the authority which the parties seek to sell or lease, a short statement of the reasons for the proposed sale or lease, a statement of all outstanding claims of creditors which are directly attributable to the operation to be conducted under said permit, a copy of the contract of sale or lease and financial statement with balance sheet and income statement, if existent, of the buyer or lessee. If it appears to the department, after notice to interested parties and a hearing, from the contents of the petition, from the evidence produced at the hearing, and the department's records and files that the approval of the sale or lease of the permit will not adversely affect the rights of the users of the service and will not

Changes or additions indicated by underline, deletions by ~~strikeout~~.

have an adverse effect upon any other competing carriers, the department may make an order granting same. Provided, however, that the department shall make no order granting the sale or lease of a permit to any person or corporation or association which holds any ~~other permit or~~ certificate from the department pursuant to chapter 221 or to any common carrier by rail.

The department shall allow a bona fide transfer of a permit, ex parte without hearing, where the transferee of said permit is a member or members of the transferor's immediate family. Immediate family shall consist only of the spouse, children, and brothers and sisters of the transferor. Transfer of a permit to the immediate family includes transfer to a corporation, the stock of which is wholly owned by the transferor or the members of his immediate family and transfer to a partnership or partner consisting solely of the immediate family.

Provided further that the department shall make no order approving the sale or lease of a permit if the department finds that the price paid for such sale or lease of a permit is disproportionate to the reasonable value of said permit considering all assets and good will involved. The department shall approve the sale or lease of a permit only after a finding that the transferee is fit and able to conduct the operations authorized under said permit and that the vehicles he proposes to use in conducting such operations meet the safety standards of the department. In determining the extent of the operating authority to be conducted by the transferee under the sale or lease of the permit, the past operations of the transferor within the ~~two~~ five year period immediately preceding the transfer shall be considered and only such operating authority shall be granted to the transferee as was actually exercised by the transferor under his authority within the two year period immediately preceding the transfer as evidenced by bills of lading, company records, operation records or other relevant evidence.

If any authority to operate as a permit carrier, ~~except as a livestock carrier,~~ is held by a corporation, any sale, assignment, pledge or other transfer of such stock interest in the corporation which will accomplish a substantial or material change or transfer of the majority ownership of said corporation, as exercised through its stockholders, shall be reported in the manner prescribed in accordance with the rules and regulations of the department within 90 days after said sale, assignment, pledge or other transfer of stock. The department shall then make a finding whether or not said stock transfer does, in fact, constitute a sale, lease or other transfer of the permit of said corporation to a new party or parties and, if they so find, then the continuance of the permit issued to said corporation shall only be upon the corporation's complying with the standards and procedures otherwise imposed by this section.

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Sec. 2. Minnesota Statutes 1971, Section 221.151, Subdivision 2, is repealed.

Approved May 24, 1973.

CHAPTER 711—S.F.No.1961

An act relating to taxes on and measured by net income; definition of gross income; amending Minnesota Statutes 1971, Sections 290.01, Subdivision 20; and 290.09, Subdivision 24.

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

Section 1. Minnesota Statutes 1971, Section 290.01, Subdivision 20, is amended to read:

Subd. 20. **TAXATION; INCOME TAX; GROSS INCOME.** Except as otherwise provided in this chapter, the term "gross income," as applied to corporations includes every kind of compensation for labor or personal services of every kind from any private or public employment, office, position or services; income derived from the ownership or use of property; gains or profits derived from every kind of disposition of, or every kind of dealing in, property; income derived from the transaction of any trade or business; and income derived from any source.

For each of the taxable years beginning after December 31, 1960 and ending prior to January 1, 1971, the term "gross income" in its application to individuals, estates, and trusts, shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through December 31, 1970 for the applicable taxable year, with the modifications specified in this section.

For each of the taxable years beginning after December 31, 1970, the term "gross income" in its application to individuals, estates, and trusts shall mean the adjusted gross income as computed for federal income tax purposes as defined in the Internal Revenue Code of 1954, as amended through the date specified herein for the applicable taxable year, with the modifications specified in this section.

(i) The Internal Revenue Code of 1954, as amended through December 31, 1970, shall be in effect for taxable years beginning after December 31, 1970 and prior to January 1, 1973.

Changes or additions indicated by underline, deletions by ~~strikeout~~.