

hereinbefore provided. The proceeds of the taxes imposed by this section shall be deposited in the state treasury to the credit of the veterans compensation fund. *There shall be paid from this veterans compensation fund all refunds of such taxes erroneously collected from taxpayers under this chapter as provided herein.*

Sec. 4. Minnesota Statutes 1949, Section 290.361, Subdivision 6, is amended to read:

290.361 Subd. 6. The rate of taxation fixed by subdivision 2 as the rate to be applied in computing the privilege and income taxes imposed by this chapter upon national and state banks is increased five per cent of such rate. This subdivision shall apply to all taxable years which begin after December 31, 1948, and prior to January 1, 1959. The increase in the rate of taxation of the privilege and income taxes imposed by this subdivision shall hereafter be known as the surtax upon national and state banks. The proceeds of the surtax imposed by this subdivision are pledged to the payment of the bonds authorized by Laws 1949, Chapter 642, and the surtax shall not be reduced below four-tenths of one per cent before the expiration of this subdivision as hereinbefore provided. The proceeds of the surtax imposed by this subdivision shall be deposited in the state treasury to the credit of the veterans compensation fund. *There shall be paid from this veterans compensation fund all refunds of such surtaxes erroneously collected from taxpayers under this chapter as provided herein.*

Sec. 5. **Application.** The provisions of this chapter are applicable to all taxable years beginning after December 31, 1948.

Approved April 20, 1951.

CHAPTER 606—H. F. No. 596

An act relating to taxes on or measured by net income; amending Minnesota Statutes 1949, Section 290.53, Subdivision 1.

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

Section 1. Minnesota Statutes 1949, Section 290.53, Subdivision 1, is amended to read:

290.53 Penalties, interest. Subdivision 1. If any tax imposed by this act, or any portion thereof, is not paid within the time herein specified for the payment thereof, or within 30 days after final determination of an appeal to the board of tax appeals relating thereto, there shall be added thereto a specific penalty equal to five per cent of the amount so remaining unpaid. Such penalty shall be collected as part of said tax, and the amount of said tax not timely paid, together with said penalty shall bear interest at the rate of four per cent per annum from the time such tax should have been paid until paid. Interest accruing upon the tax due as disclosed by the return or upon the amount determined as a deficiency from the date prescribed for the payment of the tax (if the tax is payable in instalments, from the date the instalment or instalments become due and payable under the provisions of section 290.45, subdivision 1) shall be added to the tax and be collected as a part thereof. Where an extension of time for payment has been granted under section 290.45, subdivision 2, interest shall be paid at the rate of four per cent per annum from the date when such payment should have been made if no extension had been granted, until such tax is paid. If payment is not made at the expiration of the extended period the penalties provided in this section shall apply.

Sec. 2. Application. The provisions of this chapter are applicable to all taxable years beginning after December 31, 1950.

Approved April 20, 1951.

CHAPTER 607—H. F. No. 611

An act relating to taxes on and measured by net income; amending Minnesota Statutes 1949, Sections 290.42, 290.45, Subdivision 1.

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