

Section 1. **Tax on iron ore royalties.**—That Section 2392-1, Mason's Minnesota Statutes of 1927, be and the same is hereby amended so as to read as follows:

"2392-1. There shall be levied and collected upon all royalty received during the year ending December 31, 1923, and upon all royalty received during each calendar year thereafter, for permission to explore, mine, take out and remove ore from land in this state, a tax of *ten per cent for the year 1937 and eight per cent thereafter.*"

Section 2. **Effective date.**—*The increased rate provided hereby shall be applicable to all royalties accruing subsequent to December 31, 1936.*

Approved July 23, 1937.

CHAPTER 85—H. F. No. 75

An act to amend Sections 2373 and 2374, Mason's Minnesota Statutes of 1927, relating to an occupation tax on mining or producing iron ore or other ores.

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

Section 1. **Rate of occupation tax on iron ore mining.**—That Section 2373, Mason's Minnesota Statutes of 1927, be and the same hereby is amended so as to read as follows:

"2373. Every person engaged in the business of mining or producing iron ore or other ores in this state shall pay to the State of Minnesota an occupation tax equal to *ten per cent for the year 1937 and eight per cent thereafter* of the valuation of all ores mined or produced, which said tax shall be in addition to all other taxes provided for by law, said tax to be due and payable from such person on May 1 of the year next succeeding the calendar year covered by the report thereupon to be filed as hereinafter provided."

Section 2. **Valuation of ores.**—That Section 2374, Mason's Minnesota Statutes of 1927, be and the same hereby is amended so as to read as follows:

"2374. The valuation of iron or other ores for the purposes of determining the amount of tax to be paid under the provisions of Section 1 of this act shall be ascertained by subtracting from the value of such ore at the place where the same is brought to the surface of the earth, such value to be determined by the Minnesota Tax Commission:

1. The reasonable cost of supplies used and labor performed at the mine in separating the ore from the ore body, including hoisting, elevating, or conveying the same to the surface of the earth.

2. If the ore is taken from an open pit mine, an amount for each ton of ore mined or produced during the year equal to the cost of removing the overburden, divided by the number of tons of ore uncovered, the number of tons of ore uncovered in each case to be determined by the Minnesota Tax Commission.

3. If the ore is taken from an underground mine, an amount for each ton of ore mined or produced during the year equal to the cost of sinking and constructing shafts and running drifts, divided by the number of tons of ore that can be advantageously taken out through such shafts and drifts, the number of tons of ore that can be advantageously taken out in each such case to be determined by the Minnesota Tax Commission.

4. The amount of royalties paid on the ore mined or produced during the year.

5. A percentage of the ad valorem taxes levied for said year against the realty in which the ore is deposited equal to the percentage that the tons mined or produced during such year bears to the total tonnage in the mine.

6. The amount or amounts of all the foregoing subtractions shall be ascertained and determined by the Minnesota Tax Commission.

Section 3. Effective date.—All ores mined or produced subsequent to December 31, 1936, shall be subject to the provisions of this act."

Approved July 23, 1937.

CHAPTER 86—H. F. No. 9

An act to amend Mason's Minnesota Statutes of 1927, Section 1993, Class 3b and Class 3c, as amended by Laws 1933, Chapter 359, relating to classifications of property including homesteads.

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

Section 1. Classifications of property including homesteads.—That Mason's Minnesota Statutes of 1927, Section 1993, Class 3b and Class 3c, as amended by Laws 1933, Chapter 359, be amended so as to read as follows :