

rate and in such an amount in excess of existing limitations as will produce sufficient revenue to defray county expenses payable out of the revenue fund, but the total levy for such purpose shall in no case exceed ten mills on the dollar of the taxable property of such county, exclusive of moneys and credits.

Approved February 21, 1945.

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CHAPTER 18—H. F. No. 43

*An act increasing the debt limit of school districts containing properties made up to the extent of at least 25 per cent in value which is exempt from local taxation because taxes are paid thereon into the state treasury under provisions of the gross earnings tax.*

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

**Section 1. Limitation on net indebtedness of certain school districts.** Whenever the properties of any School District in this state, is made up to the extent of at least 25 per cent in value of property which is exempt from local taxation, because taxes thereon are paid into the State Treasury, under the provisions of the Gross Earnings Tax Law, then such district shall have authority to incur and be subject to a net indebtedness of not more than 30 per cent of its assessed value, as such assessed value is determined under existing laws.

**Sec. 2. Purposes for which debt incurred.** No School District as herein defined, shall have authority to incur or be subject to a net debt as herein defined, except for the purposes of purchase of land for school purposes and erecting or enlarging necessary school buildings to properly provide for the educational facilities of the district.

**Sec. 3. Issuance of obligations.** All obligations issued under the terms of this Act, shall be issued pursuant to the existing laws now in force.

Approved February 21, 1945.