

Section 5. Act to apply to all taxes subsequent to 1936.—The increased rates of tax effected by this Act shall apply to all gross earnings derived after December 31st, 1936, and the amendment by Section 4 of Mason's Minnesota Statutes for 1927, Section 2290, with respect to the distribution of the taxes therein referred to, shall be effective with respect to such taxes levied for all years subsequent to the year 1936.

Section 6. This act shall take effect and be in force from and after its passage.

Approved June 21, 1937.

CHAPTER 4—H. F. No. 3

An act to impose a gross earnings tax upon telegraph companies, and repealing certain inconsistent acts.

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

Section 1. **Seven per cent gross earnings tax on telegraph companies.**—Every telegraph company, as defined in Mason's Minnesota Statutes for 1927, Section 2282, shall pay into the state treasury on or before March 1st of each year, beginning with March 1st, 1938, seven per cent of its gross earnings derived from business within the state during the preceding calendar year, which shall be in lieu of all ad valorem taxes upon the property of such company within the state for the year during which such gross earnings accrued.

Section 2. **Laws repealed.**—Mason's Minnesota Statutes for 1927, Sections 2283, 2284 and 2285, are hereby repealed.

Section 3. **Tax commission to enforce act.**—The Minnesota Tax Commission shall enforce this Act and shall have the power to make all necessary regulations and to require all necessary information therefor.

Approved June 21, 1937.

CHAPTER 5—H. F. No. 5

An act to impose a tax on the shares of stock in investment companies.

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

Section 1. Shares of stock of investment companies to be taxed.—That the shares of stock of every investment company organized under the laws of this state coming within the purview of Section 7771 of Mason's Minnesota Statutes for 1927, shall be assessed and taxed in the taxing district where such investment company has its principal place of business, whether the stockholders of such investment company reside in such place or not and shall be assessed in the name of and be paid by such investment company. The treasurer or other officer of such investment company shall list all shares of the company for assessment in the same manner as personal property is listed. To aid the assessor in determining the value of such shares of stock, the accounting officer of every such investment company shall furnish to the assessor on or before July 15, 1937, and on or before June 1 of each year thereafter a sworn statement showing as of the immediately preceding May 1, the amount and number of the shares of its capital stock, the amount of its surplus and undivided profits, and the amount of its real property and tangible personal property located in this state upon which a tax in this state has been paid during the preceding annual period and the amount of any indebtedness upon which taxes have been properly and fully paid under the provisions of Sections 2322 to 2330 inclusive, Mason's Minnesota Statutes for 1927. The assessor shall deduct the amount of such real property and tangible personal property located in this state and the amount of any indebtedness upon which taxes have been properly and fully paid under Sections 2322 to 2330 inclusive, Mason's Minnesota Statutes for 1927, from the aggregate amount of such capital, surplus and undivided profits and the remainder shall be taken as the basis for the valuation of such shares in the hands of the stockholders and shall be assessed at $33\frac{1}{3}\%$ of the full and true value thereof; and such tax shall be in lieu of all other taxes on such investment companies for the year in which such shares are assessed and taxed except income tax and shall be in lieu of all other taxes on such shares and taxes on the property of such investment companies except upon real property, tangible personal property, motor vehicles, mortgage registry taxes and taxes on franchises measured by income.

Approved June 21, 1937.

CHAPTER 6—S. F. No. 16

An act to amend Mason's Minnesota Statutes of 1927, Sections 4368 and 4369, as amended by Chapter 121, Laws 1937, relating to preference of soldiers, marines, etc., in public appointments.

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