

"8992-81. Decree of descent.—Upon the filing of such petition, the court shall fix the time and place for the hearing thereof, notice of which shall be given pursuant to Article XIX, Section 188. Upon proof of the petition and of the will if there be one, or upon proof of the petition and of an authenticated copy of a will duly proved and allowed outside of this state in accordance with the laws in force in the place where proved if there be one, the court shall allow the same and enter its decree assigning the real estate to the persons entitled thereto pursuant to the will or such authenticated copy if there be one, otherwise pursuant to the law of intestate succession in force at the time of the decedent's death. No decree shall be entered until after the determination and payment of inheritance taxes.

Approved April 25,-1941.

CHAPTER 445—S. F. No. 1015

An act relating to the distribution of the revenues derived from income taxes; amending Mason's Supplement 1940, Section 2394-57.

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

Section 1. Law amended.—Mason's Supplement 1940, Section 2394-57, is hereby amended to read as follows:

"2394-57. Distribution of taxes — funds. — The revenues derived from the taxes, interest and penalties under *Mason's Supplement 1940, Sections 2394-1 to 2394-61, inclusive*, shall be paid into the state treasury; and be credited to a special fund to be known as "Income Tax School Fund," and be distributed as follows:

(a) There shall be paid from said Income Tax School Fund all refunds of taxes erroneously collected from taxpayers under *Mason's Supplement 1940, Sections 2394-1 to 2394-61, inclusive*, as provided herein.

(b) There shall be transferred each year from said fund to the General Revenue Fund the amount expended from the latter fund for expenses of administering *Mason's Supplement 1940, Sections 2394-1 to 2394-61, inclusive*.

(c) Out of the balance in said Income Tax School Fund after meeting the requirements of subsections (a) and (b),

there shall be distributed to each school district of the state, including municipalities operating their own school, an amount equal to \$10.00 per child between the ages of six years and sixteen years, both years inclusive, residing in such district, provided that a child in his sixteenth year shall be included only if in actual attendance in school. The school census taken during the fiscal year shall be used as the basis for computing the amount due each school district. Except as otherwise provided by any law heretofore or hereafter passed with respect to particular school districts, the money so distributed shall be used for the following purposes only:

(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 pay current operating expenses and to reduce and replace levies on real and personal property.

(4) Where the county auditor is required by any law to levy a tax to pay any interest or principal of any bonded indebtedness of a school district, such district may on or before October 1 of any year pay any of such money available therefor to the county treasurer to pay any interest or principal maturing or becoming due during the next ensuing year, in which case the auditor shall reduce the amount of the levy so required to be made by him by the amount so paid to the treasurer.

(d) If any money remains in said Income Tax School Fund after making the distributions specified in subsection (a), (b) and (c), such balance, not in excess, however, of the amount appropriated for such purpose, shall be used to pay special school aid provided by law, and the amount so used shall be deducted from the appropriation therefor.

(e) The *money* available for distribution under subsections (c) and (d), shall be distributed by the *state board of education* semi-annually, in the same manner, as nearly as practicable, as now provided by law governing the distribution of state funds by said board, except that each school district shall be entitled to receive the money distributable under subsection (c) without being subject to any conditions.

(f) All *money* collected up to and including December 31, 1937, irrespective of the year for which such taxes were assessed and from which have been deducted the sums required for the payment of all costs of administration incurred and paid prior to said December 31, 1937, and for the payment of all refunds granted prior to said December 31, 1937, and not heretofore distributed, shall be distributed on the basis of school population within such district of compulsory school age and shall be based on the 1936 school census; this distribution shall be additional to the amounts provided in subsection (c) hereof and used only for the purposes therein stated.

(g) All *money* collected on and after Jan. 1, 1938, irrespective of the year for which such taxes were assessed shall be distributed as provided in subsection (c) hereof; *provided, that in common school districts which have no debt and where no school is conducted but where educational facilities are provided by contract with another public school, the income tax accruing to said common school district may, by a majority vote of the governing board of such common school district, be assigned to the public school providing the educational facilities for the pupils of such common school district, for the purpose of aiding in the liquidation of bonded indebtedness incurred in construction of school buildings in the district affording such educational facilities under contract with such common school district. The assignment of such income tax shall not be construed as compensation for providing educational facilities for the students of such common school district but in addition thereto, and only for the purpose herein designated.*"

Approved April 25, 1941.

CHAPTER 446—S. F. No. 1095

An act empowering the supervisors in towns in the state of Minnesota having a population of more than 3,000, exclusive of incorporated villages or cities therein, and an assessed valuation of taxable property, exclusive of money and credits, of more than \$10,000,000, to lease, sell or otherwise dispose of the telephone systems of such towns upon such terms and conditions as the town board of such towns may agree upon, and legalizing and validating all expenditures made and contracts heretofore entered into for such purposes.

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