

*eral counties, cities or towns thereof, who is an honorably discharged soldier, sailor or marine, having served as such in the army and navy of the United States in the late Civil and Spanish and Philippine Insurrection wars and the China relief expedition, and the late World War wherein the United States of America and the allied nations of England, France, etc., were engaged in war against the Imperial German Government and its allies, shall be removed from such position or employment except for incompetency or misconduct shown after a hearing, upon due notice, upon stated charges, and with the right of such employe or appointee to review by writ of certiorari. The burden of proving incompetency or misconduct shall rest upon the party alleging the same. Nothing in this act shall be construed to apply to the position of private secretary or deputy of any official or department, or to any person holding a strictly confidential relation to the appointing officer."*

Approved June 24, 1937.

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#### CHAPTER 7—H. F. No. 141

*An act to amend Section 2286, Mason's Minnesota Statutes of 1927, relating to telephone taxes.*

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

Section 1. **Law amended.**—That Section 2286, Mason's Minnesota Statutes of 1927 be, and the same hereby is, amended to read as follows:

"Section 2286. **Six per cent gross earnings tax on telephone companies.**—Every telephone company shall pay into the state treasury on or before March 1st in each year *six* per cent of its gross earnings derived from business within the state, which shall be in lieu of all other taxes whatever upon such company and its capital stock. All moneys paid by a company for connecting fees or switching charges to any other company shall be reported as earnings by the company to which they are paid, but shall not be deemed earnings of the collecting and paying company."

Approved June 25, 1937.

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#### CHAPTER 8—H. F. No. 26

*An act to amend Extra Session Laws of 1933-1934, Chapter 58, Section 4, relating to the sale and taxation of liquor.*

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

Section 1. **Law amended.**—That Extra Session Laws of 1933-34, Chapter 58, Section 4, be and the same hereby is amended to read as follows:

"Section 4. **Rate of tax on intoxicating liquors.**—(a) There shall be levied and collected on all intoxicating liquors, sold in this state, the following excise tax:

- (1) On all unfortified wines the sum of 10¢ per gallon.
- (2) On all fortified wines from 14% to 21% of alcohol by *volume*, the sum of 30¢ per gallon.
- (3) On all fortified wines from 21% to 24% of alcohol by *volume*, the sum of 60¢ per gallon.
- (4) On all fortified wines containing more than 24% of alcohol by *volume*, the sum of \$1.00 per gallon.
- (5) On all natural sparkling wines containing alcohol, the sum of \$1.00 per gallon.
- (6) On all artificial sparkling wines containing alcohol, the sum of 40¢ per gallon.
- (7) On all other *distilled, spirituous* liquors, liqueurs and cordials, the sum of *one dollar* per gallon, but not including Ethyl alcohol.

Provided that in computing the tax on any package of spirits a proportionate tax at a like rate on all fractional parts of a gallon shall be paid, except that all fractional parts of a gallon less than 1/16 shall be taxed at the same rate as shall be taxed for 1/16 of a gallon.

(b) An excise tax is hereby assessed, imposed and levied upon the sale, either directly or indirectly, of fermented malt beverages other than for shipment in interstate or foreign commerce. Such tax shall be levied and shall be collected at the rate of one dollar per barrel of thirty-one gallons, containing not more than 3.2 per cent of alcohol by weight, and a tax of \$2.00 per barrel of thirty-one gallons containing more than 3.2 per cent of alcohol by weight, and at a proportionate rate for fractional parts thereof. All the receipts from said taxes shall be paid into the general revenue fund by the Liquor Control Commissioner."

Section 2. **Effective 30 days after passage of act.**—*The rates of tax provided in this act shall be effective thirty days after the passage of this act. After the effective date of this act the possession of any distilled spirituous, intoxicating liquors for retail sale purposes not labeled and taxed in conformity with this act is declared a misdemeanor, and the possession of each container of such liquors shall be a separate offense.*

Approved June 30, 1937.