

CHAPTER 397—H. F. No. 1450

An act to amend Laws 1933, Chapter 405, Section 57, as amended by Laws 1935, Chapter 252, as amended by Laws 1937, Chapter 122, by adding a new sub-section to Section 57 relating to the distribution of income taxes.

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

Section 1. Law amended.—Laws 1933, Chapter 405, Section 57, as amended by Laws 1935, Chapter 252, as amended by Laws 1937, Chapter 122, is hereby amended to read as follows:

Section 2394-57. **Distribution of income taxes.**—The revenues derived from the taxes, interest and penalties under this Act shall be paid into the state treasury; and, less the sums required during any year for the expenses of collecting such tax and for refunds of taxes erroneously collected from taxpayers, shall be paid into a special fund in the State Treasury to be known as "Income Tax School Fund" and the same shall be distributed to all the school districts in the State of Minnesota, including municipalities which operate their own schools, on the basis of population therein of compulsory school age. Such distribution shall be made by the State Board of Education semi-annually in the same manner as now provided by law as nearly as practicable governing the distribution of state funds by said state board of education, except that each such school district shall be entitled to receive its proportion of said Fund without being subject to any conditions: Provided, however, that the amounts distributed to each school district shall be used only for the purpose of

(1) Payment or providing for the payment of any bonded or other indebtedness of such district outstanding January 1, 1933.

(2) Providing for the payment of any bonded or other indebtedness thereafter incurred until such debts are fully paid or payment thereof provided for.

(3) Any such revenue not required to pay or provide for the payment of any such indebtedness shall be used to cover and pay current operating expenses and to reduce and replace levies on real and personal property.

(4) Provided that in the case of any city of the first class maintaining its own schools, or of any district or districts covering the territory of any such city, the amount distributed to it may be used for current maintenance and operating expenses during the years, 1936, 1937 and 1938 only to the extent required to make the total annual maintenance and operating cost per pupil enrolled during any year not in excess of \$100.00.

(5) *Any income tax payable to an unorganized territory having children living within the boundaries of any disorganized school district which has been consolidated with the unorganized territory, may be used by the County Board of Education, upon an unanimous vote of its members, to pay any bonded or floating indebtedness existing at the time of consolidation with the unorganized territory. The county auditor, upon request of the County Board of Education, shall apply such income tax to such indebtedness of the dissolved district each and every year thereafter, according to the number of pupils reported by the County Superintendent of Schools until such debts have been fully paid. Floating indebtedness shall be paid by the County Board of Education as the situation may seem warranted and when funds are available.*

For the purpose of this section the bonded or other indebtedness to the payment of, or provision for, which the sums distributed must or may be applied shall, in the case of municipalities operating their own school system, be limited to such indebtedness incurred for school purposes.

Section 2. This act shall take effect and be in force from and after its passage.

Approved April 24, 1937.

CHAPTER 398—H. F. No. 1428

An act authorizing and directing the department of conservation to acquire power spraying equipment for the purpose of combatting forest insects; providing for the cooperation of the Minnesota state entomologist; providing for certain charges to be made to private land owners for spraying and providing further for an appropriation therefor.

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

Section 1. **Department of conservation may purchase spraying equipment.**—The department of conservation is authorized and directed to purchase the necessary power spraying equipment for combatting injurious forest insects on state forests, whenever the director of the division of forestry deems it necessary in the interest of good forest management and forest protection of forests to spray the trees for controlling or killing injurious insects. Such spraying may be done in cooperation with the Minnesota State Entomologist.